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 **Elife Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s), or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser(s) or the transferee(s).

易生活控股有限公司
Elife Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 223)

(1) PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES;
(2) PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT UNDER THE SHARE OPTION SCHEME;
(3) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL;
(4) PROPOSED SHARE PREMIUM REDUCTION; AND
(5) NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

Gram Capital Limited
嘉林資本有限公司

A letter from the Board is set out on pages 4 to 20 of this circular and a letter from the Independent Board Committee containing its recommendation to the Independent Shareholders relating to the proposed grant of the Refreshed Issue Mandate is set out on page 21 of this circular. A letter from Gram Capital containing its recommendation to the Independent Board Committee and the Independent Shareholders relating to the proposed grant of the Refreshed Issue Mandate is set out on pages 22 to 32 of this circular.

A notice convening the EGM to be held at Room 2502, 25/F., 9 Queen's Road Central, Central, Hong Kong, on Wednesday, 15 March 2017 at 11 a.m. or any adjournment thereof is set out on pages 33 to 35 of this circular.

A form of proxy for use at the EGM is enclosed with this circular and is also published on the websites of the Stock Exchange and the Company. Whether or not you are able to attend the EGM, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as practicable to the Company's share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong and in any event no later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof should you so wish.

* *For identification purposes only*

21 February 2017

CONTENTS

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

"2015 Share Placement"	the placement of 138,568,000 existing Shares at HK$0.220 per Share under the tri-party agreement dated 18 June 2015 among Sino Rich Energy Holdings Limited, Jetgo Group Limited and Prominence Financials Limited;
"2016 Share Placement"	the placement of 151,052,000 existing Shares at HK$0.131 per Share (as subsequently adjusted to HK$0.225 per Share each) under the tri-party agreement dated 28 June 2016 among the Company, Sino Wealth Securities Limited and the trustees of Mr. Hung Chen, Richael (as amended and supplemented by a supplemental agreement thereto dated 18 October 2016 between the Company and Sino Wealth Securities Limited);
"AGM"	the annual general meeting of the Company held on 15 September 2016;
"Articles of Association"	the articles of association of the Company;
"Board"	the board of Directors;
"Company"	Elife Holdings Limited (previously known as Sino Resources Group Limited), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange;
"Current Issue Mandate"	the general mandate approved and granted to the Directors at the AGM to allot, issue and deal with Shares up to a maximum of 20% of the total number of issued Shares as at the date of the AGM;
"Director(s)"	the director(s) of the Company;
"EGM"	the extraordinary general meeting of the Company to be convened and held at Room 2502, 25/F., 9 Queen's Road Central, Central, Hong Kong on Wednesday, 15 March 2017 at 11 a.m. or where the context so admits, any adjournment thereof;
"Group"	the Company and its subsidiaries;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong;

"Huimin"	中商惠民(北京)電子商務有限公司(Zhongshang Huimin (Beijing) E-Commerce Co. Ltd.*), a company established and existing under the laws of the PRC;
"Independent Board Committee"	the independent board committee of the Board comprising all independent non-executive Directors, established for the purpose of advising the Independent Shareholders as to the proposed grant of the Refreshed Issue Mandate;
"Independent Financial Adviser" or "Gram Capital"	Gram Capital Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders as to the proposed grant of the Refreshed Issue Mandate;
"Independent Shareholders"	Shareholders other than any controlling Shareholders and their associates or, where there are no controlling Shareholders, any Directors (excluding independent non-executive Directors) and the chief executive of the Company who hold Shares as at the date of the EGM and their respective associates;
"Latest Practicable Date"	17 February 2017, 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;
"PRC"	the People's Republic of China;
"Refreshed Issue Mandate"	a general and unconditional mandate proposed to be granted to the Directors at the EGM to allot, issue and otherwise deal with additional Shares up to a maximum of 20% of the total number of issued Shares as at the date of passing the relevant resolution;
"Scheme Mandate Limit"	has the meaning as defined in the paragraph headed "Letter from the Board – Proposed Refreshment of the Scheme Mandate Limit under the Share Option Scheme" in this circular;
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
"Share(s)"	ordinary share(s) with a nominal value of HK$0.01 each in the share capital of the Company;

"Share Option Scheme"	the share option scheme adopted by the resolution of the Shareholders passed on 8 October 2010;
"Share Options"	share option(s) to subscribe for Shares granted or to be granted pursuant to the Share Option Scheme;
"Shareholder(s)"	the holder(s) of the Shares(s);
"Stock Exchange"	The Stock Exchange of Hong Kong Limited; and
"%"	per cent.

易生活控股有限公司
Elife Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 223)

Executive Directors:
Mr. Zhang Xiaobin *(Chairman)*
Mr. Gao Feng *(Vice Chairman)*
Mr. Chiu Sui Keung *(Chief Executive Officer)*

Non-executive Directors:
Mr. Zhang Yichun *(Vice Chairman)*
Mr. Shao Zili
Mr. Xie Zhichun
Ms. Xu Ying

Independent non-executive Directors:
Mr. Cheng Wing Keung, Raymond
Mr. Lam Williamson
Mr. Wong Hoi Kuen
Dr. Lam Lee G

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Principal place of business in Hong Kong:
Room 2502, 25/F.
9 Queen's Road Central, Central
Hong Kong

21 February 2017

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES; (2) PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT UNDER THE SHARE OPTION SCHEME; (3) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL; AND (4) PROPOSED SHARE PREMIUM REDUCTION

INTRODUCTION

The purpose of this circular is to provide you with (i) information in respect of the resolutions to be proposed at the EGM regarding the proposed grant of the Refreshed Issue Mandate, the proposed refreshment of the Scheme Mandate Limit under the Share Option Scheme, the proposed increase in the authorised share capital of the Company and the proposed reduction of the amount standing to the credit of the share premium account of the Company; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in respect of the proposed grant of the Refreshed Issue Mandate; (iii) the advice from Gram Capital to the Independent Board Committee and the Independent Shareholders in respect of the proposed grant of the Refreshed Issue Mandate; and (iv) notice of the EGM.

* *For identification purposes only*

PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES

The Current Issue Mandate

Pursuant to an ordinary resolution passed by the Shareholders at the AGM, the Directors were granted the Current Issue Mandate to allot and issue up to 804,826,080 Shares, representing 20% of the total number of issued Shares as at the date of the AGM. There had not been any refreshment of the Current Issue Mandate since the AGM date up to the Latest Practicable Date.

Fund raising activities under the Current Issue Mandate

Save for the fund raising activities mentioned below, the Company has not carried out other fund raising activities under the Current Issue Mandate since the AGM date up to the Latest Practicable Date.

Date of announcement	Event	Net proceeds (approximately)	Intended use of proceeds	Actual/planned use of proceeds as at the Latest Practicable Date
18 November 2016 and 20 December 2016	Subscription of 255,760,000 Shares at HK$0.229 per Share by two individual investors	HK$58,500,000	As at the start-up capital for the strategic cooperation with Huimin, for financing any potential investment or acquisition shall such opportunity arises in the future and/or general working capital purposes	Not yet utilised. Planned use is the same as the intended use
20 October 2016 and 18 November 2016	Subscription of 549,066,000 Shares at HK$0.225 per Share by an individual investor	HK$123,500,000	As the start-up capital for the strategic cooperation with Huimin, for financing any potential acquisition shall such opportunity arises in the future and/or general working capital purposes	Not yet utilised. Planned use is the same as the intended use

Extent of Current Issue Mandate utilised

Subsequent to the completion of the share subscriptions under the two subscription agreements dated 18 November 2016 on 20 December 2016 and as at the Latest Practicable Date, only 80 Shares are issuable under the Current Issue Mandate. Such number represents a negligible percentage of the total number of 4,892,138,400 Shares in issue as at the Latest Practicable Date.

Reasons for and benefits of the proposed grant of the Refreshed Issue Mandate

The Company is a company incorporated under the laws of the Cayman Islands with limited liability and the issued Shares of which are listed on the Stock Exchange. The Company is an investment holding company and the Group is principally engaged in trading businesses across Asia and investment in unconventional gas business in the PRC.

As explained in the sub-paragraph headed "Extent of Current Issue Mandate utilised" above, the Current Issue Mandate has been utilised as to an aggregate of 804,826,000 Shares, representing 99.99% of the total number of Shares which may be allotted and issued under the Current Issue Mandate.

In recent years, the Company has been actively seeking attractive investment and acquisition opportunities and expanding its businesses. As disclosed in the latest annual report of the Company, the Group intends to further expand its business into consumer products market. On 20 September 2016, the Company entered into the letter of intent with Huimin for establishing a long-term strategic cooperation relationship in the areas of procurement and sourcing of overseas products for Huimin and equity investment. It is expected that the joint venture to be set up by the Company and Huimin will act as Huimin's exclusive overseas procurement agent. On 22 November 2016, the Company and an independent third party entered into a subscription agreement for the formation of a 72%/28% joint venture, National Gain Holdings Limited ("**National Gain**") by way of subscription of new shares by both parties, in which the Group agreed to initially invest HK$100 million in developing the daily consumer goods and related value-added services businesses. On 9 February 2017, the Company announced that the said independent third party decided not to proceed with the subscription of 28% of the issued share capital of National Gain as contemplated under the subscription agreement. The Company intends to maintain its 100% shareholding in National Gain and continue pursuing the investment of up to approximately HK$100 million as start-up capital in National Gain for the purpose of the strategic cooperation with Huimin. On 22 November 2016, Hui Min International (HK) Limited ("**Hui Min International**"), a 100% owned subsidiary of National Gain, entered into a strategic cooperation agreement with Huimin. The said strategic cooperation agreement is for a term of 10 years during which Hui Min International is the exclusive overseas procurement agent of Huimin for the procurement and sourcing of overseas products for Huimin. Currently, Huimin negotiates with and purchases products directly from the suppliers. Under the strategic cooperation agreement, Huimin agreed to authorise Hui Min International to negotiate with the overseas or domestic suppliers on behalf of Huimin with the name of the exclusive overseas procurement agent of Huimin. Leveraging Huimin's established network of around 450,000 community supermarkets and convenience stores, Hui Min International shall procure that the overseas products will be supplied to Huimin on reasonable terms. The price of the overseas products to be supplied by Hui Min International to Huimin shall be agreed by the parties upon negotiation with fair and reasonable terms. On the other hand, Huimin agreed to purchase products from Hui Min International with credit terms not more than 30 days and provide corporate guarantee and other assistance and support to Hui Min International and its subsidiaries for the purpose of facilitating the procurement business of Hui Min International. The parties also agreed to further negotiate the feasibility of equity investment and equity structure requisite for business cooperation. Entering into the strategic cooperation agreement with Huimin marked an important milestone in the said cooperation itself and the Group's stepping into the daily consumer products market. Both parties are still finalising the details of the cooperation and will continue exploring any suitable business opportunities that may arise from time to time.

The Directors believe that the Group shall possess the requisite experience and expertise to conduct the business under the cooperation by (i) leveraging on the existing trading business platform; and (ii) as announced on 22 November 2016, the assignment of three personnel who are familiar with overseas procurement to Hui Min International by Huimin. The Group has been conducting cross-border trading business, the skills and expertise involved in connection therewith (in particular, the documentation, procedures and negotiations with the suppliers and customers on the trading terms) shall be applicable to the trading of consumer products.

With the basis of around 450,000 community supermarkets and convenience stores and relying on the internet to integrate the community physical stores resources, Huimin provides online-to-offline (O2O) community services platform covering the whole nation for the distribution and supply chain logistics among the suppliers, the convenience stores and the consumers in the PRC. Its website, www.huimin.cn (惠民網), is the largest community O2O network service platform in the PRC. It provides community residents with more convenient, more secured and smarter one-stop living services. Unlike traditional e-commerce, www.huimin.cn (惠民網) provides a one-stop supply chain community O2O service platform by incorporating direct origin procurement, brand products direct sales, suppliers to supermarkets goods supply, online shopping mall, data storage and retrieval. Given that Huimin is believed to be one of the largest community O2O network service platforms in the PRC and targets to achieve sales turnover of RMB1 billion in 2016, the Board anticipates that consumer products trading business will be the new key performance driver for the Group once the cooperation between the Group and Huimin is fully established, which is expected to have high and concurrent capital requirement. As disclosed in the announcement of the Company dated 20 November 2016, the continuous shrinkage of the existing businesses of the Group resulted in a substantial decrease in the Group's revenue for the six months ended 30 September 2016. The Board therefore considers that the development into the daily consumer goods market is vital to the continued success of the Group. In light of the growth potentials in the daily consumer goods and related value-added services market and other associated businesses, the Board will use its best endeavours to capturing such opportunities and conducting business in the global arena with a focus on the PRC market. In particular, the Group intends to expand into the international trading platform (國際貿易平台), which is to be developed based upon the strategic cooperation with Huimin. National Gain and its subsidiaries are formed as a platform for the strategic cooperation with Huimin, which is in line with the Group's overall development strategies. National Gain, as a joint venture to participate in the strategic cooperation with Huimin, is expected to develop a synergy in the daily consumer goods business with Huimin, which will be a win-win outcome for both the Group and Huimin.

As at the Latest Practicable Date, the cash and cash equivalents balance of the Group amounted to approximately HK$191 million, within which HK$182 million are the net proceeds from the share subscriptions completed on 18 November 2016 and 20 December 2016 respectively and the remaining HK$9 million represented mainly the net proceeds from the 2015 Share Placement and the second tranche of the 2016 Share Placement completed on 1 November 2016.

Based on the current cost structure, it is estimated that approximately HK$44 million out of the total cash balance will be used to cover the Group's general working capital needs for the next 12 months, without taking into account any additional working capital that may be required shall there be any further business expansion or developments in light of the Company's refined strategic focus in the daily consumer products market segment. The said estimated working capital needs of the Group for the next 12 months of approximately HK$44 million comprises staff costs (directors' remuneration, pension funds, salaries and allowances) of approximately HK$22 million, consultancy and advisory fees of approximately HK$9.6 million, rent and rates of approximately HK$3.2 million and other operating expenses of approximately HK$9.2 million. In addition, it is currently expected that the unconventional gas business of the Group shall require around RMB25 million (equivalent to approximately HK$28 million) capital expenditure in relation to coalbed methane (CBM) stimulation work in Jixi (雞西) of Heilongjiang Province, the PRC (the "**Jixi Development**") as part of its business development plan. The Group currently intends to cooperate with an independent third party for the coalbed methane stimulation and natural gas supply project in Jixi and expects to invest approximately RMB25 million within 2017 in the said project for the design and formulation of coalbed methane wells, purchasing exploration technology and equipment, carrying out research, exploration, stimulation and construction works and daily operating expenses.

It is currently estimated that the start-up capital required for the prospective cooperation with Huimin amounts to approximately HK$100 million as mentioned in the Company's announcement dated 22 November 2016. Hui Min International and Huimin are in the course of finalising the details of the cooperative plan. Having considered the historical performances and the growth prospects of Huimin, it is currently expected that the cooperation with Huimin will require start-up working capital of approximately HK$100 million. Out of the HK$100 million start-up working capital, approximately RMB45 million (equivalent to approximately HK$50.6 million) will be used for partial settlement of the registered capital of two PRC companies under Hui Min International within 2017, approximately US$1.2 million (equivalent to approximately HK$9.4 million) will be used within 2017 as general working capital for the new office set up in the United States for the purpose of overseas sourcing, and the rest of approximately HK$40 million will be allocated to satisfy the actual working capital requirements from time to time. The said HK$40 million working capital will be reserved mainly for purchase of goods from prospective suppliers, while the terms with the suppliers are still subject to finalisation, the said amount will serve as a buffer to allow more flexibility in cash management in the procurement process.

Having taken into account the general working capital needs, the capital expenditure associated with the unconventional gas business as well as the estimated start-up capital for the cooperation with Huimin, the Company currently expects that there remains only approximately HK$19 million (without taking into account any cash inflow) available to the Group to satisfy additional working capital needs for business development and/or to finance any future acquisitions or investments.

Based on the preliminary negotiation with prospective suppliers, since the overseas procurement business is at a start-up stage without proven track records, the suppliers require full payment on purchase and no credit term is offered at the initial stage of the business. Furthermore, it would be difficult for the overseas procurement business to obtain loans and credit facilities from banks at its early stage of business development. Hence, the prompt fulfilment of the relatively extensive cash requirements at the start-up stage is critical to the continuous success of the overseas procurement business. Should the Group fail to meet the demanding cash requirements at any point of time during the early stage, the business operation of the overseas procurement business would be adversely affected.

In view of the above, the Board considers it prudent to reserve more cash and maximise the Group's cash management capabilities in order to safeguard a smooth procurement process and healthy cash flow, which are essential to the sustainable growth of the overseas sourcing business. In this regard, the immediate refreshment of the Current Issue Mandate is particularly important at this early, but critical, stage of the new business line, on the grounds that (i) it is the most efficient financing method available to the overseas procurement business to overcome the challenges presently faced by it relating to the satisfaction of the extensive cash requirement as detailed above; and (ii) it also greatly enhances the Group's overall cash management capabilities and flexibility to mitigate cash flow risks associated with the new trading operation.

The Company's next annual general meeting will be held in September 2017, that is 7 months later, which will extensively limit the Company's flexibility in pursuing its business development within the period. Hence, a refreshment of the Current Issue Mandate is considered necessary.

The Company also considered other financing methods such as rights issue, open offer and debt financing to meet the future financial requirements of the Group. However, rights issue and open offer may involve substantial time and cost to complete as compared to equity financing through issuance of new Shares under general mandate which would allow the Company to raise capital within specified number of Shares promptly and when necessary. Rights issue and open offer will incur high underwriting commission and involve extra administrative work and cost for the trading arrangements. Although rights issue and open offer would be offered to the Shareholders on a pro rata entitlement basis, those qualifying Shareholders who choose not to take up their assured entitlements in full would have dilution to their shareholding interests in the Company. The Company may also consider seeking Shareholders' approval for specific mandate to issue new Shares if appropriate in the circumstances. However, specific mandate requires relatively long term to allot and issue new Shares as compared with utilising the general mandate and as such, it does not provide the Company with the flexibility to grasp the prospective investment opportunity in a timely manner.

Given that equity financing (i) does not incur any interest expenses on the Group as compared with bank financing; (ii) is less costly and time-consuming than raising funds by way of rights issue or open offer; and (iii) provides the Company with the capability to capture any capital raising and/or prospective investment opportunity as and when it arises, the Board proposes that the Refreshed Issue Mandate shall be granted to the Directors to allot, issue and deal with new Shares not exceeding 20% of the total number of issued Shares as at the date of the EGM.

As at the Latest Practicable Date, save for the strategic cooperation agreement entered into between Hui Min International and Huimin on 22 November 2016 and the negotiations thereunder as well as the Jixi Development, the Company has not identified any business development and/or investment opportunities. Except for the anticipated funding need for the consumer products trading business as discussed above, the Company does not have any fund raising plan.

In summary, taking into consideration that (i) the Current Issue Mandate has been utilised as to 99.99%; (ii) only approximately HK$19 million (without taking into account any cash inflow) will be available to the Group to satisfy additional working capital needs for business development and/or to finance any future acquisitions or investments; (iii) the next annual general meeting of the Company will not be held until 7 months later; (iv) issuance of new Shares under the general mandate is less costly and time-consuming than other financing methods and provides the Company with the capability to capture any capital raising and/or prospective investment opportunity as and when it arises, the Directors (including the independent non-executive Directors who have taken into consideration the advice of Gram Capital) consider that the proposed refreshment of the Current Issue Mandate is in the interests of the Company and the Shareholders as a whole.

Potential dilution to shareholdings of the Shareholders

The following table sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately upon full utilisation of the Refreshed Issue Mandate assuming no other Shares are issued or repurchased by the Company before full utilisation of the Refreshed Issue Mandate; and (iii) immediately upon full utilisation of the Refreshed Issue Mandate and upon exercise of the 619,662,000 outstanding Share Options (the "**Outstanding Share Options**") assuming the number of issued Shares remains unchanged between the Latest Practicable Date and the date of the EGM:

	As at the Latest Practicable Date		Immediately upon full utilisation of the Refreshed Issue Mandate (assuming no other Shares are issued or repurchased by the Company before full utilisation of the Refreshed Issue Mandate)		Immediately upon full utilisation of the Refreshed Issue Mandate and upon exercise of the Outstanding Share Options in full	
	Number of Shares	*Approximate percentage (%)*	*Number of Shares*	*Approximate percentage (%)*	*Number of Shares*	*Approximate percentage (%)*
Substantial Shareholder						
Ms. Liu Qiuhua	717,634,000	14.66	717,634,000	12.22	717,634,000	11.06
Directors/Ex-directors						
Mr. Zhang Xiaobin	36,000,000	0.74	36,000,000	0.61	81,000,000	1.25
Mr. Gao Feng	178,000,000	3.64	178,000,000	3.03	246,622,000	3.80
Mr. Chiu Sui Keung	7,622,000	0.16	7,622,000	0.13	68,622,000	1.06
Ms. Geng Ying	–	–	–	–	23,622,000	0.36
Mr. Zhang Yichun	–	–	–	–	45,000,000	0.69
Mr. Shao Zili	–	–	–	–	60,000,000	0.92
Mr. Li Du	20,000,000	0.41	20,000,000	0.34	56,000,000	0.86
Mr. Xie Zhichun	–	–	–	–	45,000,000	0.69
Ms. Xu Ying	–	–	–	–	45,000,000	0.69
Mr. Cheng Wing Keung, Raymond	2,362,000	0.05	2,362,000	0.04	4,362,000	0.07
Mr. Lam Williamson	2,362,000	0.05	2,362,000	0.04	4,362,000	0.07
Mr. Wong Hoi Kuen	2,362,000	0.05	2,362,000	0.04	4,362,000	0.07
Dr. Lam Lee G	–	–	–	–	4,362,000	0.07
Holders of the Outstanding Share Options (excluding Directors)	–	–	–	–	180,056,000	2.77
New Shares to be allotted and issued under the Refreshed Issue Mandate	–	–	978,427,680	16.67	978,427,680	15.08
Other public Shareholders	3,925,796,400	80.24	3,925,796,400	66.88	3,925,796,400	60.49
Total	4,892,138,400	100.00	5,870,566,080	100.00	6,490,228,080	100.00

Assuming that (i) the grant of the Refreshed Issue Mandate is approved at the EGM; and (ii) no Shares are repurchased and no new Shares are issued from the Latest Practicable Date up to the date of the EGM (both dates inclusive), 978,427,680 Shares, which represent approximately 16.67% of the issued share capital of the Company as enlarged by the issue of such Shares, or approximately 15.08% of the issued share capital of the Company as enlarged by the issue of the Shares pursuant to the Refreshed Issue Mandate and full exercise of the Outstanding Share Options, are to be allotted and issued upon full utilisation of the Refreshed Issue Mandate. The aggregate shareholding of the existing public Shareholders will be diluted from approximately 80.24% to approximately 66.88% upon full utilisation of the Refreshed Issue Mandate or approximately 60.49% upon full utilisation of the Refreshed Issue Mandate and full exercise of the Outstanding Share Options.

General

Based on the total number of 4,892,138,400 issued Shares as at the Latest Practicable Date and assuming that there is no change in the issued share capital of the Company prior to the date of the EGM, the Refreshed Issue Mandate, if granted, will allow the Directors to allot and issue up to 978,427,680 Shares. The Company would exercise due and careful consideration when choosing the best financing method available to the Group.

The Refreshed Issue Mandate, if granted, will expire at the at the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the end of the period within which the Company is required by the Articles of Association or any applicable laws to hold its next annual general meeting; and (c) when revoked or varied by an ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

The Independent Board Committee, comprising Mr. Cheng Wing Keung, Raymond, Mr. Lam Williamson, Mr. Wong Hoi Kuen and Dr. Lam Lee G, all being independent non-executive Directors, has been formed to consider the proposed grant of the Refreshed Issue Mandate. Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the proposed grant of the Refreshed Issue Mandate.

Implications under the Listing Rules

Pursuant to Rule 13.36(4) of the Listing Rules, refreshment of the Current Issue Mandate before the next annual general meeting of the Company will be subject to Independent Shareholders' approval at the EGM, where any controlling Shareholder(s) and their associates or, where there are no controlling Shareholders, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates are required to abstain from voting in favour of the relevant resolution.

As at the Latest Practicable Date, to the best knowledge, belief and information of the Directors, (i) the Company had no controlling Shareholder; and (ii) save for Mr. Zhang Xiaobin's interest in 36,000,000 Shares, Mr. Gao Feng's interest in 178,000,000 Shares, Mr. Chiu Sui Keung's interest in 7,622,000 Shares, Mr. Cheng Wing Keung, Raymond's interest in 2,362,000 Shares, Mr. Lam Williamson's interest in 2,362,000 Shares and Mr. Wong Hoi Kuen's interest in 2,362,000 Shares (more details of which are set out in the shareholding table in the sub-paragraph headed "Possible dilution to shareholdings of the Shareholders" above), none of the Directors and chief executive of the Company and their respective associates held any Share.

Save for Mr. Zhang Xiaobin, Mr. Gao Feng and Mr. Chiu Sui Keung and their respective associates, no other Shareholder will be required to abstain from voting on the ordinary resolution approving the proposed grant of the Refreshed Issue Mandate to be proposed at the EGM. If any Share is held by any other Director(s) (excluding independent non-executive Directors) on the date of the EGM, such Director together with his or her respective associates are required to abstain from voting in favour of the ordinary resolution to approve the grant of the Refreshed Issue Mandate at the EGM.

FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

Save as disclosed below, the Company has not conducted any fund raising activities in the past twelve months immediately prior to the Latest Practicable Date:

Date of announcement	Description of fund raising activity	Net proceeds raised	Intended use of the net proceeds	Actual/planned use of the net proceeds as at the Latest Practicable Date
18 November 2016 and 20 December 2016	Subscription of 255,760,000 Shares at HK$0.229 per Share by two individual investors	HK$58,500,000	As at the start-up capital for the strategic cooperation with Huimin, for financing any potential investment or acquisition shall such opportunity arises in the future and/or general working capital purposes	Not yet utilised. Planned use is the same as the intended use
20 October 2016 and 18 November 2016	Subscription of 549,066,000 Shares at HK$0.225 per Share by an individual investor	HK$123,500,000	As the start-up capital for the strategic cooperation with Huimin, for financing any potential acquisition shall such opportunity arises in the future and/or general working capital purposes	Not yet utilised. Planned use is the same as the intended use

Date of announcement	Description of fund raising activity	Net proceeds raised	Intended use of the net proceeds	Actual/planned use of the net proceeds as at the Latest Practicable Date
1 November 2016	Completion of the second tranche of the 2016 Share Placement	HK$6,650,000	For general working capital purposes and/or financing future acquisitions when investment opportunities arise	Not yet utilised/ Intended to be used as general working capital and/or for financing future acquisitions or investments
1 November 2016	Completion of the 2015 Share Placement	HK$30,150,000	For general working capital purposes and/or financing future acquisitions when investment opportunities arise	For general working capital purpose of HK$27.8 million; and the remaining HK$2.35 million has not been utilised
26 August 2016	Completion of the first tranche of the 2016 Share Placement	HK$15,600,000	For general working capital purposes and/or financing any potential investment	For general working capital purpose of HK$15.6 million
6 and 16 May 2016	Subscription for new Shares under general mandate	HK$9,825,000	For general working capital purposes and/or financing any potential investment	For general working capital purpose of HK$9.8 million
18 and 25 January 2016	Subscription for new Shares under general mandate	HK$5,054,000	For general working capital purposes and/or financing any potential investment	For general working capital purpose of HK$5 million

PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT UNDER THE SHARE OPTION SCHEME

The Company adopted the Share Option Scheme on 8 October 2010. The purpose of the Share Option Scheme is to enable the Company to grant share options to the Eligible Participants as incentive or rewards for their contributions to the Group.

Under the rules of the Share Option Scheme:

(1) Subject to sub-paragraphs (2) and (3) below, the maximum number of Shares which may be allotted and issued upon exercise of all outstanding share options granted under the Share Option Scheme and any other share option scheme(s) of the Company may represent up to 10% of the Shares in issue on the date of approval of the Share Option Scheme by the Shareholders at the EGM (the "**Scheme Mandate Limit**"). The Shares underlying any share options granted under the Share Option Scheme or any other share option schemes of the Company which have lapsed are excluded for the purpose of the Scheme Mandate Limit.

(2) The Scheme Mandate Limit may be refreshed at any time by obtaining approval of the Shareholders in general meeting provided that the refreshed Scheme Mandate Limit must not exceed 10% of the Shares in issue as at the date of the Shareholders' approval thereof. Share options previously granted under the Share Option Scheme or any other share option schemes of the Company (including those outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) will not be counted for the purpose of calculating the total number of Shares subject to the refreshed Scheme Mandate Limit.

(3) The total number of Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the Shares in issue from time to time.

Under the existing Scheme Mandate Limit as refreshed at the AGM, the Directors were authorised to grant share options to subscribe for up to 402,413,040 Shares, representing 10% of the total number of issued Shares as at the date of the AGM. Up to the Latest Practicable Date, share options carrying the rights to subscribe for a total of 402,410,000 Shares, representing (i) approximately 9.99% of the total number of Shares in issue as at the date of the AGM; and (ii) approximately 8.27% of the total number of Shares in issue as at the Latest Practicable Date, have been granted under the Share Option Scheme.

Since the date of the AGM and up to the Latest Practicable Date, 402,410,000 share options have been granted to the Directors, employees and other eligible participants, 63,182,000 share options have been exercised and no share option has lapsed or has been cancelled. There were only 3,040 share options, representing 0.01% of the existing Scheme Mandate Limit and a negligible percentage of the number of issued Shares as at the Latest Practicable Date, available to be granted if the Scheme Mandate Limit is not refreshed.

As at the Latest Practicable Date, the Company has 619,662,000 outstanding share options under the Share Option Scheme, representing approximately 12.67% of the total number of Shares in issue as at the Latest Practicable Date, which will remain valid after the approval of the refreshment of the Scheme Mandate Limit at the EGM.

Details of the outstanding share options under the Share Option Scheme as at the Latest Practicable Date were as follows:

Category of Participants	Date of grant	Exercise period	Exercise price per Share	Number of outstanding share options
Directors/ex-directors				
Mr. Zhang Xiaobin	16/12/2016	16/12/2016 to 15/12/2021	HK$0.285	45,000,000
Mr. Gao Feng	29/11/2012	29/11/2012 to 28/11/2017	HK$0.105	7,622,000
	22/09/2015	22/09/2015 to 21/09/2020	HK$0.17	16,000,000
	16/12/2016	16/12/2016 to 15/12/2021	HK$0.285	45,000,000
Mr. Chiu Sui Keung	22/09/2015	22/09/2015 to 21/09/2020	HK$0.17	16,000,000
	16/12/2016	16/12/2016 to 15/12/2021	HK$0.285	45,000,000
Ms. Geng Ying	29/11/2012	29/11/2012 to 28/11/2017	HK$0.105	7,622,000
	22/09/2015	22/09/2015 to 21/09/2020	HK$0.17	16,000,000
Mr. Zhang Yichun	20/10/2016	20/10/2016 to 19/10/2021	HK$0.3	30,000,000
	16/12/2016	16/12/2016 to 15/12/2021	HK$0.285	15,000,000
Mr. Shao Zili	22/09/2015	22/09/2015 to 21/09/2020	HK$0.17	36,000,000
	16/12/2016	16/12/2016 to 15/12/2021	HK$0.285	24,000,000
Mr. Li Du	22/09/2015	22/09/2015 to 21/09/2020	HK$0.17	36,000,000
Mr. Xie Zhichun	16/12/2016	16/12/2016 to 15/12/2021	HK$0.285	45,000,000
Ms. Xu Ying	16/12/2016	16/12/2016 to 15/12/2021	HK$0.285	45,000,000
Mr. Cheng Wing Keung, Raymond	16/12/2016	16/12/2016 to 15/12/2021	HK$0.285	2,000,000

Category of Participants	Date of grant	Exercise period	Exercise price per Share	Number of outstanding share options
Directors/ex-directors				
Mr. Lam Williamson	16/12/2016	16/12/2016 to 15/12/2021	HK$0.285	2,000,000
Mr. Wong Hoi Kuen	16/12/2016	16/12/2016 to 15/12/2021	HK$0.285	2,000,000
Dr. Lam Lee G	20/10/2016	20/10/2016 to 19/10/2021	HK$0.3	2,362,000
	16/12/2016	16/12/2016 to 15/12/2021	HK$0.285	2,000,000
Employees of the Group	29/11/2012	29/11/2012 to 28/11/2017	HK$0.105	35,408,000
	22/09/2015	22/09/2015 to 21/09/2020	HK$0.17	45,000,000
	20/10/2016	20/10/2016 to 19/10/2021	HK$0.3	39,000,000
	16/12/2016	16/12/2016 to 15/12/2021	HK$0.285	34,048,000
Others	22/09/2015	22/09/2015 to 21/09/2020	HK$0.17	1,600,000
	20/10/2016	20/10/2016 to 19/10/2021	HK$0.3	25,000,000
			Total:	619,662,000

Following the AGM and up to the Latest Practicable Date, the Company allotted and issued a total of 868,008,000 Shares, comprising (i) 549,066,000 new Shares issued to Ms. Liu Qiuhua on 18 November 2016 pursuant to the subscription agreement dated 18 October 2016; (ii) 138,000,000 new Shares and 117,760,000 new Shares issued to Ms. Lin Xiaoling and Mr. Mo Qingquan on 20 December 2016 pursuant to the subscription agreements both dated 18 November 2016, respectively; and (iii) 63,182,000 new Shares issued to the Directors and employees of the Group pursuant to the share options granted under the Share Option Scheme. As a result, the number of issued Shares has increased from 4,024,130,400 Shares on the date of the AGM to 4,892,138,400 Shares as at the Latest Practicable Date. In order to provide the Company with more flexibility in providing incentives to those qualified persons for their contributions or potential contributions to the Group by way of granting further share options under the Share Option Scheme, the Board considers that it is in the interests of the Company and the Shareholders as a whole to refresh the Scheme Mandate Limit.

It is proposed that, subject to the approval of the Shareholders at the EGM and fulfillment of other applicable requirements under the Listing Rules, the Scheme Mandate Limit be refreshed to 10% of the Shares in issue at the date of the approval thereof by the Shareholders at the EGM. Share options previously granted under the Share Option Scheme or any other share option schemes of the Company (including those exercised, outstanding, cancelled or lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) will not be counted for the purpose of the calculation of the Scheme Mandate Limit as refreshed.

On the basis of 4,892,138,400 Shares in issue as at the Latest Practicable Date and assuming that no further allotment and issue of Shares and/or repurchase of Shares up to the date of the EGM, upon the approval of the refreshment of the Scheme Mandate Limit by the Shareholders at the EGM, the refreshed Scheme Mandate Limit will allow the Company to grant share options entitling holders thereof to subscribe for up to 489,213,840 Shares, being 10% of the Shares in issue as at the date of the EGM. On the same assumption, the Directors expect that the grant of share options in full under the refreshed Scheme Mandate Limit will not cause the Shares to be issued upon the full exercise of the then outstanding share options granted and available to be granted under the Share Option Scheme to be in excess of 30% of the Shares in issue from time to time. As at the Latest Practicable Date, the Company did not have any plan to grant share options immediately after the approval of the refreshment of the Scheme Mandate Limit at the EGM.

The refreshment of the Scheme Mandate Limit is conditional upon:

(a) the Shareholders passing an ordinary resolution to approve the refreshed Scheme Mandate Limit at the EGM; and

(b) the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any share options granted under the refreshed Scheme Mandate Limit.

Application will be made to the Stock Exchange for the listing of and permission to deal in 10% of the Shares in issue at the EGM, which may fall to be issued upon the exercise of any share options that may be granted under the refreshed Scheme Mandate Limit.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

The current authorised share capital of the Company is HK$60,000,000 divided into 6,000,000,000 Shares of HK$0.01 each, of which 4,892,138,400 Shares are in issue and 1,107,861,600 Shares are authorised but unissued as at the Latest Practicable Date.

In order to provide the Company with flexibility for fund raising by allotting and issuing new Shares in the future as and when appropriate, the Board proposes to increase the authorised share capital of the Company from HK$60,000,000 divided into 6,000,000,000 Shares to HK$300,000,000 divided into 30,000,000,000 Shares by the creation of an additional 24,000,000,000 Shares, which will rank *pari passu* in all respects with the existing Shares upon issuance.

The proposed increase in authorised share capital of the Company is subject to the passing of an ordinary resolution by the Shareholders at the EGM.

The Directors have no present intention of issuing any part of the proposed increased authorised share capital of the Company.

PROPOSED SHARE PREMIUM REDUCTION

The proposal

The Board intends to put forward to the Shareholders at the EGM a proposal to reduce the share premium account of the Company pursuant to the laws of the Cayman Islands and the Articles of Association. The amount standing to the credit of the share premium account of the Company as at 31 March 2016, based on the audited consolidated financial statements of the Company, was HK$1,012,674,000. It is proposed that the share premium account of the Company will be reduced by the said HK$1,012,674,000 in full. The credit amount of HK$835,612,000 arising from the reduction of the balance of the share premium account will be used to eliminate the accumulated losses of the Company of the same amount as at 31 March 2016 and thereby creating a surplus of HK$177,062,000 in the retained earnings account of the Company.

Effects of the share premium reduction

The implementation of the proposed share premium reduction does not involve any reduction in the authorised or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or the trading arrangements concerning the Shares. Save for the expenses incurred by the Company in relation to the proposed share premium reduction, the implementation of the proposed share premium reduction will not, in itself, have any material adverse effect on the underlying assets, liabilities, business operations, management or financial position of the Company or the interests of the Shareholders as a whole.

Reasons for the share premium reduction

The proposed share premium reduction will allow the Company to eliminate the Company's accumulated losses in full, thus enabling a better appreciation of the financial position of the Group and its current businesses. The proposed share premium reduction will also give the Company the flexibility to declare dividends to the Shareholders at an earlier opportunity than by generating profits to offset such losses. Based on the aforesaid, the Board believes that the proposed share premium reduction is in the interests of the Company and its Shareholders as a whole.

Condition on the share premium reduction

As stipulated in Article 6 of the Articles of Association, the Company may by special resolution reduce its share premium account in any manner prescribed by the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. According to Article 146(1) of the Articles of Association, the Company may apply the share premium account in such manner as permitted by the said law. The Cayman Islands counsel of the Company has confirmed that a reduction of the balance of the share premium account of the Company does not require court approval. The implementation of the proposed share premium reduction will be conditional upon the approval by the Shareholders at the EGM by way of a special resolution. It is expected that the effective date of the proposed share premium reduction will be the date of the EGM.

EGM

The EGM will be convened to consider and, if thought fit, approve, among other things the proposed grant of the Refreshed Issue Mandate, the proposed refreshment of the Scheme Mandate Limit under the Share Option Scheme, the proposed increase in authorised share capital of the Company and the proposed share premium reduction. The notice convening the EGM is set out on pages 33 to 35 of this circular.

A form of proxy for use at the EGM is enclosed with this circular and is also published on the websites of the Stock Exchange and the Company. Whether or not you intend to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting of the Company must be taken by way of poll. Accordingly, the resolutions to be considered and, if thought fit, approved at the EGM will be voted by way of a poll by the Shareholders.

As disclosed in the sub-paragraph headed "Proposed refreshment of general mandate to issue shares – Implications under the Listing Rules" above, Mr. Zhang Xiaobin, Mr. Gao Feng and Mr. Chiu Sui Keung, all being executive Directors, and their respective associates are required to abstain from voting in favour of the resolution in respect of the resolution approving the proposed grant of the Refreshed Issue Mandate. Based on the Company's reasonable enquiry, as at the Latest Practicable Date, Mr. Zhang, Mr. Gao, Mr. Chiu and their respective associates do not intend to vote against the said resolution.

Save as the aforesaid, to the best knowledge of the Directors, having made all reasonable enquiries, no other Shareholder is required to abstain from voting on any particular resolution at the EGM.

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 Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

Your attention is drawn to the letter of recommendation from the Independent Board Committee set out on page 21 of this circular and the letter of advice from Gram Capital set out on pages 22 to 32 of this circular, which contains, among other matters, its advice to the Independent Board Committee and the Independent Shareholders in relation to the proposed grant of the Refreshed Issue Mandate and the principal factors considered by it in arriving at its recommendation.

The Independent Board Committee, having taken into account the advice of Gram Capital, is of the opinion that the proposed grant of the Refreshed Issue Mandate is fair and reasonable so far as the Independent Shareholders are concerned and is in the best interests of the Company and its Shareholders and accordingly recommends the Independent Shareholders to vote in favour of the resolution relating to the proposed grant of the Refreshed Issue Mandate to be proposed at the EGM.

Accordingly, the Directors (including the non-executive Directors and the independent non-executive Directors) consider that the proposed grant of the Refreshed Issue Mandate is fair and reasonable and is in the best interests of the Company and the Shareholders as a whole. The Board also considers that the proposed refreshment of the Scheme Mandate Limit under the Share Option Scheme, the proposed increase in authorised share capital of the Company and the proposed share premium reduction are in the best interests of the Company and the Shareholders as a whole. Therefore, the Directors (including the non-executive Directors and the independent non-executive Directors) recommend the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

By Order of the Board
Elife Holdings Limited
Chow Chi Fai
Company Secretary

易生活控股有限公司
Elife Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 223)

21 February 2017

To the Independent Shareholders

Dear Sir/Madam,

REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES

We have been appointed as the Independent Board Committee to advise the Independent Shareholders in connection with the proposed grant of the Refreshed Issue Mandate, details of which are set out in the circular of the Company to the Shareholders dated 21 February 2017 (the "**Circular**"), of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein unless the context otherwise requires.

Having considered the advice of Gram Capital in relation thereto as set out in the Circular, we are of the view that the proposed grant of the Refreshed Issue Mandate is fair and reasonable so far as the Independent Shareholders are concerned and that the proposed grant of the Refreshed Issue Mandate is in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the proposed grant of the Refreshed Issue Mandate.

Yours faithfully,

Independent Board Committee

Mr. Cheng Wing Keung, Raymond	**Mr. Lam Williamson**	**Mr. Wong Hoi Keung**	**Dr. Lam Lee G**
Independent Non-executive Director	*Independent Non-executive Director*	*Independent Non-executive Director*	*Independent Non-executive Director*

* *For identification purposes only*

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the grant of Refreshed Issue Mandate for the purpose of inclusion in this circular.

Gram Capital Limited
嘉林資本有限公司

Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central
173 Des Voeux Road Central
Hong Kong

21 February 2017

To: The independent board committee and the independent shareholders of Elife Holdings Limited

Dear Sir/Madam,

PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the grant of Refreshed Issue Mandate, details of which are set out in the letter from the Board (the "**Board Letter**") contained in the circular dated 21 February 2017 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

Pursuant to an ordinary resolution passed by the Shareholders at the AGM, the Directors were granted the Current Issue Mandate to allot and issue up to 804,826,080 Shares, representing 20% of the total number of issued Shares as at the date of the AGM. There was no refreshment of the Current Issue Mandate since the AGM date up to the Latest Practicable Date. Completion of the share subscription under the subscription agreement dated 18 October 2016 took place on 18 November 2016 and the share subscriptions under the subscription agreements dated 18 November 2016 took place on 20 December 2016 (the "**Share Subscriptions**"). Subsequent to the completion of the Share Subscriptions and as at the Latest Practicable Date, only 80 Shares are issuable under the Current Issue Mandate. Such number represents a negligible percentage of the total number of 4,892,138,400 Shares in issue as at the Latest Practicable Date. Therefore, the Board proposes to seek approval of the Independent Shareholders for the grant of the Refreshed Issue Mandate. The Board proposes that the Refreshed Issue Mandate shall be granted to the Directors to allot, issue and deal with new Shares not exceeding 20% of the total number of issued Shares as at the date of the EGM.

Pursuant to Rule 13.36(4) of the Listing Rules, refreshment of the Current Issue Mandate before the next annual general meeting of the Company will be subject to Independent Shareholders' approval at the EGM, where any controlling Shareholder(s) and their associates or, where there are no controlling Shareholders, Directors (excluding independent non-executive Directors) and the chief executive of the

Company and their respective associates are required to abstain from voting in favour of the relevant resolution. As at the Latest Practicable Date, (i) the Company had no controlling Shareholder; and (ii) save for Mr. Zhang Xiaobin's interest in 36,000,000 Shares, Mr. Gao Feng's interest in 178,000,000 Shares, Mr. Chiu Siu Keung's interest in 7,622,000 Shares, Mr. Cheng Wing Keung, Raymond's interest in 2,362,000 Shares, Mr. Lam Williamson's interest in 2,362,000 Shares and Mr. Wong Hoi Kuen's interest in 2,362,000 Shares, none of the Directors and chief executive of the Company and their respective associates held any Share. Save for Mr. Zhang Xiaobin, Mr. Gao Feng, Mr. Chiu Sui Keung and their respective associates, no other Shareholder will be required to abstain from voting on the ordinary resolution approving the grant of the Refreshed Issue Mandate to be proposed at the EGM. If any Share is held by any Director(s) on the date of the EGM, such Director together with his or her respective associates are required to abstain from voting in favour of the ordinary resolution to approve the grant of the Refreshed Issue Mandate at the EGM.

The Independent Board Committee comprising Mr. Cheng Wing Keung, Raymond, Mr. Lam Williamson, Mr. Wong Hoi Kuen and Dr. Lam Lee G (all being independent non-executive Directors) has been established to advise the Independent Shareholders on the grant of Refreshed Issue Mandate. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there are no undisclosed private agreements/arrangements or implied understanding with anyone concerning the grant of Refreshed Issue Mandate. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

The Directors have collectively and individually accepted full responsibility for the accuracy of the information contained in the Circular and have confirmed, having made all reasonable enquiries, which to the best of their knowledge and belief, that the information contained in the 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 in the Circular or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, its subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the grant of Refreshed Issue Mandate. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the grant of Refreshed Issue Mandate, we have taken into consideration the following principal factors and reasons:

(I) Background of and reasons for the grant of Refreshed Issue Mandate

Information of the Group

With reference to the Board Letter, the Company is an investment holding company and the Group is principally engaged in trading businesses across Asia and investment in unconventional gas business in the PRC.

Set out below are the audited consolidated financial results of the Group for the two years ended 31 March 2016 and six months ended 30 September 2016 as extracted from the Company's annual report for the year ended 31 March 2016 (the "**2016 Annual Report**") and the Company's interim report for the six months ended 30 September 2016 (the "**2016 Interim Report**"):

	For the six months ended 30 September 2016	**For the year ended 31 March 2016**	**For the year ended 31 March 2015**	**Change from 2015 to 2016**
	(unaudited)	*(unaudited)*	*(unaudited)*	
	HK$'000	*HK$'000*	*HK$'000*	*%*
Turnover	19,043	194,164	193,330	0.43
Profit/(Loss) for the year/period	(22,751)	266,852	(129,977)	N/A

As depicted by the table above, the Group recorded turnover of approximately HK$194.16 million for the year ended 31 March 2016 ("**FY2016**"), representing a slight increase of approximately 0.43% as compared to the year ended 31 March 2015 ("**FY2015**"). With reference to the 2016 Annual Report, the growth was contributed by the agency fee and trading of commodities segment. Slight increase of the turnover was mainly due to the Group diversified into new services for other commodities trading such as sales of computer equipment and software. For FY2016, the Group record profit of approximately HK$266.85 million as compared to a loss for FY2015. With reference to the 2016 Annual Report, the turnaround in loss position was primarily attributable to the gain on settlement of litigations of approximately HK$352.94 million and the favorable operating results in increasing gross profit as well as decreasing finance costs during the year.

Nevertheless, the Group incurred loss for the six months ended 30 September 2016 as a result of the significant drop in revenue and gross profit as compared to the corresponding period in previous year which was primarily due to a substantial decrease in the volume of commodities trading.

Reasons for and benefits of the proposed grant of the Refreshed Issue Mandate

With reference to the Board Letter, the Current Issue Mandate has been utilised as to an aggregate of 804,826,000 Shares, representing 99.99% of the total number of Shares which may be allotted and issued under the Current Issue Mandate.

Cooperation with Huimin

With reference to the Board Letter and as advised by the Directors, in recent years, the Company has been actively seeking attractive investment and acquisition opportunities and expanding its businesses. As disclosed in the 2016 Annual Report, the Group intends to further expand its business into consumer products market.

On 20 September 2016, the Company entered into the letter of intent with Huimin for establishing a long-term strategic cooperation relationship in the areas of procurement and sourcing of overseas products for Huimin and potential equity investment (the "**Huimin Cooperation**"). The Directors expected that the joint venture to be set up by the Company and Huimin will act as Huimin's exclusive overseas procurement agent.

On 22 November 2016, the Company and an independent third party entered into a subscription agreement for the formation of a 72%/28% joint venture, National Gain Holdings Limited ("**National Gain**") (by way of subscription of new shares of National Gain by both parties), in which the Group agreed to initially invest HK$100 million in developing the daily consumer goods and related value-added services businesses. On 9 February 2017, the Board announced that the said independent third party decided not to proceed with the subscription of 28% of the issued share capital of National Gain as contemplated under the subscription agreement. The Company intends to maintain its 100% shareholding in National Gain and continue pursuing the investment of up to approximately HK$100 million as start-up capital in National Gain for the purpose of the strategic cooperation with Huimin.

On 22 November 2016, Hui Min International (HK) Limited ("**Hui Min International**"), a 100% owned subsidiary of National Gain, also entered into a strategic cooperation agreement with Huimin. The said strategic cooperation agreement is for a term of 10 years during which Hui Min International is the exclusive overseas procurement agent of Huimin for the procurement and sourcing of overseas products for Huimin. Currently, Huimin negotiates with and purchases products directly from the Suppliers. Under the strategic cooperation agreement, Huimin agreed to authorise Hui Min International to negotiate with the overseas or domestic suppliers on behalf of Huimin with the name of the exclusive overseas procurement agent of Huimin. Leveraging Huimin's established network of around 450,000 community supermarkets and convenience stores, Hui Min International shall procure that the overseas products will be supplied to Huimin on reasonable terms. The price of the overseas products to be supplied by Hui Min International to Huimin shall be agreed by the parties upon negotiation with fair and reasonable terms. On the other hand, Huimin agreed to purchase products from Hui Min International with credit terms not more than 30 days and provide corporate guarantee and other assistance and support to Hui Min International and its subsidiaries for the purpose of facilitating the procurement business of Hui Min International. The parties also agreed to further negotiate the feasibility of equity investment and equity structure requisite for business cooperation. Entering into the strategic cooperation agreement with Huimin marked an important milestone in the said cooperation itself and the Group's stepping into the daily consumer products market. Both parties are still finalising the details of the cooperation and will continue exploring any suitable business opportunities that may arise from time to time.

As the Directors believe Huimin is one of the largest community O2O network service platforms in the PRC, the Board anticipates that consumer products trading business will be the new key performance driver for the Group once the cooperation between the Company and Huimin is fully established, which is expected to have high and concurrent capital requirement. As disclosed in the announcement of the Company dated 20 November 2016, the continuous shrinkage of the existing businesses of the Group resulted in a substantial decrease in the Group's revenue for the six months ended 30 September 2016. The Board therefore considers that the development into the daily consumer goods market is vital to the continued success of the Group. In light of the growth potentials in the daily consumer goods and related value-added services market and other associated businesses, the Board will use its best endeavor to capture such opportunities and conducting business in the global arena with a focus on the PRC market. In particular, the Group intends to expand into the international trading platform (國際貿易平台), which is to be developed based upon the strategic cooperation with Huimin. National Gain and its subsidiaries were formed as a platform for the strategic cooperation with Huimin, which is in line with the Group's overall development strategies. National Gain, as a joint venture to participate into the strategic cooperation with Huimin, is expected to develop a synergy in the daily consumer goods business with Huimin, which will be a win-win outcome for both the Group and Huimin.

We noted from the announcements of the Company dated 20 September 2016 and 22 November 2016 regarding the Huimin Coorperation that with the basis of around 450,000 community supermarkets and convenience stores and relying on the internet to integrate the community physical stores resources, Huimin provides O2O community services platform covering the whole nation for the distribution and supply chain logistics among the suppliers, the convenience stores and the consumers in the PRC. Huimin's website, www.huimin.cn (惠民網), provides community residents with more convenient, more secured and smarter one-stop living services. Prior to the Huimin Cooperation, National Gain had not commenced any business. National Gain was formed as a platform to participate in the strategic cooperation with Huimin.

With reference to the Board Letter, it is currently estimated that the start-up capital required for the prospective cooperation with Huimin amounts to approximately HK$100 million as mentioned in the Company's announcement dated 22 November 2016. Hui Min International and Huimin are in the course of finalising the details of the cooperative plan. Among the said start-up capital, approximately RMB45 million (equivalent to approximately HK$50.6 million) will be used for partial settlement of the registered capital of two PRC companies under Hui Min International (the "**HMI PRC Subsidiaries**") within 2017, approximately US$1.2 million (equivalent to approximately HK$9.4 million) will be used within 2017 as general working capital for the new office set up in the United States for the purpose of overseas sourcing, and the rest of approximately HK$40 million will be allocated to satisfy the actual working capital requirements from time to time. The said HK$40 million working capital will be reserved mainly for purchase of goods from prospective suppliers, while the terms with the suppliers are still subject to finalisation, the said amount will serve as a buffer to allow more flexibility in cash management in the procurement process.

We understood from the Directors that the Company and Huimin are still finalising the details of the cooperation. For our due diligence purpose, we have enquired into the Directors the nature and details of the Huimin Cooperation, in particular, (i) the business model and role of National Gain, and (ii) the start-up capital and working capital requirement for the cooperation.

Upon our enquiry with the Directors, we understood that since the overseas procurement business is at a start-up stage without proven track records, the suppliers require full payment on purchase and no credit term is offered at the initial stage of the business. Hence, the prompt fulfilment of the relatively extensive cash requirements at the start-up stage is critical to the continuous success of the overseas procurement business. We also understood that the two HMI PRC Subsidiaries will be providing procurement agency services of daily consumer goods for Huimin and their registered capital will be mainly applied for purchase of goods.

Current Cash

As at 31 December 2016, the cash and cash equivalents balance of the Group amounted to approximately HK$191 million (the "**Current Cash**"), within which HK$182 million are the net proceeds from the Share Subscriptions completed on 18 November 2016 and 20 December 2016 respectively and the rest of HK$9 million represented mainly the net proceeds from the 2015 Share Placement and the second tranche of the 2016 Share Placement completed on 1 November 2016.

We noted from the announcements of the Company dated 20 October 2016 and 18 November 2016 that the Company entered into the Share Subscriptions and intended to use the net proceeds from the Share Subscriptions as the start-up capital for the strategic cooperation with Huimin, for financing any potential acquisition shall such opportunity arises in the future and/or general working capital purposes. With reference to the announcements of the Company dated 18 November 2016 and 20 December 2016, the Share Subscriptions were completed.

From the announcement of the Company dated 1 November 2016, we also noted that the Group recorded net proceeds from the 2015 Share Placement and the second tranche of the 2016 Share Placement of approximately HK$36.8 million, which would be utilised by the Group as general working capital and/or to finance future acquisitions when investment opportunities arise.

General working capital

With reference to the Board Letter, based on the current cost structure, the Directors estimated that approximately HK$44 million out of the Current Cash will be used to cover the Group's general working capital needs for the next 12 months, without taking into account any additional working capital that may be required shall there be any further business expansion or developments in light of the Company's refined strategic focus in the daily consumer products market segment. For our due diligence purpose, we have obtained a 12 months working capital estimation from the Company which covers the Group's staff costs, consultancy and advisory fees, rent and rates and other operating expenses.

CBM stimulation work in Jixi

In addition, the Directors expected that the unconventional gas business of the Group shall require around RMB25 million (equivalent to approximately HK$28 million) capital expenditure in relation to coalbed methane (CBM) stimulation work in Jixi (雞西) of Heilongjiang Province, the PRC (the "**Jixi Development**") as part of its business development plan. As advised by the Directors, the Group currently intends to cooperate with an independent third party for the coalbed methane stimulation and natural gas supply project in Jixi and expects to invest approximately RMB25 million within 2017 in the said project for the design and formulation of coalbed methane wells, purchasing exploration technology and equipment, carrying out research, exploration, stimulation and construction works and daily operating expenses.

We have requested and obtained the preliminary business plan of the Jixi Development from the Company which stated the aforesaid intention and intended applications of the investment amount.

Flexibility in financing

Having taken into account the general working capital needs, the capital expenditure associated with the unconventional gas business as well as the estimated start-up capital for the cooperation with Huimin, there remains only approximately HK$19 million (without taking into account any cash inflow) available for the Group to satisfy additional working capital needs for business development and/or to finance any future acquisitions or investments. Taking into account the continued expansion of the business operations of the Group, the Company is of the view that it is to the benefit of the Company and its shareholders to retain more cash and be given the flexibility to raise capital by issue new Shares when needed.

The Directors expected that the Company's next annual general meeting will be held in September 2017, that is around seven months later, which will extensively limit the Company's flexibility in pursuing its business development within the period. Hence, the Directors considered a refreshment of the Current Issue Mandate is necessary.

Should there be no further business expansion or significant investment other than the aforementioned, the Group may not have an imminent fund raising needs as at the Latest Practicable Date. Nevertheless, the proposed refreshment of the Current Issue Mandate can provide the Group with necessary financial flexibility to raise additional funds through the issue of equity securities as and when investment opportunity arises.

Other financing alternatives

With reference to the Board Letter and as advised by the Directors, given that equity financing (i) does not incur any interest expenses on the Group as compared with bank financing; (ii) is less costly and time-consuming than raising funds by way of rights issue or open offer; and (iii) provides the Company with the capability to capture any capital raising and/or prospective investment opportunity as and when it arises, the Board proposes that the Refreshed Issue Mandate shall be granted to the Directors to allot, issue and deal with new Shares not exceeding 20% of the total number of issued Shares as at the date of the EGM.

The Company will consider seeking Shareholders' approval for a specific mandate to issue new Shares if appropriate in the circumstances. However, specific mandate requires relatively long time to allot and issue new Shares as compared with utilising the general mandate and as such, it does not provide the Company with the flexibility to grasp the prospective investment opportunity in a timely manner.

With reference to the Board Letter, as at the Latest Practicable Date, save for (i) the strategic cooperation agreement entered into between Hui Min International and Huimin on 22 November 2016 and negotiations thereunder; and (ii) the Jixi Development, the Company had not identified any concrete business development and/or investment opportunities which ought to be brought to the attention of the Shareholders. Except for the anticipated funding need for the consumer products trading business as discussed above, the Company is not in need of fund raising and does not have any fund raising plan.

Based on the aforesaid, the Board is of the view that the proposed refreshment of the Current Issue Mandate would (i) provide the Group with necessary financial flexibility to raise additional funds through the issue of equity securities for the capital-intensive consumer products trading business and/or its future business development as and when an investment opportunity arises; and (ii) allow the Group to be in a better bargaining position in the negotiation of potential investments or acquisitions.

Having considered that (i) the Current Issue Mandate has almost been fully utilised; (ii) the start-up capital for Huimin Cooperation will be payable soon; (iii) only approximately HK$19 million of Current Cash (without taking into account any cash inflow) will be available for the Group to satisfy additional working capital needs for business development and/or to finance any future acquisitions or investments; (iv) the next annual general meeting of the Company is expected to be held in September 2017; (v) issuance of Shares under the Refreshed Issue Mandate is less costly and time-consuming than other financing alternatives and provides the Company with the flexibility and ability to capture any appropriate business opportunities, we are of the view that the grant of Refreshed Issue Mandate is in the interests of the Company and the Shareholders as a whole.

(II) Fund raising activities under the Current Issue Mandate

Save for the fund raising activities mentioned below, the Company has not carried out other fund raising activities under the Current Issue Mandate since the AGM date up to the Latest Practicable Date.

Date of announcement	Event	Net proceeds (approximately)	Intended use of proceeds	Actual/planned use of proceeds as at the Latest Practicable Date
18 November 2016 and 20 December 2016	Subscription of 255,760,000 Shares at HK$0.229 per Share by two individual investors	HK$58,500,000	As at the start-up capital for the strategic cooperation with Huimin, for financing any potential investment or acquisition shall such opportunity arises in the future and/or general working capital purposes	Not yet utilised. Planned use is the same as the intended use.
20 October 2016 and 18 November 2016	Subscription of 549,066,000 Shares at HK$0.225 per Share by an individual investor	HK$123,500,000	As the start-up capital for the strategic cooperation with Huimin, for financing any potential acquisition shall such opportunity arises in the future and/or general working capital purposes	Not yet utilised. Planned use is the same as the intended use.

(III) Potential dilution to shareholding of the Shareholders

As illustrated by the shareholding table set out under the section headed "Potential dilution to shareholdings of the Shareholders" of the Board Letter, the shareholdings of the public Shareholders would decrease from approximately 80.24% as at the Latest Practicable Date to approximately 66.88% upon full utilisation of the Refreshed Issue Mandate while the potential dilution to the shareholdings of the public Shareholders due to full utilisation of the Refreshed Issue Mandate represents a dilution of approximately 13.36 percentage point.

Taking into account that the grant of Refreshed Issue Mandate (i) would provide an alternative to increase the amount of capital which may be raised under the Refreshed Issue Mandate; (ii) would provide more options of financing to the Group for possible funding needs; and that (iii) the shareholding interests of all the Shareholders in the Company will be diluted in proportion to their respective shareholdings upon any utilisation of the Refreshed Issue Mandate, we are of the opinion that the potential dilution to the shareholdings of the public Shareholders as is acceptable.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that the grant of Refreshed Issue Mandate is fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the grant of Refreshed Issue Mandate and we recommend the Independent Shareholders to vote in favour of the ordinary resolution in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

易生活控股有限公司*
Elife Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 223)

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the "**Meeting**") of the shareholders of Elife Holdings Limited (the "**Company**") will be held at Room 2502, 25/F., 9 Queen's Road Central, Central, Hong Kong, on Wednesday, 15 March 2017, at 11 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. "**THAT**:

(a) the general mandate granted to the directors of the Company (the "**Director(s)**") to allot, issue and deal with the unissued shares of the Company pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 15 September 2016 be and is hereby revoked (without prejudice to any valid exercise of such general mandate prior to the passing of this resolution);

(b) subject to the following provisions of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of HK$0.01 each in the share capital of the Company (the "**Share(s)**"), and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period (as defined below);

(c) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (b) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of the conversion rights attaching to any convertible securities issued by the Company; (iii) the exercise of warrants to subscribe for Shares; (iv) the exercise of options granted under any share option scheme or similar arrangement for the time being adopted by the Company; or (v) an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company (the "**Articles**"), shall not exceed 20% of the total number of issued Shares as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

* *For identification purposes only*

(d) for the purpose of this resolution:

"Relevant Period" means the period from the time of the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company; or

(ii) the expiration of the period within which the next general meeting of the Company is required by the Articles, the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands or any applicable laws of the Cayman Islands to be held; or

(iii) the date on which such mandate is revoked or varied by an ordinary resolutions of the shareholders of the Company in general meeting.

"Rights Issue" means an offer of Shares open for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (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, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company)."

2. "**THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the shares of the Company issuable upon exercise of the share options to be granted pursuant to the authority hereby given, the Board be and is hereby authorised (i) to grant share options under the Share Option Scheme adopted on 8 October 2010 to such extent that the total number of shares of the Company which may be issued upon the exercise of such options shall represent up to 10 per cent. of the number of shares of the Company in issue as at the date of the passing of this resolution (the "**Refreshed Scheme Mandate**"); and (ii) to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Refreshed Scheme Mandate."

3. "**THAT**

(a) the authorised share capital of the Company be and is hereby increased from HK$60,000,000 divided into 6,000,000,000 Shares of HK$0.01 each to HK$300,000,000 divided into 30,000,000,000 Shares of HK$0.01 each (the "**Increase in Authorised Share Capital**"); and

(b) the Director(s) be and is/are hereby authorised to execute all such documents, instruments and agreements and to all such acts or things deemed by him/them to be incidental to, ancillary to or in connection with the matters contemplated in and for the completion of the Increase in Authorised Share Capital."

SPECIAL RESOLUTION

4. "**THAT** the reduction of the share premium account of the Company by an amount of HK$1,012,674,000 be and is approved and such reduced amount be transferred to the retained earnings account of the Company, and the Directors be and are hereby authorised to apply the sum from such retained earnings account towards elimination of the accumulated losses of the Company of HK$835,612,000 as at 31 March 2016."

By Order of the Board
Elife Holdings Limited
Chow Chi Fai
Company Secretary

Hong Kong, 21 February 2017

Notes:

(a) Any shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy needs not be a shareholder of the Company. To be valid, a form of proxy in the prescribed form together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited with the Company's share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the Meeting or any adjourned meeting thereof.

(b) Where there are joint registered holders of any Share, any one of such person may vote at the Meeting, either personally or by proxy, in respect of such Share as if he were solely entitled thereto. However, if more than one of such joint holders be present at the Meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding. For this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding.

(c) The above resolutions put to the Meeting will be decided by way of poll as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

(d) As at the date of this notice, the Board comprised eleven Directors, of which Mr. Zhang Xiaobin, Mr. Gao Feng and Mr. Chiu Sui Keung are executive Directors, Mr. Zhang Yichun, Mr. Shao Zili, Mr. Xie Zhichun and Ms. Xu Ying are non-executive Directors and Mr. Cheng Wing Keung, Raymond, Mr. Lam Williamson, Mr. Wong Hoi Kuen and Dr. Lam Lee G are independent non-executive Directors.

(e) The register of members of the Company will be closed from Monday, 13 March 2017 to Wednesday, 15 March 2017 (both days inclusive), during which period no transfer of Shares will be effected. In order to qualify for attending the Meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 10 March 2017.