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## **THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred** all your shares in Essex Bio-Technology Limited (“**Company**”), you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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### **ESSEX BIO-TECHNOLOGY LIMITED**

**億勝生物科技有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1061)**

### **PROPOSALS FOR ADOPTION OF THE NEW SHARE OPTION SCHEME, TERMINATION OF THE EXISTING SHARE OPTION SCHEME, GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of the Company to be held at Caine Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Admiralty, Hong Kong on Friday, 3 May 2013 at 2:00 p.m. is set out on pages 44 to 50 of this circular.

A form of proxy for the annual general meeting is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event not later than 48 hours before the time of the meeting or any adjournment thereof to the branch share registrar of the Company in Hong Kong, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

28 March 2013

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Caine Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Admiralty, Hong Kong, on Friday, 3 May 2013 at 2:00 p.m.
“AGM Notice”	the notice convening the AGM set out on pages 44 to 50 of this circular
“Articles”	the existing articles of association of the Company
“associates”	has the meaning as defined in the Listing Rules
“Board”	the board of Directors
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Essex Bio-Technology Limited (億勝生物科技有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Eligible Participant(s)”	Eligible participant(s) of the New Share Option Scheme as set out in paragraph 5 of Appendix I to this circular
“Exercise Price”	the price per Share at which an Eligible Participant who accepts an offer of the grant of Option in accordance with the terms of the New Share Option Scheme may subscribe for Shares on the exercise of an Option
“Existing Share Option Scheme”	the share option scheme adopted by the Company on 20 June 2003 and expiring on 19 June 2013, as amended and modified from time to time in accordance with its terms
“Extension Mandate”	as defined in paragraph 4 of the “Letter from the Board” contained in this circular
“General Scheme Limit”	the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the Shares in issue as at the date of the passing of the relevant ordinary resolution approving the New Share Option Scheme

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## DEFINITIONS

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“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	as defined in paragraph 4 of the “Letter from the Board” contained in this circular
“Latest Practicable Date”	25 March 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum”	the existing memorandum of association of the Company
“New Share Option Scheme”	the new share option scheme of the Company to be proposed for adoption by the Company at the AGM, the principal terms of which are set out in Appendix I
“Option(s)”	option(s) (if any) to subscribe for Shares granted or to be granted under the Existing Share Option Scheme or the New Share Option Scheme, as the context requires
“Repurchase Mandate”	as defined in paragraph 4 of the “Letter from the Board” contained in this circular
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of nominal value of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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## LETTER FROM THE BOARD

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### **ESSEX BIO-TECHNOLOGY LIMITED**

**億勝生物科技有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1061)**

*Executive Directors:*

Ngiam Mia Je Patrick (*Chairman*)  
Fang Haizhou  
Zhong Sheng

*Independent non-executive Directors:*

Fung Chi Ying  
Mauffrey Benoit Jean Marie  
Yeow Mee Mooi

*Registered Office:*

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

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

Room 2818  
China Merchants Tower  
Shun Tak Centre  
168-200 Connaught Road Central  
Hong Kong

28 March 2013

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
ADOPTION OF THE NEW SHARE OPTION SCHEME,  
TERMINATION OF THE EXISTING SHARE OPTION SCHEME,  
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM relating to, among other matters, the adoption of the New Share Option Scheme, the termination of the Existing Share Option Scheme, the proposed grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, and the re-election of Directors.

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## LETTER FROM THE BOARD

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### 2. ADOPTION OF THE NEW SHARE OPTION SCHEME AND TERMINATION OF THE EXISTING SHARE OPTION SCHEME

#### **Termination of the Existing Share Option Scheme and Adoption of the New Share Option Scheme**

The Existing Share Option Scheme allowing the Company to grant share options to eligible persons prescribed therein for the purpose of, among others, providing incentive or rewards to these persons for their contribution to the Group, is valid and effective for a period of 10 years commencing on 20 June 2003. Accordingly, the Existing Share Option Scheme will expire on 19 June 2013.

Under the terms of the Existing Share Option Scheme, the Company may by ordinary resolution in general meeting at any time terminate the operation of the Existing Share Option Scheme.

It is proposed by the Directors that at the AGM, an ordinary resolution will be proposed for the Company to terminate the operation of the Existing Share Option Scheme (such that no further Options could thereafter be offered under the Existing Share Option Scheme but the Options granted prior to such termination shall continue to be valid and exercisable in accordance with the Existing Share Option Scheme) and to approve and adopt the New Share Option Scheme, which will take effect on the date of its adoption at the AGM subject to the Stock Exchange granting approval for the listing of and dealing in the Shares fall to be allotted and issued upon the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme.

A summary of the principal terms of the New Share Option Scheme is set out in Appendix I to this circular. A copy of the rules of the New Share Option Scheme is available for inspection at the principal place of business of the Company at Room 2818, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong during normal business hours for a 14-day period immediately preceding the AGM and at the venue of the AGM during the AGM.

As at the Latest Practicable Date, the Company had not granted any Option under the Existing Share Option Scheme. Accordingly, there was no outstanding Option as at the Latest Practicable Date. The Company has not adopted any share option scheme other than the Existing Share Option Scheme. The Directors confirm that no further Options will be granted under the Existing Share Option Scheme prior to the date of the AGM.

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## LETTER FROM THE BOARD

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The adoption of the New Share Option Scheme is conditional upon:

- (a) the passing of an ordinary resolution by the shareholders of the Company at the AGM approving the adoption of the New Share Option Scheme by the Company; and
- (b) the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in any Shares which may fall to be issued and allotted by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme.

As at the Latest Practicable Date, there were 556,750,000 Shares in issue. Assuming that there are no further allotment and issue of Shares from the Latest Practicable Date up to the date of approval of the New Share Option Scheme, Options to subscribe for up to 55,675,000 Shares may be issued under the New Share Option Scheme and any other schemes of the Company pursuant to Rule 17.03(3) of the Listing Rules, representing 10% of Shares in issue as at the date of approval of the New Share Option Scheme.

The Directors consider that it is not appropriate to state the value of all the Options that can be granted under the New Share Option Scheme as if they had been granted as at the Latest Practicable Date prior to the approval of the New Share Option Scheme given that the variables which are critical for the calculation of the value of such Options cannot be determined. These variables include but are not limited to, the Exercise Price, whether or not Options will be granted under the New Share Option Scheme and the timing of the granting of such Options, the period during which the subscription rights may be exercised, the discretion of the Board to impose any performance target that has to be achieved before the subscription rights attaching to the Options can be exercised and any other conditions that the Board may impose with respect to the Options and whether or not such Options, if granted, will be exercised. The Exercise Price depends on the price of the Shares as quoted on the Stock Exchange, which in turn depends on when the Board is to grant Options under the New Share Option Scheme. With a scheme life of ten years, the Board is of the view that it is too premature to state whether or not Options will be granted under the New Share Option Scheme and, if so, the number of Options that may be granted. It is also difficult to ascertain with accuracy the Exercise Price given the volatility to which the price of Shares may be subject during the ten-year life span of the New Share Option Scheme.

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## LETTER FROM THE BOARD

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The Directors are of the view that the value of the Options depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical bases and speculative assumptions. Accordingly, the Directors believe that any calculation of the value of the Options will not be meaningful and may be misleading to Shareholders in the circumstances.

The Company is not required to appoint any trustee for the purpose of administering the New Share Option Scheme. The New Share Option Scheme will be subject to administration of the Board. None of the Directors is or will be a trustee of the New Share Option Scheme or have a direct or indirect interest in any such trustee.

### **Application for Listing**

An application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be allotted and issued pursuant to the exercise of any Options that may be granted under the New Share Option Scheme up to the General Scheme Limit.

### **Reasons for Adopting the New Share Option Scheme**

The Existing Share Option Scheme will expire on 19 June 2013. The Directors consider that it is appropriate to adopt the New Share Option Scheme to replace the Existing Share Option Scheme. The Directors consider that the New Share Option Scheme, which will be valid for ten years from the date of its adoption, will provide the Company with more flexibility in long term planning of granting of the share options to Eligible Participants in a longer period in the future. The New Share Option Scheme also provides appropriate incentives or rewards to Eligible Participants for their contributions or potential contributions to the Group. The purpose of the New Share Option Scheme is to recognise and acknowledge the contributions that Eligible Participants have made or may make to the Group, motivate the Eligible Participants to optimise their performance and efficiency for the benefit of the Group, and attract and retain or otherwise maintain ongoing business relationship with the eligible persons whose contributions are, will or expected to be beneficial to the Group.



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## **LETTER FROM THE BOARD**

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The New Share Option Scheme also provides that the Board may, with respect to each grant of Options, determine the Exercise Price (being not less than the highest of: (a) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant Option, which must be a business day; (b) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date of grant of the relevant Option; and (c) the nominal value of a Share), the conditions precedent and other terms and conditions that apply to the Options subject to the applicable laws and the Listing Rules. The Directors believe the New Share Option Scheme will provide the Board with flexibility in determining the applicable performance targets and any other conditions to which the specific grant of Options may be subject on a case-by-case basis, and thus will place the Group in a better position to attract human resources that are valuable to the long term growth and development of the Group.

### **3. ADOPTION OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND THE REPORTS OF THE DIRECTORS AND THE AUDITORS**

The annual report 2012 incorporating the audited consolidated financial statements of the Company and the reports of the Directors and the auditors for the year ended 31 December 2012 will be sent together with this circular to the Shareholders on the same date. The audited consolidated financial statements of the Company have been reviewed by the audit committee of the Company.

### **4. DECLARATION OF FINAL DIVIDEND**

The Board has recommended a final dividend of HK\$0.01 per Share for the year 2012 in cash and such final dividend will be payable on Monday, 27 May 2013.

The register of members of the Company will be closed from Monday, 13 May 2013 to Wednesday, 15 May 2013, both days inclusive, for ascertaining shareholders' entitlement to the proposed final dividend. During this period, no transfer of Shares will be registered. In order to qualify for the proposed final dividend to be approved at the AGM, all transfers of shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged with thereof to the branch share registrar of the Company in Hong Kong, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Friday, 10 May 2013.

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## LETTER FROM THE BOARD

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### 5. GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

At the AGM, an ordinary resolution will be proposed to approve the granting to the Directors of a general and unconditional mandate to allot, issue or deal with shares of the Company up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution (“**Issue Mandate**”). As at the Latest Practicable Date, a total of 556,750,000 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Issue Mandate to issue a maximum of 111,350,000 Shares.

At the AGM, an ordinary resolution will also be proposed to approve the granting to the Directors of a general and unconditional mandate to exercise all powers of the Company to repurchase, on the Stock Exchange or on any other stock exchange on which the shares of the Company may be listed, shares of the Company up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing such resolution (“**Repurchase Mandate**”). As at the Latest Practicable Date, a total of 556,750,000 Shares were in issue. Subject to the passing of the proposed resolution granting the Repurchase Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 55,675,000 Shares.

In addition, an ordinary resolution will be proposed at the AGM that any shares of the Company repurchased under the Repurchase Mandate (up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the grant of the Repurchase Mandate) will be added to the total number of shares of the Company which may be allotted and issued under the Issue Mandate (“**Extension Mandate**”).

Each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company; or (b) the end of the period within which the Company is required by the Companies Law or the Articles to hold its next annual general meeting; or (c) when revoked or varied by ordinary resolution(s) of the Shareholders in general meeting prior to the next annual general meeting of the Company. The Directors wish to state that they have no immediate plan to issue any Shares pursuant to the Issue Mandate.

Under the Listing Rules, the Company is required to give to all Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the AGM. An explanatory statement for such purpose is set out in Appendix II to this circular.

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## **LETTER FROM THE BOARD**

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### **6. RE-ELECTION OF DIRECTORS**

In accordance with Article 87(1) of the Articles, each of Ngiam Mia Je Patrick (an executive Director) and Fung Chi Ying (an independent non-executive Director) will retire as Director by rotation and, being eligible, offers himself for re-election as Director at the AGM. Particulars of Ngiam Mia Je Patrick and Fung Chi Ying are set out in Appendix III to this circular.

Fung Chi Ying has served as an independent non-executive Director for more than 9 years. He meets the independence factors set out in Rule 3.13 of the Listing Rules and is not involved in the daily management of the Company nor in any relationships or circumstances which would interfere with the exercise of his independent judgment. In addition, he continues to demonstrate his ability to provide an independent, balanced and objective view to the affairs of the Company and there is no evidence that his tenure has had any impact on his independence. The Board is of the opinion that Mr. Fung remains independent notwithstanding the length of his service and it believes that his valuable knowledge and experience in the Group's business and his general business acumen will continue to generate significant contribution to the Company and the Shareholders as a whole.

### **7. RE-APPOINTMENT OF AUDITORS**

The Board (which agreed with the view of the audit committee of the Company) recommended that, subject to the approval of the Shareholders at the AGM, BDO Limited be re-appointed as the auditors of the Company for the year 2013.

### **8. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT**

The AGM Notice is set out on pages 44 to 50 of this circular. At the AGM, resolutions will be proposed to approve, among other matters, the adoption of the New Share Option Scheme, the termination of the Existing Share Option Scheme, the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of Directors and the declaration of the final dividend for the year 2012.

The register of members of the Company will be closed from Tuesday, 30 April 2013 to Friday, 3 May 2013, both days inclusive, for ascertaining shareholders' right to attend and vote at the AGM to be held on Friday, 3 May 2013. During this period, no transfer of Shares will be registered. In order to be entitled to attend the AGM, all transfers of Shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged with the branch share registrar of the Company in Hong Kong, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Monday, 29 April 2013.

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## LETTER FROM THE BOARD

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A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not later than 48 hours before the time for holding the AGM or any adjournment thereof to the branch share registrar of the Company in Hong Kong, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, all resolutions proposed at the AGM shall be voted by poll. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, (i) no Shareholder is required to abstain from voting on the resolutions to be proposed at the AGM; and (ii) as at the Latest Practicable Date, there was no voting trust or other agreement or arrangement or understanding (other than an outright sale) entered into by or binding upon any Shareholder and there was no obligation or entitlement of any Shareholder whereby he has or may have temporarily or permanently passed control over the exercise of the voting right in respect of his Shares to a third part, either generally or on a case-by-case basis.

### **9. RECOMMENDATION**

The Directors believe that the adoption of the New Share Option Scheme, the termination of the Existing Share Option Scheme, the proposed grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, and the re-election of Directors are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions set out in the AGM Notice.

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## LETTER FROM THE BOARD

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### 10. GENERAL INFORMATION

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

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,  
For and on behalf of the Board of  
**Essex Bio-Technology Limited**  
**Ngiam Mia Je Patrick**  
*Chairman*

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## APPENDIX I      PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME

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### 1.    DEFINITIONS

1.1    In this Scheme the following expressions have the following meanings:

“Adoption Date”	means 3 May 2013 (the date on which this Scheme is conditionally adopted by a resolution of the shareholders of the Company);
“Affiliate”	shall have the meaning ascribed to it in clause 5.1;
“Allotment Date”	means the date on which Shares are allotted and issued to a Grantee pursuant to the exercise of the rights attaching to an Option granted and exercised hereunder;
“Applicable Laws”	means any relevant laws and regulations (including those of both Hong Kong and overseas jurisdictions as may be applicable);
“Associate”	shall have the meaning ascribed to “associate” under the Listing Rules;
“Auditors”	means the auditors for the time being of the Company;
“Board”	means the board of Directors of the Company or a duly authorised committee thereof;
“Business Day”	shall have the meaning ascribed to “business day” under the Listing Rules;
“Chief Executive”	shall have the meaning ascribed to it under the Listing Rules;
“Commencement Date”	means, in respect of any particular Option, the Business Day on which that Option is deemed to have been granted in accordance with clause 6.4;

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**APPENDIX I      PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME**

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“Companies Law”	means the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time;
“Companies Ordinance”	means the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as consolidated, amended or supplemented from time to time;
“Company”	means Essex Bio-Technology Limited, a company incorporated in the Cayman Islands with limited liability;
“Connected Person”	shall have the meaning ascribed to it under the Listing Rules;
“Director(s)”	means the director(s) of the Company;
“Disability”	means that a Grantee is unable to carry out the responsibilities and functions of the position held by the Grantee by reason of any medically determinable physical or mental impairment for a period of not less than ninety (90) consecutive days. A Grantee will not be considered to have incurred a Disability unless he or she furnishes proof of such impairment sufficient to satisfy the Board in its discretion;
“Effective Date”	means the date on which the conditions referred to in clause 3.1 are fulfilled;
“Eligible Participant”	means any person who satisfies the eligibility criteria in clause 5;
“Employee”	means any employee or officer employed by any company in the Group or by an Affiliate (whether full time or part time);

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**APPENDIX I      PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME**

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“Exercise Period”	means, in respect of any particular Option, the period to be notified by the Board to each Grantee which the Board may in its absolute discretion determine, save that such period shall not be more than 10 years from the Commencement Date;
“Exercise Price”	means the price per Share at which a Grantee may subscribe for Shares upon the exercise of an Option pursuant to the terms and conditions of this Scheme;
“Grantee”	means any Eligible Participant who accepts the Offer in accordance with the terms of the Scheme, and where the context permits, any person who is entitled to any such Option in consequence of the death of the original Grantee (being an individual);
“Group”	means the Company and its Subsidiaries;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended, supplemented or otherwise modified from time to time;
“Offer”	means an offer by the Company to an Eligible Participant to accept an Option in accordance with this Scheme;
“Option(s)”	means right(s) to subscribe for Share(s) granted pursuant to this Scheme;
“Scheme”	means this Share Option Scheme in its present or any amended form to be adopted by the Company on the Adoption Date;



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## APPENDIX I      PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME

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“Scheme Mandate Limit”	shall have the meaning given to that term in clause 11.1;
“Share(s)”	means fully paid share(s) of HK\$0.10 each of the Company (or such other nominal amount prevailing from time to time);
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“Subsidiary” or “Subsidiaries”	means a subsidiary or subsidiaries (within the meaning of the Companies Ordinance) for the time being and from time to time of the Company; and
“Substantial Shareholder”	shall have the meaning ascribed to “substantial shareholder” under the Listing Rules.

1.2 In this Scheme:

- (a) clause headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Scheme;
- (b) references to clauses are to clauses of this Scheme;
- (c) words importing the singular include the plural and vice versa, words importing a gender include every gender and references to persons include bodies corporate or unincorporate; and
- (d) references to any ordinance or law shall include any statutory modification, amendment or re-enactment thereof.

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## **APPENDIX I      PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME**

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### **2.      PURPOSE OF THIS SCHEME**

- 2.1      This Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions that Eligible Participants have made or may make to the Group.
- 2.2      This Scheme will provide the Eligible Participants with an opportunity to acquire proprietary interests in the Company with the view to achieving the following principal objectives:
- (a)      motivate the Eligible Participants to optimise their performance and efficiency for the benefit of the Group; and
  - (b)      attract and retain or otherwise maintain ongoing business relationship with the Eligible Participants whose contributions are, will or expected to be beneficial to the Group.

### **3.      CONDITIONS**

- 3.1      This Scheme shall be conditional upon and shall take effect subject to:
- (a)      the passing of the necessary resolution by the shareholders of the Company in a general meeting to approve the adoption of this Scheme by the Company; and
  - (b)      the Stock Exchange granting approval for the listing of and permission to deal in any Shares which may fall to be issued and allotted by the Company pursuant to the exercise of Options in accordance with the terms and conditions of this Scheme.
- 3.2      If any of the above conditions is not satisfied on or before 30 June 2013 (or such later date as the shareholders of the Company may agree), this Scheme shall forthwith terminate and no person shall be entitled to any rights or benefits or be under any obligations under or in respect of this Scheme.
- 3.3      References in clause 3.1 to the Stock Exchange granting the approvals, listing and permission referred to therein shall include where such approvals, listing and permission are granted subject to conditions.

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## APPENDIX I      PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME

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### 4. DURATION AND ADMINISTRATION

- 4.1 Subject to clauses 3 and 16, this Scheme shall be valid and effective for a period of 10 years commencing on the Effective Date, after which no further Options will be issued but the provisions of this Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of this Scheme.
- 4.2 This Scheme shall be subject to the administration of the Board or any committee established by the Board from time to time, whose decision (save as otherwise provided herein) shall be final and binding on all parties. Without prejudice to the generality of the foregoing, the Board shall have the absolute discretion to:
- (a) interpret and construe the provisions of this Scheme;
  - (b) subject to such relevant requirements under the Listing Rules, determine the persons who will be awarded Options under this Scheme, and the number of Shares under which each Option to be awarded and the Exercise Price of Options awarded thereto;
  - (c) subject to Applicable Laws, determine the Exercise Period and other relevant terms and conditions for each Option;
  - (d) subject to clause 15, make such appropriate and equitable adjustments to the terms of Options granted under this Scheme as it deems necessary;
  - (e) subject to clause 15, adopt rules and regulations for carrying out this Scheme;
  - (f) prescribe the form or forms of instruments to be issued as evidence of any Options granted under this Scheme; and
  - (g) subject to Applicable Laws, make such other decisions or determinations as it shall deem appropriate in the administration of this Scheme.
- 4.3 The Company shall bear the costs of establishing and administering this Scheme.

**5. ELIGIBILITY CRITERIA**

- 5.1 Subject to the terms and conditions of this Scheme, Options may be granted to: (i) any director, officer, Employee, consultant, professional, customer, supplier (whether of goods or services), agent, partner or adviser of or contractor to any member of the Group or a company in which the Group holds an interest or a subsidiary of such company (“**Affiliate**”); or (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, officer, Employee, consultant, professional, customer, supplier (whether of goods or services), agent, partner or adviser of or contractor to any member of the Group or an Affiliate; or (iii) a company beneficially owned by any director, officer, Employee, consultant, professional, customer, supplier (whether of goods or services), agent, partner or adviser of or contractor to any member of the Group or an Affiliate.

The basis of eligibility of any of the above classes of Eligible Participants to the grant of any Options shall be determined by the Board from time to time on the basis of their contribution to the Group and/or the Affiliate(s) in line with the purposes of the this Scheme as set out in clause 2.

- 5.2 In order for a person to satisfy the Board that he is qualified to be (or, where applicable, continues to qualify to be) an Eligible Participant, such person shall provide all such information as the Board may request for the purpose of assessing his eligibility (or continuing eligibility).
- 5.3 Each grant of Options to a Connected Person of the Company, or any of his Associates, must be approved in accordance with the requirements of the Listing Rules.
- 5.4 Any person whom the Board has determined to be qualified to become an Eligible Participant must remain eligible during the period when any Option granted to him remains outstanding, except that a Grantee (or his legal personal representatives) is entitled to exercise the Option in accordance with clause 9.3 notwithstanding his death, Disability or otherwise ceasing to be an Eligible Participant as mentioned under that clause. In assessing such Grantee’s continuing eligibility under this Scheme, the requirements set out in clause 5.1 shall be given due and careful consideration by the Board.
- 5.5 Should the Board determines that a Grantee fails/has failed or otherwise is/has been unable to meet the continuing eligibility criteria under this Scheme as referred to in clause 5.4, the Company would (subject to Applicable Laws) be entitled to deem any outstanding Option or part thereof, granted to such Grantee and to the extent not already exercised, as lapsed and cancelled, subject to the requirements of clause 9.

**6. GRANT OF OPTIONS**

- 6.1 On and subject to the terms of this Scheme, the Board shall be entitled at any time on a Business Day within 10 years commencing on the Effective Date to make an Offer to any Eligible Participant as the Board may in its absolute discretion select in accordance with clause 5.
- 6.2 An Offer shall be made to an Eligible Participant in such written form as the Board may from time to time determine. Such Offer shall specify the Exercise Price, the Exercise Period and the other relevant terms and conditions of the Option, and shall require the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of this Scheme and all other conditions attaching to the Offer and shall remain open for acceptance by the Eligible Participant concerned for a period of not less than 14 days from the date of Offer, except for any Offer which is made within the last 14 days of the life of this Scheme, the Offer shall remain open for acceptance on a Business Day by the Eligible Participant concerned for a period of not longer than the remaining life of this Scheme. An Offer cannot be accepted by an Eligible Participant who ceases to be qualified as an Eligible Participant after the Offer has been made. No Offer shall be capable of or open for acceptance after the expiry of 10 years from the Effective Date.
- 6.3 The document for granting the Offer shall state, in addition to the matters specified in (but without prejudice to the generality of) clause 6.2, the following:
- (a) the name and address of the Eligible Participant;
  - (b) the period open for acceptance by the Eligible Participant;
  - (c) the manner of payment of the Exercise Price for the Shares on and in consequence of the exercise of the Option;
  - (d) the procedure for acceptance;

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- (e) without prejudice to the generality of clause 6.6, such other terms and conditions of the Offer as may be imposed by the Board at its discretion either on a case-by-case basis or generally as are not inconsistent with this Scheme including (without limitation) in the event that the Eligible Participant is a corporation (wherever incorporated or unincorporated), that any change of the management and/or shareholding of the Eligible Participant shall constitute a breach of this Scheme; and
  - (f) a statement requiring the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of this Scheme.
- 6.4 An Offer shall be accepted when the Company receives the duly signed Offer letter from the Grantee together with a remittance of HK\$1.00 (or such other nominal sum in any currency as the Board may determine) in favour of the Company as consideration for the grant thereof. Such remittance shall in no circumstances be refundable. Once accepted, the Option is granted as from the date on which it was offered to the relevant Eligible Participant.
- 6.5 Unless otherwise stated in the terms of the Offer, any Offer may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in respect of a board lot for dealings in Shares on the Stock Exchange or an integral multiple thereof. To the extent that the Offer is not accepted in the manner set out in clause 6.2, it shall be deemed to have been irrevocably declined and lapsed automatically without notice.
- 6.6 Subject to the provisions of this Scheme, the Listing Rules and Applicable Laws, the Board may, on a case-by-case basis and at its discretion when making an Offer, impose any conditions, restrictions or limitations in relation thereto additional to those expressly set forth in this Scheme as it may think fit (which shall be stated in the letter containing the Offer) including (without prejudice to the generality of the foregoing):
  - (a) the continuing eligibility of the Grantee under this Scheme, and in particular, where the Board resolves that the Grantee has failed or otherwise is or has been unable to meet such continuing eligibility criteria, the Option (to the extent that it has not already been exercised) shall lapse and be cancelled, subject to the requirements of clause 9;

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- (b) the continuing compliance of such terms and conditions that may be attached to the grant of the Option, failing which the Option (to the extent that it has not already been exercised) shall lapse and be cancelled unless otherwise resolved to the contrary by the Board, subject to the requirements of clause 9;
  - (c) in the event that the Eligible Participant is a corporation (wherever incorporated or unincorporated), that any change of the management and/or shareholding of the Eligible Participant shall constitute a failure to meet the continuing eligibility criteria under this Scheme;
  - (d) in the event that the Eligible Participant is a trust, that any change of the beneficiary of the Eligible Participant shall constitute a failure to meet the continuing eligibility criteria under this Scheme;
  - (e) in the event that the Eligible Participant is a discretionary trust, that any change of the discretionary objects of the Eligible Participant shall constitute a failure to meet the continuing eligibility criteria under this Scheme;
  - (f) conditions, restrictions or limitations relating to the achievement of operating or financial targets; and
  - (g) if applicable, the satisfactory performance of certain obligations by the Grantee.
- 6.7 Without prejudice to the generality of the foregoing and subject to the Listing Rules and clause 8, the Board may grant Options in respect of which the Exercise Price is fixed at different prices for different periods during the Exercise Period.
- 6.8 The Company shall not offer the grant of an Option to any Eligible Participant:
- (a) after inside information (as defined in the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) has come to its knowledge until it has announced the information; or

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- (b) during the period commencing one month immediately before the earlier of:
  - (i) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
  - (ii) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement. No Option may be granted during any period of delay in publishing a results announcement.

**7. GRANT OF OPTIONS TO CONNECTED PERSONS OR ANY OF THEIR ASSOCIATES**

- 7.1 Without prejudice to clause 6, any grant of Options to any Director, Chief Executive or Substantial Shareholder or any of their respective Associates must be approved by the independent non-executive Directors of the Company (but excluding, for all purposes, any independent non-executive Director of the Company who is a proposed Grantee).
- 7.2 Where any grant of Options to a Substantial Shareholder or an independent non-executive Director of the Company or their respective Associates would result in the total number of the Shares issued and to be issued upon exercise of the Options granted and to be granted (including Options exercised, cancelled and outstanding) to such person in any 12-month period up to and including the date of the grant:
  - (a) representing in aggregate over 0.1% of the Shares in issue; and
  - (b) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million,

such further grant of Options must be approved by the shareholders of the Company. The Company must send a circular to its shareholders. All Connected Persons must abstain from voting in favour at such general meeting. Any vote taken at the meeting to approve the grant of such Options must be taken on a poll in accordance with the Listing Rules.



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7.3 The circular referred to in clause 7.2 must contain:

- (a) details of the number and terms (including the Exercise Price) of the Options to be granted to each Eligible Participant, which must be fixed before the shareholders' meeting and the date of Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Exercise Price under clause 8;
- (b) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a proposed Grantee) on whether or not to vote in favour of the proposed grant; and
- (c) all the information as required under the Listing Rules from time to time.

7.4 For the avoidance of doubt, the requirements of clause 7 for the granting of Options to a Director or Chief Executive of the Company do not apply where the Eligible Person is only a proposed Director or proposed Chief Executive of the Company.

### 8. EXERCISE PRICE

8.1 Subject to any adjustment made pursuant to clause 12, the Exercise Price for any Share under this Scheme shall be a price determined by the Board and notified to each Grantee (in the letter containing the Offer) and shall not be less than the highest of:

- (a) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant Option, which must be a Business Day;
- (b) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange's daily quotations sheets for the 5 Business Days immediately preceding the date of grant of the relevant Option; and
- (c) the nominal value of a Share.

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8.2 In the event the Shares cease to be listed on the Stock Exchange, the Exercise Price in connection with Options granted to a Grantee shall be determined by the Board in good faith and in a manner consistent with all Applicable Laws including, without limitation, any requirement that consideration be given to (i) the price at which securities of reasonably comparable corporations (if any) in the same industry are being traded, or (ii) if there are no securities of reasonably comparable corporations in the same industry being traded, the earnings history, book value and prospects of the Company in light of market conditions generally.

### 9. EXERCISE OF OPTIONS

9.1 Subject to the terms of this Scheme and the Listing Rules, an Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option.

9.2 Subject to the relevant Exercise Period and the other terms and conditions of the Offer, an Option shall be exercised in whole or in part by the Grantee by giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the Exercise Price for the Shares in respect of which the notice is given. Any notice given without such relevant remittance shall be invalid. Within 21 Business Days (excluding any period(s) of closure of the Company's share registers) after receipt of the notice together with remittance of the relevant Exercise Price in full and, where appropriate, receipt of the Auditors' certificate or the independent financial adviser's certificate pursuant to clause 12, the Company shall allot and issue the relevant number of Shares to the Grantee credited as fully paid and issue to the Grantee a share certificate in respect of the Shares so allotted and issued.

9.3 Subject to Applicable Laws and as hereinafter provided, an Option may be exercised by the Grantee at any time during the applicable Exercise Period, provided that:

- (a) in the event of death of the Grantee (being an individual) before exercising the Option in full, his or her legal personal representatives may exercise the Option up to the Grantee's entitlement (to the extent exercisable as at the date of his or her death and not exercised) within the period of 12 months following his or her death or such longer period as the Board may determine;

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- (b) subject to sub-clauses (c), (d) and (e), in the event of the Grantee who is an Employee ceasing to be an Employee for any reason other than his death, Disability or the termination of his employment on one or more of the grounds specified in clause 10(e) or (f), the Grantee may exercise the Option (to the extent exercisable as at the date of the relevant event and not exercised) within one month following the date of such cessation, which date shall be the last actual working day whether salary is paid in lieu of notice or not, provided that the transfer of employment of an Employee from a member of the Group or an Affiliate to another member of the Group or an Affiliate shall not be regarded as a cessation of employment for the purpose of this paragraph;
  
- (c) where the Grantee is a director, officer, Employee, consultant, professional, supplier, agent, partner or contractor or adviser to the Group or an Affiliate at the time of the grant of the relevant Option(s) and his employment or service is terminated on the ground of Disability, the Grantee may exercise the Option (to the extent exercisable as at the date on which such Grantee ceases to be a director, officer, Employee, consultant, professional, customer, supplier, agent, partner or contractor or adviser to the Group or an Affiliate and not exercised) within 6 months following such cessation or such longer period as the Board may determine;
  
- (d) where the Grantee is an Employee at the time of the grant of the relevant Option(s), in the event that such Grantee shall cease to be an Employee but becomes, or continues to be, a consultant, professional, customer, supplier, agent, partner or contractor or adviser to the Group or an Affiliate, then the Option (to the extent exercisable as at the date on which such Grantee ceases to be an Employee and not exercised) shall remain exercisable until its expiry in accordance with the provisions of this Scheme and the terms and conditions upon which such Option(s) is granted unless the Board shall determine to the contrary;
  
- (e) where the Grantee is an Employee at the time of the grant of the relevant Option(s), in the event that such Grantee shall cease to be an Employee but becomes, or continues to be, a director of the Group or an Affiliate, then the Option(s) (to the extent exercisable as at the date on which such Grantee ceases to be an Employee and not exercised) granted prior to the date of his becoming a director of the Group or an Affiliate shall remain exercisable until its expiry in accordance with the provisions of this Scheme and the terms and conditions upon which such Option(s) is granted unless the Board shall determine to the contrary;

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- (f) in the event of the Grantee, who is a director, officer, consultant, professional, customer, supplier, agent, partner or contractor or adviser to the Group or an Affiliate but not an Employee, ceasing to be a director, officer, consultant, professional, customer, supplier, agent, partner or contractor or adviser to the Group or an Affiliate (as the case may be) for any reason other than his or her death or Disability (in the case of a Grantee being an individual), the Option (to the extent exercisable as at the date of such cessation and not exercised) shall be exercised within one month following the date of such cessation or such longer period as the Board may determine, provided that the retirement of any director of the relevant member of the Group or an Affiliate by rotation pursuant to the articles of association or bye-laws of the relevant member at a general meeting of such member, who is re-elected at such general meeting shall not be regarded as a cessation of directorship for the purpose of this paragraph;
  
- (g) where the Grantee is a director of the Group or an Affiliate at the time of the grant of the relevant Option(s), in the event that such Grantee shall cease to be a director of any of them but becomes, or continues to be, a consultant or an officer of the Group or an Affiliate, then the Option(s) (to the extent exercisable as at the date on which such Grantee ceases to be a director and not exercised) granted prior to the date of his becoming a consultant or an officer of the Group or an Affiliate shall remain exercisable until its expiry in accordance with the provisions of this Scheme and the terms and conditions upon which such Option(s) is granted unless the Board shall determine to the contrary;
  
- (h) if a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer becomes or is declared unconditional (within the meaning of the Hong Kong Code on Takeovers and Mergers), the Grantee shall be entitled to exercise the Option (to the extent exercisable as at the date on which the general offer becomes or is declared unconditional and not exercised) in full or in part at any time within one month after the date on which the offer becomes or is declared unconditional (within the meaning of the Hong Kong Code on Takeovers and Mergers);

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- (i) in the event notice is given by the Company to its shareholders to convene a shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall forthwith give notice thereof to the Grantee and the Grantee may, by notice in writing to the Company accompanied by the remittance for the total Exercise Price payable in respect of the exercise of the relevant Option (such notice to be received by the Company not later than three Business Days (excluding any period(s) of closure of the Company's share registers) prior to the proposed meeting) exercise the Option (to the extent exercisable as at the date of the notice to the Grantee and not exercised) either in full or in part and the Company shall, as soon as possible and in any event no later than the Business Day (excluding any period(s) of closure of the Company's share registers) immediately prior to the date of the proposed shareholders' meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise; and
  
- (j) in the event of a compromise or arrangement between the Company and its members or creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Company (other than any relocation schemes as contemplated in Rule 7.14(3) of the Listing Rules), the Company shall give notice thereof to all Grantees on the same date as it gives notice of the meeting to its members or creditors to consider such a scheme of arrangement, and thereupon the Grantee may, by notice in writing to the Company accompanied by the remittance for the total Exercise Price payable in respect of the exercise of the relevant Option (such notice to be received by the Company not later than three Business Days (excluding any period(s) of closure of the Company's share registers) prior to the proposed meeting) exercise the Option (to the extent exercisable as at the date of the notice to the Grantee and not exercised) either in full or in part and the Company shall, as soon as possible and in any event no later than the Business Day (excluding any period(s) of closure of the Company's share registers) immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise credited as fully paid and registered the Grantee as holder thereof.

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- 9.4 The Shares to be allotted and issued upon the exercise of an Option shall be subject to all the provisions of the articles of association of the Company in force as at the Allotment Date and shall rank *pari passu* in all respects with the existing fully paid Shares in issue on the Allotment Date and accordingly shall entitle the holder to participate in all dividends or other distributions paid or made after the Allotment Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be on or before the Allotment Date. Any Share allotted and issued upon the exercise of an Option shall not carry voting rights until the name of the Grantee has been duly entered into the register of members of the Company as the holder thereof.
- 9.5 Without prejudice to the generality of the foregoing, the Grantee may only exercise an Option subject to any restrictions as may be reasonably imposed by the Board from time to time with a view to ensuring or facilitating compliance with any Applicable Laws, mandatory rules and/or regulations binding on the Company, particularly those relating to insider dealing and other prohibitions under the Listing Rules.

### 10. LAPSE OF OPTION

An Option (to the extent that such Option has not already been exercised) shall lapse and not be exercisable on the earliest of:

- (a) the expiry of the Exercise Period;
- (b) the expiry of any of the periods referred to in clauses 9.3(a), (b), (c), (d), (e), (f), (g) and (h);
- (c) subject to Clause 9.3(i), the date of the commencement of the winding-up of the Company;
- (d) the date when the proposed compromise or arrangement becomes effective in respect of the situation contemplated in clause 9.3(j);
- (e) the date on which the Grantee who is an Employee ceases to be an Employee by reason of the termination of his employment on the grounds that he has been guilty of serious misconduct or has been convicted of any criminal offence involving his integrity or honesty. A resolution of the Board to the effect that the employment of a Grantee has or has not been terminated on one or more of the grounds specified in this clause 10(e) shall be conclusive and binding on the Grantee;

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- (f) the happening of any of the following events, unless otherwise waived by the Board:
  - (i) any liquidator, provisional liquidator, receiver or any person carrying out any similar function has been appointed anywhere in the world in respect of the whole or any part of the asset or undertaking of the Grantee (being a corporation);
  - (ii) the Grantee (being a corporation) has ceased or suspended payment of its debts, become unable to pay its debts (within a meaning of section 178 of the Companies Ordinance or any similar provisions under the Companies Law) or otherwise become insolvent;
  - (iii) there is unsatisfied judgment, order or award outstanding against the Grantee or the Company has reason to believe that the Grantee is unable to pay or to have no reasonable prospect of being able to pay his/her/its debts;
  - (iv) there are circumstances which entitle any person to take any action, appoint any person, commence proceedings or obtain any order of the type mentioned in sub-clauses (i), (ii) and (iii) above;
  - (v) a bankruptcy order has been made against the Grantee or any Director of the Grantee (being a corporation) in any jurisdiction; or
  - (vi) a petition for bankruptcy has been presented against the Grantee or any Director of the Grantee (being a corporation) in any jurisdiction;
- (g) the date on which a situation as contemplated under clause 9.1 arises;
- (h) the date on which the Grantee commits a breach of any terms or conditions attached to the Offer, unless otherwise resolved to the contrary by the Board; or
- (i) the date on which the Board resolves that the Grantee has failed or otherwise is or has been unable to meet the continuing eligibility criteria as may be prescribed pursuant to clause 6.6(a).

**11.    MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION**

- 11.1 Subject to clauses 11.2, 11.3 and 11.4, the maximum number of Shares in respect of which Options may be granted under this Scheme and any other schemes involving the issue or grant of options or similar rights over Shares or other securities by the Company shall not, in aggregate, exceed 10% of the Shares in issue as at the date of approval of the Scheme in accordance with the Listing Rules (the “Scheme Mandate Limit”) unless approved by the shareholders of the Company pursuant to clause 11.3. Options lapsed in accordance with the terms of the Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.
- 11.2 Subject to clauses 11.3 and 11.4, the Scheme Mandate Limit may be renewed by the shareholders of the Company in general meeting from time to time provided always that the Scheme Mandate Limit so renewed must not exceed 10% of the Shares in issue as at the date of approval of such renewal by shareholders of the Company in general meeting. Upon such renewal, all Options granted under this Scheme and any other share options schemes of the Company (including those exercised, outstanding, cancelled, lapsed in accordance with the terms of this Scheme or any other share option schemes of the Company) prior to the approval of such renewal shall not be counted for the purpose of calculating the Scheme Mandate Limit as renewed. A circular must be sent to the shareholders of the Company containing such relevant information from time to time as required by the Listing Rules in connection with the general meeting at which their approval is sought; and
- 11.3 Subject to clause 11.4, the Board may seek separate shareholders’ approval in general meeting to grant Options beyond the Scheme Mandate Limit provided that the Options in excess of the Scheme Mandate Limit are granted only to the Eligible Participants specifically identified by the Company before such approval is sought and the Company must issue a circular to the shareholders of the Company containing such relevant information from time to time as required by the Listing Rules in relation to any such proposed grant to such Eligible Participants.



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- 11.4 The maximum number of Shares which may be issued upon the exercise of all outstanding Options granted and yet to be exercised under this Scheme and any other schemes involving the issue or grant of options or similar rights over Shares or other securities by the Company must not, in aggregate, exceed 30% of the Shares in issue from time to time. Notwithstanding anything contrary to the terms of this Scheme, no options may be granted under any schemes of the Company (including this Scheme) if this will result in the said 30% limited being exceeded.
- 11.5 No Option may be granted to any Eligible Participant which, if exercised in full, would result in the total number of Shares issued and to be issued upon exercise of the Options already granted or to be granted to such Eligible Participant under this Scheme (including exercised, cancelled and outstanding Options) in any 12- month period up to and including the date of such grant exceeding 1% in aggregate of the Shares in issue as at the date of such grant. Any grant of further Options above this limit shall be subject to the following requirements:
- (a) approval of the shareholders of the Company at general meeting, with such Eligible Participant and his/its Associates abstaining from voting;
  - (b) a circular in relation to the proposal for such further grant having been sent by the Company to its shareholders with such information from time to time as required by the Listing Rules;
  - (c) the number and terms of the Options to be granted to such proposed Grantee shall be fixed before the shareholders' approval mentioned in (a) above; and
  - (d) for the purpose of calculating the minimum Exercise Price for the Shares in respect of the further Options proposed to be so granted as described under clause 8, the date of board meeting for proposing such grant of further Options shall be taken as the date of Offer of such Options.
- 11.6 The maximum number of Shares referred to in clause 11 shall be adjusted, in such manner as the Auditors or the independent financial adviser appointed by the Company shall confirm in writing that the adjustments satisfy the requirements set forth in clause 12.

**12. REORGANISATION OF CAPITAL STRUCTURE**

12.1 In the event of any alteration in the capital structure of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party) pursuant to or arising from a capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital of the Company while an Option remains exercisable, such corresponding alterations (if any) shall be made in:

- (a) the number or nominal amount of Shares subject to the Options so far as unexercised; and/or
- (b) the Exercise Price; and/or
- (c) the method of exercise of the Options; and/or
- (d) the maximum number of Shares referred to in clause 11.

Any adjustments required under this clause must give a Grantee the same proportion of the equity capital as that to which that Grantee was previously entitled, but no such adjustments may be made to the extent that Shares would be issued at less than their nominal value or (unless with prior approval from the Company's shareholders in general meeting) to the extent that such adjustments are made to the advantage of the Grantee. For the avoidance of doubt, the issue of securities as consideration in a transaction may not be regarded as a circumstance requiring adjustment. In respect of any such adjustments, other than any made on a capitalisation issue, the independent financial adviser appointed by the Company or the Auditors must confirm to the Directors in writing that the adjustments satisfy the requirements set out in this clause.

12.2 The costs of the Auditors or the independent financial adviser appointed by the Company relating to this Scheme shall be borne by the Company.

12.3 In giving any certificate under this clause 12, the Auditors or the independent financial adviser appointed by the Company shall be deemed to be acting as experts and not as arbitrators and their certificate shall, in the absence of manifest error, be final, conclusive and binding on the Company and all persons who may be affected thereby.

**13. SHARE CAPITAL**

The exercise of any Option shall be subject to the members of the Company in a general meeting approving any necessary increase in the share capital of the Company. Subject thereto the Board shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.

**14. DISPUTES**

Any dispute arising in connection with this Scheme (whether as to the number of Shares, the subject of an Option, (where applicable) whether all or part of the Option has been vested, the amount of the Exercise Price or otherwise) shall be referred to the decision of the Auditors or the independent financial adviser of the Company who shall act as experts and not as arbitrators and whose decision shall be final and binding on the Grantee.

**15. ALTERATION OF THIS SCHEME**

15.1 The Board may by resolution alter, amend, modify or waive any of the provisions of this Scheme except that the following must be approved by the shareholders of the Company in general meeting:

- (a) alterations relating to matters set out in Rule 17.03 of the Listing Rules (or any other relevant provisions of the Listing Rules from time to time applicable) which are or may be to the advantage of Grantees or prospective Grantees;
- (b) alterations to the terms and conditions of this Scheme which are of a material nature (except where such alterations take effect automatically under the existing terms of this Scheme); and
- (c) any change to the authority of the Directors or administrator of this Scheme in relation to any alterations to the terms of this Scheme.

15.2 The amended terms of this Scheme must continue to comply with the relevant provisions of the Listing Rules as may be amended from time to time.

15.3 Subject to this clause 15, the Board may at any time alter, amend or modify the terms and conditions of this Scheme such that the provisions of this Scheme would comply with all relevant legal and regulatory requirements in all relevant jurisdictions to the extent as considered necessary by the Board to implement the terms of this Scheme.

**16. TERMINATION**

- 16.1 The Company by resolution in general meeting or the Board may at any time terminate the operation of this Scheme and in such event, no further Options will be offered but the provisions of this Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of the Options pursuant to clause 16.2.
- 16.2 Options complying with the provisions of the Listing Rules which are granted during the life of the Scheme and remain unexpired immediately prior to the termination of the operation of the Scheme shall continue to be exercisable in accordance with their terms of issue after the termination of the Scheme.

**17. CANCELLATION**

The Board shall have the absolute discretion to cancel any Options granted but not exercised at any time if the Grantee so agreed provided that where an Option is cancelled and a new Option is proposed to be issued to the same Grantee, the issue of such new Option may only be made with available but unissued Shares in the authorised share capital of the Company, and available ungranted Options (excluding for this purpose all cancelled Options) within the limits referred to in clause 11.

**18. MISCELLANEOUS**

- 18.1 This Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company.
- 18.2 Notwithstanding that the Grantees shall not have any rights in connection with the Company until the relevant Options have been exercised (either in part or in full), a Grantee shall be entitled to receive copies of all notices, financial statements and other documents sent by the Company to its shareholders.
- 18.3 Any notice or other communication between the Company and a Grantee may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its principal place of business in Hong Kong from time to time and, in the case of the Grantee, his address or fax number or e-mail address as notified to the Company from time to time.

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**APPENDIX I      PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME**

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- 18.4 Any notice or other communication served:
- (a) by the Company shall be deemed to have been served 24 hours after the same was put in the post or delivered by hand or by courier or by fax or by internet to the e-mail address of the Grantee as notified to the Company from time to time; and
  - (b) by the Grantee shall not be deemed to have been received until the same shall have been received by the Company.
- 18.5 A Grantee shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant or exercise of his Option. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or for any tax or other liability to which a Grantee may become subject as a result of his participation in this Scheme.
- 18.6 By accepting an Option, a Grantee shall be deemed irrevocably to have accepted the grant subject to the provisions of this Scheme and to have waived any entitlement, by way of compensation for loss of office or otherwise howsoever, to any sum or other benefit to compensate him for loss of any rights under this Scheme.
- 18.7 This Scheme and all Options granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong.

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## **APPENDIX II      EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE**

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*This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information as to the proposed Repurchase Mandate.*

### **1.      THE LISTING RULES RELATING TO THE REPURCHASE OF SHARES**

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

### **2.      SHARE CAPITAL**

As at the Latest Practicable Date, there were a total of 556,750,000 Shares in issue.

Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 55,675,000 Shares.

### **3.      REASONS FOR THE REPURCHASE**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase the Shares on the Stock Exchange. Share repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders.

The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Repurchase Mandate.

**4.      FUNDING OF REPURCHASES**

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's Memorandum and Articles, the Companies Law and other applicable laws of the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the Companies Law, repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by the Articles and subject to the provisions of the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorised by the Articles and subject to the provisions of the Companies Law, out of capital.

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position as at 31 December 2012, being the date of its latest published audited financial statements. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

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**APPENDIX II      EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE**

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**5.      SHARE PRICES**

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the 12 calendar months immediately preceding the Latest Practicable Date are as follows:

	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
March 2012	0.79	0.70
April 2012	0.70	0.61
May 2012	0.65	0.51
June 2012	0.65	0.55
July 2012	0.64 ( <i>Note</i> )	0.60 ( <i>Note</i> )
August 2012	0.66	0.60
September 2012	0.77	0.64
October 2012	0.81	0.68
November 2012	0.74	0.63
December 2012	0.80	0.59
January 2013	0.95	0.63
February 2013	1.12	0.92
March 2013 (up to the Latest Practicable Date)	1.23	1.04

*Note:* There was no trading of the Shares in July 2012. The amounts stated are the highest and lowest closing prices of the Shares, respectively, in July 2012.

**6.      THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING**

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.



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## APPENDIX II      EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO and so far as was known to, or could be ascertained after reasonable enquiry by, the Directors, the following persons were interested in 5% or more of the then issued share capital of the Company:

Name	Number of shares held	Approximate percentage of shareholding as at the Latest Practicable Date	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Essex Holdings Limited	288,458,000	51.81%	57.57%
Ngiam Mia Je Patrick	297,374,667	53.41%	59.35%
	<i>(Note 1)</i>		
Ngiam Mia Kiat Benjamin	295,449,667	53.07%	58.96%
	<i>(Notes 1 &amp; 2)</i>		
Lauw Hui Kian	297,374,667	53.41%	59.35%
	<i>(Notes 1 &amp; 3)</i>		

*Notes:*

1.
  - (a) 2,250,000 Shares were registered directly in the name of Ngiam Mia Je Patrick.
  - (b) 288,458,000 Shares were held by Essex Holdings Limited (“**Essex Holdings**”), which was owned as to 50% by Ngiam Mia Je Patrick and as to 50% by Ngiam Mia Kiat Benjamin. Therefore, Ngiam Mia Je Patrick was deemed to be interested in these Shares as he was entitled to exercise or control the exercise of more than one-third of the voting power of Essex Holdings at general meetings.
  - (c) 6,666,667 Shares were held by Dynatech Ventures Pte Ltd (“**Dynatech**”), which was wholly owned by Essex Investment (Singapore) Pte Ltd (“**Essex Singapore**”). Since Essex Singapore was owned by Ngiam Mia Je Patrick and Ngiam Mia Kiat Benjamin in equal shares, Ngiam Mia Je Patrick was deemed to be interested in these Shares as he was entitled to exercise or control the exercise of more than one-third of the voting power of Dynatech at general meetings.
  
2.
  - (a) 325,000 Shares were registered directly in the name of Ngiam Mia Kiat Benjamin.
  - (b) 288,458,000 Shares were held by Essex Holdings.
  - (c) 6,666,667 Shares were held by Dynatech.
  
3. Lauw Hui Kian is the spouse of Ngiam Mia Je Patrick (an executive Director). For the purpose of Part XV of the SFO, Lauw Hui Kian was deemed to be interested in the 297,374,667 Shares in which Ngiam Mia Je Patrick was interested.

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## **APPENDIX II      EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE**

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In the event that the Directors shall exercise in full the Repurchase Mandate, the total interests of the above substantial shareholders would be increased to approximately the respective percentages shown in the last column above (assuming that the number of Shares then held by each of such shareholders and the then number of total Shares then in issue remain the same), and such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Assuming that there is no issue of Shares between the Latest Practicable Date and the date of a repurchase, an exercise of the Repurchase Mandate whether in whole or in part will not result in less than the relevant prescribed minimum percentage of the Shares being held by the public as required by the Stock Exchange. The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in a public shareholding of less than such prescribed minimum percentage.

Save as disclosed above, the Directors are not aware of any Shareholder or group of Shareholders acting in concert, who may become obliged to make a mandatory offer under Rule 26 of the Takeovers Code as a consequence of any purchases made pursuant to the Repurchase Mandate.

### **7.      SHARE REPURCHASE MADE BY THE COMPANY**

The Company had not purchased any of the Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

### **8.      GENERAL**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates have any present intention to sell any Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

No connected person of the Company has notified the Company that he has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any Shares held by him to the Company in the event that the Repurchase Mandate is granted.

**PARTICULARS OF DIRECTORS FOR RE-ELECTION**

The biographical details of the retiring Directors eligible for re-election at the AGM are set out below:

**Ngiam Mia Je Patrick**

Ngiam Mia Je Patrick, aged 58, is an executive Director and the chairman of the Company. He is responsible for corporate planning, business development strategy and overall direction of the Group. He is currently the chairman and chief executive officer of IPC Corporation Ltd and was a non-executive director of Asiatravel.com Holdings Ltd (resigned with effect from 31 January 2013), both of which are companies incorporated under the laws of Singapore and whose securities are listed on the Singapore Exchange Securities Trading Limited. He was awarded the first KPMG Singapore High Tech Entrepreneur Award in 1990. Mr. Ngiam was also awarded the Businessman of the Year in Singapore in 1994. In 1996, Mr. Ngiam was bestowed with an award from France, the Chevalier DE L'ORDRE NATIONAL DU MERITE. Mr. Ngiam is a founder of the Group which was established in February 1999. Mr. Ngiam entered into a service agreement with the Company for a term of three years commencing from 27 June 2010 and expiring on 26 June 2013 unless terminated (without cause) by the Company giving not less than six months' prior written notice. Under the service agreement, Mr. Ngiam is entitled to a remuneration of HK\$550,000 per year and a discretionary management bonus. Mr. Ngiam's emoluments are determined with reference to his qualification and experience, responsibilities to be undertaken and the prevailing market level of remuneration of similar position. As at the Latest Practicable Date, Mr. Ngiam was directly interested in 2,250,000 Shares, and was also deemed to be interested in (i) 288,458,000 Shares held by Essex Holdings Limited, a company owned by Mr. Ngiam and Ngiam Mia Kiat Benjamin in equal shares; and (ii) 6,666,667 Shares held by Dynatech Ventures Pte Ltd, a wholly-owned subsidiary of Essex Investment (Singapore) Pte Ltd, which in turn was owned by Mr. Ngiam and Ngiam Mia Kiat Benjamin in equal shares. Mr. Ngiam is a director of Essex Holdings Limited which has 51.81% interest in the share capital of the Company. Mr. Ngiam is a brother of Ngiam Mia Kiat Benjamin. Mr. Ngiam and Ngiam Mia Kiat Benjamin are the controlling shareholders of the Company. Mr. Ngiam is a member of the remuneration committee and the nomination committee of the Company. Mr. Ngiam is also a director of Essex Bio-Investment Limited, Essex Bio-Pharmacy Limited and Zhuhai Essex Bio-Pharmaceutical Company Limited, all being subsidiaries of the Company.

**Fung Chi Ying**

Fung Chi Ying, aged 58, was appointed as an independent non-executive Director since 13 June 2001. He is a practising solicitor in Hong Kong. Mr. Fung is presently a partner of Adrian Yeung & Cheng, Solicitors. Mr. Fung's appointment is two years commencing from 30 September 2012, determinable by either party serving not less than one month's written notice on the other, unless both parties agree otherwise. Mr. Fung is entitled to a fixed remuneration of HK\$180,000 per year, which is based on the estimated time to be spent by Mr. Fung for his duties as an independent non-executive Director. Mr. Fung is also the chairman of the audit committee of the Company and a member of the remuneration committee, nomination committee and corporate governance committee of the Company.

Mr. Fung has served as an independent non-executive Director of the Company for more than 9 years. He meets the independence factors set out in Rule 3.13 of the Listing Rules and is not involved in the daily management of the Company nor in any relationships or circumstances which would interfere with the exercise of his independent judgment. In addition, he continues to demonstrate his ability to provide an independent, balanced and objective view to the affairs of the Company and there is no evidence that his tenure has had any impact on his independence. The Board is of the opinion that Mr. Fung remains independent notwithstanding the length of his service and it believes that his valuable knowledge and experience in the Group's business and his general business acumen will continue to generate significant contribution to the Company and the Shareholders as a whole.

Save as disclosed above, as at the Latest Practicable Date and to the best knowledge and belief of the board of Directors, the Directors confirmed that:

- (a) each of Ngiam Mia Je Patrick and Fung Chi Ying is not connected with any Director, senior management, substantial shareholder or controlling shareholder of the Company;
- (b) each of Ngiam Mia Je Patrick and Fung Chi Ying has no interests in the shares which are required to be disclosed under Part XV of the SFO;
- (c) each of Ngiam Mia Je Patrick and Fung Chi Ying does not hold any position in the Company or any member of the Group; and
- (d) each of Ngiam Mia Je Patrick and Fung Chi Ying does not hold any directorship in listed public companies in the last three years.

**GENERAL**

Save as disclosed herein, the Board is not aware of any other matters which need to be brought to the attention of the Shareholders in relation to the above Directors and there is no other information which is discloseable pursuant to any of the requirements set out in Rule 13.51(2) of the Listing Rules.

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## NOTICE OF ANNUAL GENERAL MEETING

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### **ESSEX BIO-TECHNOLOGY LIMITED**

**億勝生物科技有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1061)**

### **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Essex Bio-Technology Limited (“**Company**”) will be held at Caine Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Admiralty, Hong Kong on Friday, 3 May 2013 at 2:00 p.m. for the purpose of transacting the following business:

#### **ORDINARY RESOLUTIONS**

1. to receive and consider the audited consolidated financial statements and the reports of the directors and auditors of the Company for the year ended 31 December 2012;
2. each as a separate resolution, to re-elect the retiring directors (namely, Ngiam Mia Je Patrick and Fung Chi Ying) and to authorise the board of directors to fix the remuneration of the directors;
3. to re-appoint BDO Limited as the auditors of the Company and to authorise the board of directors to fix their remuneration;
4. to consider and declare a final dividend of HK\$0.01 per share for the year ended 31 December 2012;

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## NOTICE OF ANNUAL GENERAL MEETING

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and, to consider and, if thought fit, pass the following resolutions as Ordinary Resolutions (with or without modifications):

5. “**THAT** the existing share option scheme of the Company adopted on 20 June 2003 be and is hereby terminated, and subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the approval for the listing of, and permission to deal in, the shares of the Company to be allotted and issued pursuant to the exercise of options under the new share option scheme of the Company (the “**New Share Option Scheme**”), the rules of which are contained in the document marked “A” produced to the meeting and for the purposes of identification signed by the chairman thereof, the New Share Option Scheme be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to allot and issue from time to time such number of shares of the Company as may be required to be allotted and issued pursuant to the exercise of the options under the New Share Option Scheme and subject to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and to do all 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 New Share Option Scheme, including but without limitation:
- (i) to administer the New Share Option Scheme under which options will be granted to participants eligible under the New Share Option Scheme to subscribe for the shares of the Company, including but not limited to determining and granting the options in accordance with the terms of the New Share Option Scheme;
  - (ii) to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to the modification and/or amendment and subject to Chapter 17 of the Listing Rules;
  - (iii) to make application at appropriate time or times to the Stock Exchange and any other stock exchanges upon which the issued shares of the Company may for the time being be listed, for listing of and permission to deal in any shares of the Company which may hereafter from time to time be allotted and issued pursuant to the exercise of options under the New Share Option Scheme; and
  - (iv) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme.”

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## NOTICE OF ANNUAL GENERAL MEETING

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6. “**THAT:**
- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”), the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) of this resolution) of all the powers of the Company to allot, issue or otherwise deal with unissued shares in the capital of the Company and to make or grant offers, agreements, options and other rights, including warrants to subscribe for shares of the Company and other securities, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period (as defined in paragraph (d) of this resolution) to make or grant offers, agreements, options and other rights which might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph (d) of this resolution);
  - (c) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the directors of the Company pursuant to the approval in paragraphs (a) and (b) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this resolution); or (ii) the exercise of any options granted under all share option schemes of the Company (or similar arrangements) adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of shares of the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company, shall not exceed the aggregate of:
    - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution; and



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## NOTICE OF ANNUAL GENERAL MEETING

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(bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any share capital of the Company purchased by the Company under the authority granted to the directors of the Company as referred to in resolution numbered 6 below,

and the authority pursuant to paragraphs (a) and (b) of this resolution shall be limited accordingly; and

(d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or the law of the Cayman Islands or any other applicable laws to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution;

“**Rights Issue**” means an offer of shares of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares of the Company open for a period fixed by the directors of the Company to holders of shares of the Company on the Company’s register of members on a fixed record date in proportion to their then holdings of shares of the Company (subject to such exclusion or other arrangements as the directors of the Company 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

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## NOTICE OF ANNUAL GENERAL MEETING

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7. **“THAT:**
- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) of this resolution) of all powers of the Company to purchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”), or any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
  - (b) the aggregate nominal amount of shares of the Company which may be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period (as defined in paragraph (c) of this resolution) shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
  - (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or the law of the Cayman Islands or any other applicable laws to be held; and
    - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”

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## NOTICE OF ANNUAL GENERAL MEETING

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8. “**THAT** conditional on the passing of resolutions numbered 6 and 7 above, the general mandate granted to the directors of the Company pursuant to resolution numbered 6 above be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the directors of the Company pursuant to or in accordance with such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company purchased by the Company pursuant to or in accordance with the authority granted under resolution numbered 7 above, provided that such extended amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution.”

For and on behalf of the Board of  
**Essex Bio-Technology Limited**  
**Ngiam Mia Je Patrick**  
*Chairman*

Hong Kong, 28 March 2013

As at the date of this notice, the directors of the Company are as follows:

*Executive Directors:*

Ngiam Mia Je Patrick (*Chairman*)  
Fang Haizhou  
Zhong Sheng

*Independent non-executive Directors:*

Fung Chi Ying  
Mauffrey Benoit Jean Marie  
Yeow Mee Mooi

*Head office and principal place of business:*

Room 2818  
China Merchants Tower  
Shun Tak Centre  
168-200 Connaught Road Central  
Hong Kong

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. To be valid, the form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the offices of the branch share registrar of the Company in Hong Kong, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration by not less than 48 hours before the time appointed for holding the above meeting or any adjournment thereof.
3. In relation to the proposed resolutions numbered 6 and 8 above, approval is being sought from the shareholders for the grant to the directors of a general mandate to authorise the allotment and issue of shares under the Listing Rules. The directors of the Company have no immediate plans to issue any new shares of the Company.
4. In relation to the proposed resolution numbered 7 above, the directors of the Company wish to state that they will exercise the powers conferred thereby to purchase shares of the Company in circumstances which they deem appropriate for the benefit of the shareholders. The directors of the Company have no immediate plans to repurchase any shares of the Company pursuant to the mandate to be granted under the proposed resolution numbered 7 above.
5. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.