

IMPORTANT

If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Hopefluent Group Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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HOPEFLUENT GROUP HOLDINGS LIMITED

(合富輝煌集團控股有限公司)

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 733)

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE SHARES AND TO REPURCHASE SHARES
AND
INFORMATION ON THE RETIRING DIRECTORS TO BE RE-ELECTED
AT THE 2011 ANNUAL GENERAL MEETING
AND PROPOSED BONUS ISSUE OF SHARES
AND
NOTICE OF THE 2011 ANNUAL GENERAL MEETING**

A letter from the board of directors of the Company is set out on page 5 to 12 of this circular. A notice convening the annual general meeting (the “**2011 Annual General Meeting**”) of the Company to be held at Oasis Room, 8/F., Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on 9 June, 2011 (Thursday) at 3:00 p.m. is set out on page 17 to 21 of this circular.

A form of proxy for the 2011 Annual General Meeting is also enclosed. Whether or not you desire to attend the 2011 Annual General Meeting, you are requested to complete the form of proxy and return the same to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the 2011 Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from subsequently attending and voting at the 2011 Annual General Meeting or any adjournment thereof if you so wish.

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DEFINITIONS

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

“2011 Annual General Meeting”	the annual general meeting of the Company to be held at 3:00 p.m. on Thursday, 9 June, 2011 at Oasis Room, 8/F., Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong and the notice of which is set out in this circular;
“Board”	the board of directors of the Company;
“Bonus Issue”	The proposed issue of Bonus Shares to the Qualifying Shareholders on the basis of one Bonus Share for every five existing Shares;
“Bonus Share(s)”	new Share(s) proposed to be allotted and issued pursuant to the Bonus Issue;
“Business Days”	any day on which the Stock Exchange is open for the transaction of business;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“Companies Law”	the Companies Law (2009 Revision) of the Cayman Islands, as amended from time to time;
“Company”	Hopefluent Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange;
“Connected person”	has the same meaning as defined in the Listing Rules;
“Director(s)”	director(s) of the Company;
“Excluded Shareholders”	those Shareholders whose addresses as shown on the Register of Members as at 4:00 p.m. on the Record Date are outside Hong Kong and whom the Board, after making enquiries, considers it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to extend the Bonus Issue to them;
“Group”	the Company and its subsidiaries;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Issue Mandate”	the general and unconditional mandate proposed to be granted to Directors to allot, issue and deal with new Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution, as set out in the notice of the 2011 Annual General Meeting, which is also proposed to be extended by the addition of the number of Shares purchased under the Repurchase Mandate;
“Latest Practicable Date”	8 April, 2011, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular;
“Listing Committee”	the listing committee of the Stock Exchange;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Option(s)”	share option(s) granted under the share option scheme of the Company adopted by the Shareholders on 24 June, 2004;
“Overseas Shareholder(s)”	the Shareholder(s) whose addresses as shown on the Register of Members on the Record Date are outside Hong Kong;
“PRC”	the People’s Republic of China;
“Qualifying Shareholders”	holders of Shares, excluding the Excluded Shareholders, who are entitled to the Bonus Issue;
“Record Date”	Thursday, 9 June, 2011, being the record date for the determination of entitlement to the Bonus Issue;
“Register of Members”	the register of members of the Company;
“Registrar”	Tricor Investor Services Limited, branch share registrar in Hong Kong at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong;
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to Directors to exercise the power of the Company to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution, as set out in the notice of the 2011 Annual General Meeting;
“SFO”	the Securities and Futures Ordinance;

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers; and
“%”	per cent.

EXPECTED TIMETABLE

The expected timetable for the Bonus Issue is set out below:

2011

Despatch day of this circular	Thursday, 14 April
Last day of dealings in the Shares on a cum entitlement Basis	Wednesday, 1 June
First day of dealings in the Shares on an ex-entitlement basis	Thursday, 2 June
Latest time for lodging the Option exercise form together with a remittance in cash for the amount of the exercise price for the respective Shares in order to be qualified for the Bonus Issue	4:00 p.m. Friday, 3 June
Latest time for lodging transfers of the Shares for registration in order to qualify for the Bonus Issue	4:30 p.m. Friday, 3 June
Closure of Register of Members (both days inclusive)	from Tuesday, 7 June to Thursday, 9 June
Latest date and time to return form of proxy for 2011 Annual General Meeting	3:00 p.m. Tuesday, 7 June
Date and time of 2011 Annual General Meeting	3:00 p.m. Thursday, 9 June
Record date	Thursday, 9 June
Register of Members re-opens	Friday, 10 June
Certificates for the Bonus Shares expected to be despatched	on or before Thursday, 23 June
Dealings in Bonus Shares commence	Monday, 27 June

Note: All times refer to Hong Kong local time in this circular.

Dates or deadlines specified in this circular are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

LETTER FROM THE BOARD OF DIRECTORS



HOPEFLUENT GROUP HOLDINGS LIMITED

(合富輝煌集團控股有限公司)

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 733)

Executive Directors:

FU Wai Chung (*Chairman*)

NG Wan

FU Man

LO Yat Fung

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent Non-Executive Directors:

LAM King Pui

NG Keung

WONG LAW Kwai Wah, Karen

Principal Place of Business

in Hong Kong:

Room 3611, 36th Floor

Shun Tak Centre West Tower

200 Connaught Road Central

Hong Kong

14 April, 2011

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE SHARES AND TO REPURCHASE SHARES
AND
INFORMATION ON THE RETIRING DIRECTORS TO BE RE-ELECTED
AT THE 2011 ANNUAL GENERAL MEETING
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NOTICE OF THE 2011 ANNUAL GENERAL MEETING**

1. INTRODUCTION

The Company's existing general mandates to issue shares and to repurchase shares were approved by the Company's then shareholders on 9 June, 2010 at the 2010 annual general meeting of the Company. Unless otherwise renewed, the existing general mandates to issue shares and to repurchase shares will lapse at the conclusion of the 2011 Annual General Meeting.

LETTER FROM THE BOARD OF DIRECTORS

In order to ensure flexibility when it is desirable to allot additional shares or to repurchase shares, the directors of the Company will seek the approval of Shareholders to grant new general mandates to issue shares and to repurchase shares at the 2011 Annual General Meeting.

The purpose of this circular is to, inter alia, provide you with information on (i) the proposed renewal of the general mandates to issue shares and to repurchase shares; (ii) the retiring directors to be re-elected; and (iii) the Bonus Issue, for consideration on the related resolutions to be put forward at the 2011 Annual General Meeting.

2. THE ISSUE MANDATE

Two ordinary resolutions, as set out in the notice of the 2011 Annual General Meeting, will be proposed for the following purposes:-

Ordinary resolution no. 5 — to grant to the Directors a general mandate to issue new shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution; and

Ordinary resolution no. 7 — to increase the aggregate nominal amount of share capital of the Company which the Directors may issue under the general mandate if given in the ordinary resolution no. 5 by the aggregate nominal amount of share capital of the Company repurchased under the general mandate if given in the ordinary resolution no. 6.

The Company had in issue an aggregate of 382,166,000 shares of HK\$0.01 each as at the latest practicable date before the printing of this circular for ascertaining certain information to be included herein. Subject to the passing of the aforesaid ordinary resolution no. 5 and in accordance with the terms therein, the Company would be allowed to issue additional shares up to the aggregate nominal amount of a maximum of 76,433,200 shares on the basis that no further shares will be issued or repurchased prior to the 2011 Annual General Meeting.

3. THE REPURCHASE MANDATE

The ordinary resolution no. 6 as set out in the notice of the 2011 Annual General Meeting, will be proposed to grant to the Directors a general mandate to exercise the powers of the Company to repurchase the Company's fully paid up shares representing up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution.

The Listing Rules contain provisions to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange.

In accordance with the Listing Rules, the appendix to this circular serves as the explanatory statement, to provide you with the requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolution for granting of the Repurchase Mandate.

LETTER FROM THE BOARD OF DIRECTORS

4. INFORMATION OF THE RETIRING DIRECTORS TO BE RE-ELECTED AT THE 2011 ANNUAL GENERAL MEETING

For your further information, we set out below the relevant details of the retiring directors proposed to be re-elected at the 2011 Annual General Meeting:-

Ms. Fu Man (“Ms. Fu”), aged 50, is the co-founder of the Group and has been appointed as executive director of the Company under a service agreement commencing on 1 April, 2004 with an initial term of 3 years which continues thereafter until terminated by either party giving to the other party not less than three months’ prior written notice.

Ms. Fu is responsible for the Group’s sales and marketing and overall management. Ms. Fu attended 廣州大學科技幹部學院 (Technology College, Guangzhou University, the PRC) and holds a certificate in industrial foreign trade. Ms. Fu has over 15 years’ experience in real agency business. Except for being director in the Company, Ms. Fu did not hold any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. Moreover, Ms. Fu is the director of certain subsidiaries in the Group. Other than these positions, Ms. Fu has not held any other position with any member of the Group. Ms. Fu is sister of Mr. Fu Wai Chung, chairman and substantial shareholder of the Company and is sister-in-law of Ms. Ng Wan. Except as aforesaid, Ms. Fu does not have other relationships with any directors, senior management or other substantial or controlling shareholder of the Company for the purpose of the Listing Rules. As at the Latest Practicable Date, Ms. Fu Man held share options to subscribe for a total of 2,600,000 shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Ms. Fu does not have any interests in shares of the Company within the meaning of Part XV of the SFO.

Ms. Fu’s remuneration as director of the Company is HK\$1,300,000 per annum under her service agreement with the Company and subject to discretionary management bonus payment to be determined by the Board based on the annual audited results of the Company in accordance with the terms of her service agreement. Ms. Fu’s remuneration, which is commensurate with her duties and responsibilities held, is approved by the Board with reference to the prevailing market situation for similar appointment. As director of the Company, Ms. Fu is subject to retirement by rotation and re-election pursuant to the Articles of Association of the Company.

Mr. Lo Yat Fung (“Mr. Lo”), aged 46, a certified public accountant in Hong Kong, has been appointed as executive director of the Company under a service agreement commencing on 1 April, 2004 with an initial term of 3 years which continues thereafter until terminated by either party giving to the other party not less than three months’ prior written notice.

Mr. Lo has over 20 years of experience in accounting and financial management. Mr. Lo has obtained a professional diploma in accountancy from the Hong Kong Polytechnic University and is a fellow member of the Association of Chartered Certified Accountants of the United Kingdom and the Hong Kong Institute of Certified Public Accountants. In addition, Mr. Lo is a fellow member of the Taxation Institute of Hong Kong and an associate member of the Institute of Chartered Secretaries and Administrators. Save as disclosed above, Mr. Lo did not hold any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. Mr. Lo has not held any position with any member of the Group.

LETTER FROM THE BOARD OF DIRECTORS

Mr. Lo does not have relationships with any directors, senior management or other substantial or controlling shareholder of the Company for the purpose of the Listing Rules. As at the Latest Practicable Date, Mr. Lo held share options to subscribe for a total of 3,080,000 shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Lo does not have any interests in shares of the Company within the meaning of Part XV of the SFO.

Mr. Lo's remuneration as director of the Company is HK\$1,300,000 per annum under his service agreement with the Company and subject to discretionary management bonus payment to be determined by the Board based on the annual audited results of the Company in accordance with the terms of his service agreement. Mr. Lo's remuneration, which is commensurate with his duties and responsibilities held, is approved by the Board with reference to the prevailing market situation for similar appointment. As director of the Company, Mr. Lo is subject to retirement by rotation and re-election pursuant to the Articles of Association of the Company.

Mr. Lam King Pui ("Mr. Lam"), aged 45, has been appointed as independent non-executive director ("INED") on 30 May, 2004. He is currently appointed for a period up to 31 December, 2011 under a letter of appointment which may be extended for such period as the Company and Mr. Lam may agree in writing. He is the chairman of both audit committee and remuneration committee of the Company.

Mr. Lam is the chief financial officer of a jewellery retailer in Hong Kong. He holds a Bachelor of Arts degree in accountancy from the Hong Kong Polytechnic University and has over 20 years of experience in accounting. Mr. Lam is a fellow member of the Association of Chartered Certified Accountants, a Certified Public Accountant, an associate member of the Hong Kong Institute of Certified Public Accountants, an associate member of the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Company Secretaries. Mr. Lam did not hold any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. Mr. Lam does not hold any position with the Company and its subsidiaries. He does not have relationships with any directors, senior management, substantial or controlling shareholders of the Company for the purpose of the Listing Rules. As at the Latest Practicable date, Mr. Lam held share options to subscribe for a total of 198,000 shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Lam does not have any interests in shares of the Company within the meaning of Part XV of the SFO.

Mr. Lam's remuneration is fixed at HK\$120,000 per annum under his letter of appointment with the Company, which commensurates with his duties and responsibilities as INED and the prevailing market situation. As director of the Company, Mr. Lam is subject to retirement by rotation and re-election pursuant to the Articles of Association of the Company.

The remuneration of all the above directors has been increased by 10% with effect from 1 January, 2011 in order to reflect the current market condition.

Save as disclosed above, the Board is not aware of any other matters or information that need to be brought to the attention of shareholders of the Company or to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules in relation to the proposed re-election of the aforesaid retiring directors.

LETTER FROM THE BOARD OF DIRECTORS

5. PROPOSED BONUS ISSUE

Basis of Bonus Issue

Reference is made to the Company's announcement dated 23 March, 2011. Subject to the conditions as set out under the heading "Conditions of the Bonus Issue" below, the Bonus Issue is proposed to be made on the basis of one Bonus Share for every five existing Shares held on the Record Date by the Qualifying Shareholders. The Bonus Shares will be issued and credited as fully paid at par. On the basis of 382,166,000 existing Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or purchased before the Record Date, 76,433,200 Bonus Shares will be issued under the Bonus Issue, resulting in a total of 458,599,200 Shares to be in issue upon the Bonus Issue becoming effective.

Record Date and closure of Register of Members

The Bonus Shares will be issued to the Qualifying Shareholders. Arrangement for the Excluded Shareholders are further elaborated below under the heading "Overseas Shareholders". The Register of Members will be closed from Tuesday, 7 June, 2011 to Thursday, 9 June, 2011 (both days inclusive) during which no transfer of Shares will be registered, in order to determine the entitlement of the Shareholders under the Bonus Issue. Shareholders are reminded that in order to qualify for the Bonus Issue and final dividend for the year ended 31 December 2010, they must ensure that all transfers of Shares accompanied by the relevant share certificates and transfer forms are lodged with the Registrar, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 3 June, 2011.

In order for the holders of the Options to be qualified for the Bonus Issue, they must lodge the Option exercise form together with a remittance in cash for the amount of the exercise price for the respective Shares no later than 4:00 p.m. on Friday, 3 June, 2011.

On the basis of (i) no further Shares being issued or purchased before the Record Date, a total of 76,433,200 Bonus Shares will be issued pursuant to the Bonus Issue; and (ii) assuming all the Options are exercised before the latest lodging time, a total of 78,318,000 Bonus Shares will be issued pursuant to the Bonus Issue. Accordingly, the Bonus Shares to be issued pursuant to the Bonus Issue will therefore be not more than 78,318,000 Bonus Shares.

The exact total number of Bonus Shares to be issued under the Bonus Issue will not be capable of determination until the Record Date. The Company will make an announcement when the number of Bonus Shares to be issued is determined.

Reasons for the proposed Bonus Issue

In recognition of the continual support of the Shareholders, the Board decides to propose the Bonus Issue. In addition to that, the Directors believe that the Bonus Issue will enhance the liquidity of the Shares in the market and thereby enlarging the Shareholder and capital base.

LETTER FROM THE BOARD OF DIRECTORS

Overseas Shareholders

As at the Latest Practicable Date, there was one Shareholder whose address as shown on the Register of Members was outside Hong Kong. If at 4:30 p.m. on the Record Date, the Register of Members reveals there are Overseas Shareholders, an enquiry will be made by the Board pursuant to Rule 13.36(2)(a) of the Listing Rules. Upon such enquiry, if the Board is of the view that the exclusion of the Overseas Shareholders is necessary or expedient, the Bonus Shares will not be granted to the Excluded Shareholders. In such circumstances, arrangement will be made for the Bonus Shares which would otherwise have been issued to the Excluded Shareholders to be sold in the market as soon as practicable after dealings commences. Any net proceeds of such sale, after deduction of expenses, of HK\$100 or more will be distributed in Hong Kong dollars to the relevant Excluded Shareholders, by ordinary post at their own risk, unless the amount falling to be distributed to any such person less than HK\$100 in which case it will be retained for the benefit of the Company.

Status of the Bonus Shares and fractional entitlements

The Bonus Shares, upon issue, will rank pari passu with the Shares then existing in all respects, including the entitlement of receiving dividends and other distributions the record date for which is on or after the date of allotment and issue of those Bonus Shares. Fractional entitlements to the Bonus Shares will not be allotted to the Shareholders and will be aggregated and sold for the benefit of the Company.

Conditions of the Bonus Issue

The completion of the Bonus Issue is conditional upon:

- (i) the approval of the Bonus Issue by the Shareholders at the 2011 Annual General Meeting;
- (ii) the Listing Committee granting the listing of, and permission to deal in, the Bonus Shares; and
- (iii) compliance with the relevant legal procedures and requirements under the Companies Law and the articles of association of the Company to effect the Bonus Issue.

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Bonus Shares. No part of the securities of the Company is listed or dealt in, nor is listing or permission to deal in the securities of the Company being or proposed to be sought, on any other stock exchange.

Adjustments to the Options

Implementation of the Bonus Issue will lead to adjustments to the exercise price or to the number of Shares to be issued upon exercise of the Options. The Company will notify the respective holders of the Options regarding the adjustments to be made pursuant to the respective terms and conditions of the Options and notify the Shareholders by way of announcements. Such

LETTER FROM THE BOARD OF DIRECTORS

adjustments will be certified by an independent financial adviser. Save for the Options, the Company has no other outstanding options, warrants or convertible securities to subscribe for any Share.

Certificates for Bonus Shares

It is expected that certificates for the Bonus Shares will be posted on or before 23 June, 2011 after all the conditions of the Bonus Issue have been fulfilled at the risk of the Shareholders entitled thereto to their respective addresses shown on the Register of Members on the Record Date. One share certificate will be issued for all the Bonus Shares issued to the Qualifying Shareholders.

Subject to the granting of listing of, and permission to deal in, the Bonus Shares on the Stock Exchange, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Bonus Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Dealings in the Bonus Shares are expected to commence on 27 June, 2011.

6. RESPONSIBILITY STATEMENT

This circular, for which the directors of the Company 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.

7. ACTION TO BE TAKEN

The notice convening the 2011 Annual General Meeting to be held at Oasis Room, 8/F., Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on 9 June, 2011 (Thursday) at 3:00 p.m. is set out on page 17 to 21 of this circular.

Pursuant to rules 13.39(4) of the Listing Rules, the vote of shareholders at the 2011 Annual General Meeting will be taken by poll and a scrutineer will be appointed by the Company for vote taking at the 2011 Annual General Meeting. No Shareholder is required to abstain from voting at the 2011 Annual General Meeting. An announcement on the poll vote results will be made by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for the 2011 Annual General Meeting is also enclosed. Whether or not you desire to attend the 2011 Annual General Meeting, you are requested to complete the form of proxy and return the same to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the 2011 Annual

LETTER FROM THE BOARD OF DIRECTORS

General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from subsequently attending and voting at the 2011 Annual General Meeting or any adjournment thereof if you so wish.

8. RECOMMENDATION

The Directors believe that the granting of the Issue Mandate and the Repurchase Mandate and the Bonus Issue are in the best interests of the Company and its shareholders as a whole. Moreover, the necessary information regarding the re-election of the retiring directors at the 2011 Annual General Meeting is already set out herein for consideration. Accordingly, the Directors recommend that all shareholders should vote in favour of the related resolutions to be proposed at the 2011 Annual General Meeting.

Yours faithfully,
By Order of the Board
Hopefluent Group Holdings Limited
FU Wai Chung
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to shareholders of the Company for their consideration as to whether to vote for or against the ordinary resolution to be proposed at the 2011 Annual General Meeting for granting the Repurchase Mandate.

This explanatory statement contains all the information required pursuant to rule 10.06 of the Listing Rules which is set out as follows:–

SHARE CAPITAL

As at the Latest Practicable Date, the Company had in issue an aggregate of 382,166,000 shares of HK\$0.01 each which are fully paid.

Subject to the passing of the ordinary resolution no. 6 as set out in the notice of 2011 Annual General Meeting and in accordance with the terms therein, the Company would be allowed under the Repurchase Mandate to repurchase fully paid shares up to the aggregate nominal amount of a maximum of 38,216,600 shares on the basis that no further shares will be issued or repurchased prior to the 2011 Annual General Meeting.

REASONS FOR SHARE REPURCHASE

Although the Directors have no present intention of repurchasing any securities of the Company, they believe that the flexibility offered by the Repurchase Mandate would be beneficial to the Company and its shareholders. Trading conditions on the Stock Exchange have sometimes been volatile. At any time in the future when securities trading at a discount to their underlying value, the ability of the Company to repurchase securities will be beneficial to those shareholders who retain their investment in the Company since their interests in the assets of the Company would increase in proportion to the number of securities repurchased by the Company and thereby resulting in an increase in net asset value per share and/or earnings per share of the Company. Such repurchases will only be made when the Directors believe that the repurchases will benefit the Company and its shareholders as a whole.

FUNDING OF REPURCHASES

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with the memorandum and articles of association of the Company and the applicable laws and regulations of the Cayman Islands. Securities may only be repurchased out of the profits of the Company or out of the proceeds of a fresh issue of shares made for the purpose of repurchase. The premium, if any, payable on repurchases must have been provided for out of the profits of the Company or out of the Company's share premium account before or at the time the securities are repurchased. The Company may not purchase 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 from time to time.

SHARE PRICES

During each of the twelve months preceding the Latest Practicable Date, the highest and lowest prices at which shares of the Company have been traded were as follows:

	Shares	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2010		
March	2.391	1.855
April	3.045	2.300
May	2.436	2.009
June	2.609	2.109
July	3.000	2.291
August	3.218	2.782
September	4.670	3.073
October	4.710	3.990
November	4.470	4.000
December	4.540	4.190
2011		
January	5.520	4.390
February	5.090	4.380
March	4.800	3.910
April to the Latest Practicable Date	4.840	4.560

REPURCHASES MADE BY THE COMPANY

Neither the Company nor any of its subsidiaries has purchased any of the Company's shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

POSSIBLE MATERIAL ADVERSE IMPACT

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts for the year ended 31 December, 2010) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the Company's working capital requirements or the gearing levels. The number of shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make repurchases under the Repurchase Mandate in accordance with the Listing Rules and laws of the Cayman Islands and in accordance with the regulations set out in the memorandum and articles of association of the Company.

EFFECT OF HONG KONG CODE ON TAKEOVERS AND MERGERS

If as a result of share repurchase by the Company, a substantial shareholder's proportionate interest in voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a shareholder, or group of shareholders acting in concert, could, depending on the level of increase in the interest of shareholdings, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date and to the best of knowledge and belief of the Company, the following persons were directly or indirectly interested in 5% or more of the nominal value of the issued ordinary shares that carry a right to vote in all circumstances at general meetings of the Company:

Name	Number of Issued Share held/interested	Approximate Percentage of Shareholding
Fu Wai Chung (<i>Note 1</i>)	129,208,000	33.81%
Fu's Family Limited (<i>Note 2</i>)	129,208,000	33.81%
Martin Currie (Holdings) Limited	41,258,800	10.80%
Cheah Cheng Hye (<i>Notes 3 & 4</i>)	39,961,300	10.46%
To Hau Yin (<i>Notes 3 & 4</i>)	39,961,300	10.46%
Hang Seng Bank Trustee International Limited (<i>Note 4</i>)	39,961,300	10.46%
Cheah Capital Management Limited (<i>Note 4</i>)	39,961,300	10.46%
Cheah Company Limited (<i>Note 4</i>)	39,961,300	10.46%
Value Partners Limited (<i>Note 4</i>)	39,961,300	10.46%
Value Partners Group Limited (<i>Note 4</i>)	39,961,300	10.46%

In the event that the Directors exercised in full the power to repurchase shares of the Company in accordance with the terms of the ordinary resolution no. 6 to be proposed at the 2011 Annual General Meeting, the aforesaid interests of (1) Fu Wai Chung; (2) Fu's Family Limited; (3) Martin Currie (Holdings) Limited; (4) Cheah Cheng Hye; (5) To Hau Yin; (6) Hang Seng Bank Trustee International Limited; (7) Cheah Capital Management Limited; (8) Cheah Company Limited; (9) Value Partners Limited; and (10) Value Partners Group Limited in the issued share capital of the Company as at the Latest Practicable Date would be proportionally increased to approximately (1) 37.57%; (2) 37.57%; (3) 12.00%; (4) 11.62%; (5) 11.62%; (6) 11.62%; (7) 11.62%; (8) 11.62%; (9) 11.62%; and (10) 11.62% respectively. In view of this, such increase may give rise to an obligation to Fu's Family Limited to make a mandatory offer under the Takeovers Code, subject to the granting of waiver by the executive director of the corporate finance division of the Securities and Futures Commission and any delegate of the executive director pursuant to the Takeovers Code. Save as aforesaid, as at the Latest Practicable

Date, the Directors are not aware of the consequences of such increases or as a result of repurchases of shares that would result in the aforesaid persons or any shareholder, or group of shareholders acting in concert, becoming obliged to make a mandatory offer under the Takeovers Code. Moreover, the Directors have no present intention to exercise the Repurchase Mandate to such extent as would give rise to an obligation to make a mandatory offer under the Takeovers Code or if the repurchase would result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

Note 1: Mr. Fu is interested in these shares through Fu's Family Limited.

Note 2: These 129,208,000 shares are registered in the name of Fu's Family Limited, of which the entire issued share capital is held as to 70% by Mr. Fu, 15% by Ms. Ng Wan and 15% by Ms. Fu Man.

Note 3: Mr. Cheah Cheng Hye is the founder of the family trust and Ms. To Hau Yin as the spouse of Mr. Cheah is deemed to be interested in these shares.

Note 4: These shares are held by Hang Seng Bank Trustee International Limited in its capacity as the trustee of a family trust and Value Partners Limited as the investment manager through Value Partners Group Limited, Cheah Company Limited and Cheah Capital Management Limited.

DIRECTORS' DEALINGS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates presently intends to sell shares to the Company under the Repurchase Mandate in the event that such mandate as proposed in the ordinary resolution no. 6 is approved by the shareholders of the Company.

CONNECTED PERSONS

The Company has not been notified by any connected persons of the Company that they have a present intention to sell any shares to the Company, or that they have undertaken not to sell any shares held by them to the Company in the event that such mandate as proposed in the ordinary resolution no. 6 is approved by the shareholders of the Company.

NOTICE OF ANNUAL GENERAL MEETING



HOPEFLUENT GROUP HOLDINGS LIMITED

(合富輝煌集團控股有限公司)

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 733)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of members of Hopefluent Group Holdings Limited (the “**Company**”) will be held at Oasis Room, 8/F., Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on 9 June, 2011 (Thursday) at 3:00 p.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and of the auditors for the year ended 31 December, 2010;
2. To declare a final dividend for the year ended 31 December, 2010 for payment to shareholders whose names appear on the register of members of the Company on 9 June, 2011 and to authorise the board of directors to apply the fund from the share premium account and make any necessary arrangement for payment of dividend for the year ended 31 December, 2010;
3. To re-elect directors and to authorise the board of directors to fix directors’ remuneration;
4. To appoint auditors and to authorise the board of directors to fix their remuneration;
5. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph (c) of this resolution, the exercise by the directors of the Company (“**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and otherwise deal with additional shares (“**Shares**”) in the capital of the Company or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make, grant, sign or execute offers, agreements or options, deeds and other documents which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and it is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make, grant, sign or execute offers, agreements or options, deeds and other documents which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in this resolution, otherwise than pursuant to:
- (i) a rights issue (as defined below); or
 - (ii) the exercise of rights of subscription or conversion attaching to any warrants of the Company or any securities which are convertible into Shares; or
 - (iii) the exercise of any option under the share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries or any other eligible person of Shares or rights to acquire Shares of the Company; or
 - (iv) scrip dividends or under similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; and
 - (v) a specific authority granted by the shareholders of the Company,
- shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (d) for the purpose of this resolution:

“Relevant Period” means the period from (and including) 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 applicable laws of the Cayman Islands to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

NOTICE OF ANNUAL GENERAL MEETING

“rights issue” means the allotment, issue or grant of Shares pursuant to an offer of shares open for a period fixed by the Directors to the holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

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

“THAT

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all powers of the Company to purchase shares (“**Shares**”) in the capital of the Company or securities convertible into Shares on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or on any other exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose (“**Recognised Stock Exchange**”), subject to and in accordance with the applicable laws of the Cayman Islands and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or those of any other Recognised Stock Exchange as amended from time to time, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares and securities convertible into Shares which may be purchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution (on the basis that no Shares are issued or repurchased by the Company before and up to the date of passing this resolution, the Company will be allowed to repurchase fully paid Shares up to a maximum of 38,216,600 Shares), and the approval pursuant to paragraph (a) of this resolution be limited accordingly;
- (c) for the purpose of this resolution, “Relevant Period” means the period from the date of 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 applicable laws of the Cayman Islands to be held; or

NOTICE OF ANNUAL GENERAL MEETING

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

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

“THAT

subject to the passing of the resolutions numbered 5 and 6 as set out in the notice (the **“Notice”**) convening this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with shares (**“Shares”**) in the capital of the Company pursuant to the resolution numbered 5 as set out in the Notice be and the same is hereby extended (as regards the amount of share capital thereby limited) by the addition to the aggregate nominal amount of share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company purchased by the Company under the authority granted pursuant to the resolution numbered 6 as set out in the Notice provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution.”

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

“THAT

subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting and agreeing to grant listing of and permission to deal in the Bonus Shares (as hereinafter defined):

- (a) upon the recommendation of the directors of the Company, a sum of HK\$764,332 being part of the amount standing to the credit of the share premium account of the Company, or such larger sum as may be necessary to give effect to the bonus issue of shares pursuant to this resolution, be capitalized and accordingly the directors of the Company be and are hereby authorized and directed to apply such sum in paying up in full at par not less than 76,433,200 unissued shares (**“Bonus Shares”**) of HK\$0.01 each in the capital of the Company, and that such Bonus Shares shall be issued, allotted and distributed, credited as fully paid up, to and amongst those shareholders whose names appear on the register of members of the Company on 9 June, 2011 (the **“Record Date”**) on the basis of one (1) Bonus Share for every five (5) existing issued shares of HK\$0.01 each in the capital of the Company held by them respectively on the Record Date;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the Bonus Shares to be issued and allotted pursuant to this resolution shall be subject to the memorandum and articles of association of the Company and shall rank *pari passu* in all respects with the shares of HK\$0.01 each in the capital of the Company in issue on the Record Date, except that they will not rank for the bonus issue of shares mentioned in this resolution; and
- (c) the directors of the Company be authorized to do all acts and things as may be necessary and expedient in connection with the allotment and issue of the Bonus Shares, including, but not limited to, determining the amount to be capitalized out of the share premium account of the Company and the number of Bonus Shares to be issued, allotted and distributed in the manner referred to in paragraph (a) of this resolution.”

By order of the Board
Hopefluent Group Holdings Limited
Fu Wai Chung
Chairman

Hong Kong, 14 April, 2011

Principal place of business in Hong Kong:

Room 3611, 36th Floor
Shun Tak Centre West Tower
200 Connaught Road Central
Hong Kong

Notes:

- (1) A member of the Company entitled to attend and vote at the aforesaid meeting is entitled to appoint one or (if holding two or more shares) more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) To be valid, the form of proxy together with any power of attorney or other authority under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the time fixed for holding the meeting or any adjournment thereof.
- (3) Completion and return of the form of proxy will not preclude members from attending and voting at the aforesaid meeting, and in such event, the form of proxy shall be deemed to be revoked.
- (4) The register of members will be closed from 7 June, 2011 (Tuesday) to 9 June, 2011 (Thursday) (both dates inclusive), during which period no transfer of shares will be effected. In order to qualify for the final dividend and Bonus Issue and for attending and voting at the aforesaid meeting, all transfer forms of shares accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 3 June, 2011 (Friday).
- (5) The Chinese translation of this notice (including the contents of the proposed resolutions set out herein) is for reference only. In case of inconsistency, the English version shall prevail.

As at the date of this notice, the board of directors comprises four executive directors, namely Mr. FU Wai Chung, Ms. NG Wan, Ms. FU Man and Mr. LO Yat Fung and three independent non-executive directors, namely Mr. LAM King Pui, Mr. NG Keung and Mrs. WONG LAW Kwai Wah, Karen.