

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)

**(1) PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME
AND
(2) PROPOSALS FOR GENERAL MANDATES
TO ISSUE SHARES AND TO REPURCHASE SHARES
AND
(3) INFORMATION ON THE RETIRING DIRECTORS TO BE RE-ELECTED
AT THE 2014 ANNUAL GENERAL MEETING
AND
(4) NOTICE OF THE 2014 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 “**2014 Annual General Meeting**”) of the Company to be held at Boardroom 3–4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on 6 June, 2014 (Friday) at 3:00 p.m. is set out on page 31 to 36 of this circular.

A form of proxy for the 2014 Annual General Meeting is also enclosed. Whether or not you desire to attend the 2014 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 Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the 2014 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 2014 Annual General Meeting or any adjournment thereof if you so wish.

29 April, 2014

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DEFINITIONS

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

“2014 Annual General Meeting”	means the annual general meeting of the Company to be held at 3:00 p.m. on 6 June, 2014 (Friday) at Boardroom 3–4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong and the notice of which is set out in this circular;
“Adoption Date”	means the date on which the New Share Option Scheme is to be adopted upon fulfilment of the conditions as set out in Paragraph (1)(A) and (B) in Appendix I of this circular;
“Articles of Association”	means the articles of association of the Company as amended from time to time;
“Associates”	shall have the meaning ascribed to it under the Listing Rules from time to time;
“Auditors”	means the auditors for the time being of the Company;
“Board”	means the board of directors of the Company;
“Business Days”	means any day on which the Stock Exchange is open for the transaction of business;
“Chief Executive”	shall have the meaning ascribed to it under the Listing Rules;
“Commencement Date”	means in respect of any particular Option, the date upon which the Option is accepted or deemed to be accepted in accordance with Paragraph 4 in Appendix I of this circular;
“Companies Law”	means the Companies Law (2009 Revision) of the Cayman Islands, as amended from time to time;
“Companies Ordinance”	means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended from time to time;
“Company”	means 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)”	means director(s) of the Company;

DEFINITIONS

“Eligible Person(s)”	means any full-time or part-time employee(s) of the Company or any member of the Group (including any executive, non-executive and independent non-executive directors);
“Existing Share Option Scheme”	means the Share Option Scheme adopted by the Company on 24 June, 2004 which shall expire on 23 June, 2014;
“Further Grant”	has the meaning given to it in Paragraph 4.5 in Appendix I of this circular;
“Group”	means the Company and its subsidiaries;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC;
“Issue Mandate”	means 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 2014 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”	means 17 April, 2014, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular;
“Listing Rules”	means The Rules Governing the Listing of Securities on the Stock Exchange;
“Memorandum of Association”	means the memorandum of association of the Company as amended from time to time;
“New Share Option Scheme”	means the New Share Option Scheme of the Company to be proposed for adoption by the Company at the 2014 Annual General Meeting, the principal terms of which are set out in Appendix I of this circular;
“Offer Date”	means the date on which an Option is offered to an Eligible Person(s) in accordance with Paragraph 4.1 in Appendix I of this circular;

DEFINITIONS

“Option”	means an option to subscribe for Shares granted pursuant to the New Share Option Scheme;
“Option Period”	means in respect of any particular Option, the period to be determined and notified by the Board to each Participant, which period may commence on a day on or after the Commencement Date but shall end in any event not later than 10 years from the Commencement Date;
“Other Schemes”	means any other share option scheme adopted by the Group from time to time, pursuant to which options to subscribe for Shares may be granted;
“Participant(s)”	means any Eligible Person(s) who accepts or is deemed to have accepted the offer of any Option in accordance with the terms of the New Share Option Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Participant(s);
“Registrar”	means Tricor Investor Services Limited, branch share registrar in Hong Kong at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong;
“Repurchase Mandate”	means 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 2014 Annual General Meeting;
“Scheme Mandate Limit”	means 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;
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Share(s)”	means ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	means holder(s) of Share(s);
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;

DEFINITIONS

“Subscription Price”	means the price per Share at which a Participant may subscribe for Shares on the exercise of an Option calculated in accordance with Paragraph 5 in Appendix I of this circular;
“Subsidiary”	means a company which is for the time being and from time to time a subsidiary (within the meaning of Section 2 of the Companies Ordinance) of the Company, whether incorporated in Hong Kong or elsewhere;
“Substantial Shareholder”	shall have the meaning ascribed to it under the Listing Rules;
“Takeovers Code”	means Hong Kong Code on Takeovers and Mergers;
“Trading Day”	means a day on which trading of Shares take place on the Stock Exchange; and
“%”	means per cent.



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

29 April, 2014

To the Shareholders

Dear Sir/Madam,

**(1) PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME
AND
(2) PROPOSALS FOR GENERAL MANDATES
TO ISSUE SHARES AND TO REPURCHASE SHARES
AND
(3) INFORMATION ON THE RETIRING DIRECTORS TO BE RE-ELECTED
AT THE 2014 ANNUAL GENERAL MEETING
AND
(4) NOTICE OF THE 2014 ANNUAL GENERAL MEETING**

1. INTRODUCTION

The Existing Share Option Scheme allowing the Company to grant share options to the Eligible Person(s) shall expire on 23 June, 2014. The Board proposes to adopt the New Share Option Scheme at the 2014 Annual General Meeting.

LETTER FROM THE BOARD OF DIRECTORS

The Company's existing general mandates to issue shares and to repurchase shares were approved by the Company's then shareholders on 23 May, 2013 at the 2013 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 2014 Annual General Meeting.

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 2014 Annual General Meeting.

The purpose of this circular is to, inter alia, provide you with information on (i) proposed adoption of the New Share Option Scheme; (ii) the proposed renewal of the general mandates to issue shares and to repurchase shares; and (iii) the retiring directors to be re-elected, for consideration on the related resolutions to be put forward at the 2014 Annual General Meeting.

2. THE NEW SHARE OPTION SCHEME

The Existing Share Option Scheme allowing the Company to grant share options to the Eligible Persons for the purpose of, among others, providing incentive or rewards to the Eligible Persons for their contribution to the Group, is valid and effective for a period of 10 years commencing on 24 June, 2004. Accordingly, the Existing Share Option Scheme shall expire on 23 June, 2014.

The Board proposes to the Shareholders to adopt the New Share Option Scheme at the 2014 Annual General Meeting. A summary of the principal terms of the New Share Option Scheme is set out in Appendix I to this circular. This serves as a summary of the terms of the New Share Option Scheme but does not constitute the full terms of the same. 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 3611, 36 Floor, Shun Tak Centre West Tower, 200 Connaught Road Central, Hong Kong during normal business hours for a 14-day period immediately preceding the 2014 Annual General Meeting and at the venue of the 2014 Annual General Meeting during the 2014 Annual General Meeting.

Under the Existing Share Option Scheme, the Board may offer Options to the Eligible Persons prescribed in the Existing Share Option Scheme in its absolute discretion.

As at the Latest Practicable Date, the Company had granted 29,600,000 Options to subscribe for a total of 29,600,000 Shares, of which 15,950,000 Options to subscribe for 15,950,000 Shares have been exercised, no Options have lapsed, and no Options have been cancelled under the Existing Share Option Scheme. Accordingly, there were 13,650,000 outstanding Options to subscribe for 13,650,000 Shares as at the Latest Practicable Date. Such 13,650,000 outstanding Options shall continue to be valid and exercisable in accordance with the rules of the Existing Share Option Scheme.

LETTER FROM THE BOARD OF DIRECTORS

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

- (i) the passing of an ordinary resolution at the 2014 Annual General Meeting approving the adoption of the New Share Option Scheme and authorising the Directors to grant Options thereunder and to allot and issue Shares pursuant to the exercise of any Option; and
- (ii) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, any new Shares which may be allotted and issued upon the exercise of the subscription rights attaching to the Options granted under the New Share Option Scheme up to the General Scheme Limit.

As at the Latest Practicable Date, there were 507,669,131 Shares in issue. Assuming that there are no further allotment 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 50,766,913 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 Subscription 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 conditions with respect to the Options and whether or not such Options, if granted, will be exercised. The Subscription 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 Subscription Price given the volatility to which the price of Shares may be subject to during the ten-year life span of the New Share Option Scheme.

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.

LETTER FROM THE BOARD OF DIRECTORS

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 Scheme Mandate Limit.

Reasons for Adopting the New Share Option Scheme

The Existing Share Option Scheme shall expire on 23 June, 2014. The Directors consider that it is appropriate to adopt the New 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 Persons in a longer period in the future. The New Share Option Scheme also provides appropriate incentives or rewards to the Eligible Persons for their contributions or potential contributions to the Group. The purpose of the New Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees and directors of the Group and to promote the success of the business of the Group.

The New Share Option Scheme also expressly provides that, the Board may, with respect to each grant of Options, determine the Subscription Price (being not less than the minimum price specified in the Listing Rules), the conditions that apply to the Options. The Directors believe the New Share Option Scheme will provide the Board with flexibility in determining the applicable 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. THE ISSUE MANDATE

Two ordinary resolutions, as set out in the notice of the 2014 Annual General Meeting, will be proposed for the following purposes:

Ordinary resolution no. 6 — 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. 8 — 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. 6 by the aggregate nominal amount of share capital of the Company repurchased under the general mandate if given in the ordinary resolution no. 7.

The Company had in issue an aggregate of 507,669,131 shares of HK\$0.01 each as at the Latest Practicable Date. Subject to the passing of the aforesaid ordinary resolution no. 6 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 101,533,826 shares on the basis that no further shares will be issued or repurchased prior to the 2014 Annual General Meeting.

LETTER FROM THE BOARD OF DIRECTORS

4. THE REPURCHASE MANDATE

The ordinary resolution no. 7 as set out in the notice of the 2014 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.

5. INFORMATION OF THE RETIRING DIRECTORS TO BE RE-ELECTED AT THE 2014 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 2014 Annual General Meeting:

Mr. Fu Wai Chung (“**Mr. Fu**”), aged 64, the co-founder and chairman of the Group, has been appointed as executive director of the Company under a service agreement commencing on 1 April, 2004 with an initial term of three years which continues thereafter until terminated by either party giving to the other party not less than three months' prior written notice.

Mr. Fu is responsible for the strategic planning and overall management of the Group. He is a graduate of 華南工學院 (Wahnan Industrial College, the PRC) and holds a certificate in mechanical engineering. Mr. Fu has nearly 20 years of experience in real estate agency business management and administration in the PRC.

Save as disclosed above, Mr. 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. Mr. Fu is the director of certain subsidiaries in the Group. Mr. Fu is the spouse of Ms. Ng Wan, an executive director of the Company and Mr. Fu is the brother of Ms. Fu Man, an executive director of the Company and he is interested in 183,427,467 shares (representing 36.13% of the issued share capital of the Company) within the meaning of the SFO. Save as disclosed above, Mr. 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 and does not have any interests in shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Fu's remuneration as director of the Company is HK\$1,980,000 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. Fu's remuneration, which commensurates with his duties and responsibilities held, is approved by the Board with

LETTER FROM THE BOARD OF DIRECTORS

reference to the prevailing market situation for similar appointment. As director of the Company, Mr. Fu is subject to retirement by rotation and re-election pursuant to the articles of association of the Company.

Ms. Fu Man (“**Ms. Fu**”), aged 53, 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 nearly 20 years of 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 held share options to subscribe for a total of 4,400,000 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\$1,430,000 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 commensurates 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.

Mrs. Wong Law Kwai Wah, Karen (“**Mrs. Wong**”), aged 65, has been appointed as an independent non-executive director (“**INED**”) since 30 June, 2005 under an appointment letter for a specific term which may be extended for such period as the Company and Mrs. Wong may agree in writing and the period has been extended to 31 December, 2014. Mrs. Wong also serves on the audit committee, nomination committee and remuneration committee of the Company. Mrs. Wong holds a Bachelor of Arts degree from the University of Hong Kong and has over 35 years working experience in the real estate field. Mrs. Wong is a fellow member of the Hong Kong Institute of Housing. She is a licensed real estate agent and is currently the Chairlady of the Practice and Complaints Committee of the Hong Kong Real Estate Agents Ltd. Except for being a director in the Company, Mrs. Wong 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 nor does she hold any position with the Company or any of its subsidiaries. She does not have any relationship with any directors, senior management,

LETTER FROM THE BOARD OF DIRECTORS

substantial or controlling shareholders of the Company for the purpose of the Listing Rules. As at the Latest Practicable Date, Mrs. Wong does not have any interests in shares of the Company within the meaning of Part XV of the SFO.

Mrs. Wong's remuneration is fixed at HK\$198,000 per annum under her appointment letter, which commensurates with her duties and responsibilities as an INED and the prevailing market situation. As a director of the Company, Mrs. Wong is subject to retirement by rotation and re-election pursuant to the articles of association of the Company.

Mrs. Wong has met the independence guidelines set out in rule 3.13 of the Listing Rules and she has also given an annual confirmation of her independence to the Company this year. The Board and the nomination committee, therefore, consider her to be independent. The nomination committee also believes that Mrs. Wong should be elected because she continues to bring relevant experience and knowledge to the Board.

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.

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 2014 Annual General Meeting to be held at Boardroom 3-4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on 6 June, 2014 (Friday) at 3:00 p.m. is set out on page 31 to 36 of this circular.

Pursuant to rules 13.39(4) of the Listing Rules, the vote of shareholders at the 2014 Annual General Meeting will be taken by poll and a scrutineer will be appointed by the Company for vote taking at the 2014 Annual General Meeting. No Shareholder is required to abstain from voting at the 2014 Annual General Meeting. An announcement on the poll vote results will be made by the Company after the 2014 Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for the 2014 Annual General Meeting is also enclosed. Whether or not you desire to attend the 2014 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 Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time

LETTER FROM THE BOARD OF DIRECTORS

appointed for the 2014 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 2014 Annual General Meeting or any adjournment thereof if you so wish.

8. RECOMMENDATION

The Directors believe that the adoption of the New Share Option Scheme, the granting of the Issue Mandate and the Repurchase Mandate 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 2014 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 2014 Annual General Meeting.

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

1. CONDITIONS

The Scheme will be known as the Hopefluent Group Holdings Limited (or such other name as the Company may hereinafter be called) Share Option Scheme and shall take effect subject to and is conditional on:

- (A) the passing of a resolution to adopt the Scheme by the shareholders of the Company in general meeting; and
- (B) the Listing Committee of the Stock Exchange approving the listing of and permission to deal in 10% of the Shares in issue as at the date of passing of the relevant ordinary resolution approving the Scheme.

The purpose of the Scheme is to enable the Company to grant Options to Eligible Persons as incentives or rewards for their contribution to the Group.

2. DEFINITIONS

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

“Adoption Date”	means the date on which this Scheme was adopted upon fulfilment of the conditions as set out in paragraph (1)(A) and (B);
“Articles of Association”	means the articles of association of the Company as amended from time to time;
“Associates”	shall have the meaning ascribed to it under the Listing Rules from time to time;
“Auditors”	means the auditors for the time being of the Company;
“Board”	means the board of directors of the Company from time to time or a duly authorised committee thereof;
“Business Day”	means a day on which the Stock Exchange is open for the transaction of business;
“Chief Executive”	shall have the meaning ascribed to it under the Listing Rules;
“Commencement Date”	means in respect of any particular Option, the date upon which the Option is accepted or deemed to be accepted in accordance with Paragraph 4;
“Companies Law”	means the Companies Law (2009 Revision) of the Cayman Islands, as amended from time to time;

“Companies Ordinance”	means the Companies Ordinance of (Cap. 622) of the Laws of Hong Kong as amended from time to time;
“Company”	means Hopefluent Group Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange;
“Connected Person”	shall have the meaning ascribed to it under the Listing Rules;
“Directors”	means directors of the Company from time to time;
“Eligible Person(s)”	means any full-time or part-time employee of the Company or any member of the Group (including any executive, non-executive and independent non-executive directors);
“Further Grant”	has the meaning given to it in Paragraph 4.5;
“Group”	means the Company and its Subsidiaries and a “member of the Group” shall be construed accordingly;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	means Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;
“Memorandum of Association”	means the memorandum of association of the Company as amended from time to time;
“Offer Date”	means the date on which an Option is offered to an Eligible Person(s) in accordance with Paragraph 4.1;
“Option”	means an option to subscribe for Shares granted pursuant to the Scheme;

“Option Period”	means in respect of any particular Option, the period to be determined and notified by the Board to each Participant, which period may commence on a day on or after the Commencement Date but shall end in any event not later than 10 years from the Commencement Date;
“Other Schemes”	means any other share option scheme adopted by the Group from time to time, pursuant to which options to subscribe for Shares may be granted;
“Participant(s)”	means any Eligible Person(s) who accepts or is deemed to have accepted the offer of any Option in accordance with the terms of the Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Participant(s);
“Scheme”	means this share option scheme in its present or any amended form;
“Scheme Mandate Limit”	means 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 passing of the relevant ordinary resolution approving this Scheme;
“Shares”	means shares of HK\$0.01 each (or of such other nominal amount as shall result from a sub-division, consolidation, re-classification or reconstruction of such shares from time to time) in the capital of the Company;
“Shareholders”	means shareholders of the Company from time to time;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“Subscription Price”	means the price per Share at which a Participant may subscribe for Shares on the exercise of an Option calculated in accordance with Paragraph 5;

“Subsidiary”	means a company which is for the time being and from time to time a subsidiary (within the meaning of Section 2 of the Companies Ordinance) of the Company, whether incorporated in Hong Kong or elsewhere;
“Substantial Shareholder”	shall have the meaning ascribed to it under the Listing Rules;
“Takeovers Code”	means the Code on Takeovers and Mergers of Hong Kong as amended from time to time;
“Trading Day”	means a day on which trading of Shares take place on the Stock Exchange; and
“%”	means per cent.

3. DURATION AND ADMINISTRATION

- 3.1 Subject to the fulfilment of conditions set out in Paragraph 1 and the provisions in Paragraph 14, the Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further Options will be granted but the provisions of this Scheme shall remain in full force and effect in all other respects and Options which are granted during the life of this Scheme may continue to be exercisable in accordance with the terms of issue.
- 3.2 This Scheme shall be subject to the administration of the Board whose decision as to all matters arising from or in relation to this Scheme or its interpretation or effect shall (save as otherwise provided herein) be final and binding on all parties to this Scheme.

4. GRANT OF OPTION

- 4.1 On and subject to the terms of the Scheme, the Board shall be entitled to make an offer of Option to an Eligible Person(s) at a consideration of HK\$1.00 by letter in such form as the Board may from time to time determine, specifying the number of Shares under the Option, the Subscription Price and the Option Period in respect of which the Offer is made and requiring the Eligible Person(s) to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the Scheme. An offer of an Option shall remain open for acceptance by the Eligible Person(s) concerned for a period of 28 days from the Offer Date provided that no such Offer shall be open for acceptance after the expiry of the effective period of this Scheme stated in Paragraph 3.1 or after this Scheme has been terminated in accordance with the provisions hereof. An offer may not be accepted unless the Participant(s) remains an Eligible Person(s) on acceptance.

- 4.2 An Option shall be deemed to have been granted and accepted when the duplicate letter comprising acceptance of the Option duly signed by the Participant(s) with the number of Shares in respect of which the Offer is accepted clearly stated therein, together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company within 28 days from the Offer Date. Such remittance shall in no circumstances be refundable.
- 4.3 Any offer of an Option may be accepted or deemed to have been 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 such number of Shares representing a board lot for the purposes of trading on the Stock Exchange or an integral multiple thereof. If the offer of an Option is not accepted within 28 days in the manner indicated in Paragraph 4.2, such offer shall lapse.
- 4.4 Any grant of Options must not be made after an inside information event has occurred, or an inside information matter has been the subject of a decision, until such inside information has been published. In particular, during the period commencing one month immediately preceding the earlier of (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's annual 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 publish an announcement of results for any year, half-year, 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.
- 4.5 The total number of Shares issued and to be issued upon exercise of the Options granted to a Participant(s) under this Scheme and Other Schemes (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the Shares in issue from time to time, and provided that if approved by Shareholders in general meeting with such Participant(s) and his or her Associates abstaining from voting, the Company may make a further grant of Options to such Participant(s) (the "**Further Grant**") notwithstanding that the Further Grant would result in the Shares issued and to be issued upon exercise of all options granted and to be granted under this Scheme and Other Schemes to such Participant(s) (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of the Further Grant representing in aggregate over 1% of the Shares in issue from time to time.
- 4.6 In relation to the Further Grant, the Company must send a circular to the Shareholders, which discloses the identity of the relevant Participant(s), the number and the terms of the Options to be granted (and options previously granted to such Participant(s) under this Scheme and Other Schemes) and the information required under the Listing Rules. The number and terms (including the exercise price) of Options which is the subject of the Further Grant shall be fixed before the relevant

Shareholders' meeting and the date of meeting of the Board for proposing the Further Grant should be taken as the Offer Date for the purpose of calculating the relevant Subscription Price.

- 4.7 Options may be evidenced by certificates in such form as the Board shall from time to time determine.

5. SUBSCRIPTION PRICE

- 5.1 The Subscription Price shall be a price determined by the Board and notified to each Participant (subject to any adjustment made pursuant to Paragraph 9) and shall be the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Trading Day; and (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Trading Days immediately preceding the Offer Date; and (iii) the nominal value of a Share.

6. EXERCISE OF OPTIONS

- 6.1 An Option shall be personal to the Participant(s) and shall not be assignable or transferable and no Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest whether legal or beneficial in favour of any third party over or in relation to any Option. Any breach of the foregoing by the Participant(s) shall entitle the Company to cancel any Option or part thereof granted to such Participant(s) (to the extent not already exercised) without incurring any liability on the part of the Company.
- 6.2 Subject to Paragraph 7.1 and the restrictions which may be imposed by the Board, an Option may be exercised in whole or in part (but if in part only, in respect of a board lot or any integral multiple thereof) at any time during the Option Period by the Participant(s) (or in the case of his or her death, his or her legal personal representatives) giving notice in writing (in such form as the Board may from time to time specify) to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. For the avoidance of doubt, the exercise of an Option is not subject to the achievement of any performance target. Each such notice must be accompanied by a remittance for the full amount of the Subscription Price for the Shares in respect of which the notice is given and delivery of the Option certificate (if any) for cancellation or amendment, as the case may be.
- 6.3 Subject to Paragraph 10 and any necessary consents and to an Option having been exercised in accordance with the provisions of Paragraph 6.2, the Company shall as soon as reasonably practicable and in any event not later than 30 days after the exercise of an Option or the receipt of the Auditors' certificate pursuant to Paragraph 9, allot and issue to the Participant(s) (or his or her personal representative(s)) of the number of Shares credited as fully paid as specified in the notice exercising the Option and shall deliver to the Participant(s) (or his or her personal representative(s)) a definitive share certificate in respect thereof.

- 6.4 Shares allotted and issued upon the exercise of an Option will be subject to all provisions of the Articles of Association and shall rank pari passu in all respects with the fully paid or credited as fully paid Shares in issue on the date of such allotment or issue and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment and issue 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 before the date of allotment or issue.
- 6.5 When an Option is exercised only in part, the balance shall remain exercisable on the same terms as originally applied to the whole Option and a new Option certificate shall be issued accordingly by the Company (pursuant to Paragraph 4.7) as soon as reasonably practicable after such partial exercise.
- 6.6 The Company shall use all reasonable endeavours to procure that Shares to be issued upon exercise of an Option shall, upon the issue thereof (or as soon as practicable), become listed on those stock exchanges upon which Shares already in issue are listed.
- 6.7 Notwithstanding any contrary provisions herein contained, if at the time a Participant wishes to exercise an Option, the exercise of such Option or the consequence of such exercise is not permitted by applicable laws or the Listing Rules, the Participant(s) shall not be entitled to exercise his or her Option until such exercise becomes permissible by the applicable laws and the Listing Rules.
- 6.8 Subject to Paragraph 7.1, if a general offer (whether by way of takeover offer, repurchase offer or scheme of arrangement or otherwise in like manner) has been made to all the Shareholders (other than the offeror and/or any person controlled by the offeror and/or any party acting in concert with the offeror) to acquire all or part of the issued Shares and such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes or is declared unconditional, the Participant(s) shall be entitled to exercise his or her outstanding Option to its full extent or to the extent specified in his or her notice for such exercise within 14 days after the date on which such offer becomes or is declared unconditional. For the purposes of this Paragraph, “acting in concert” have the meaning ascribed to it under the Takeovers Code.
- 6.9 Subject to Paragraph 7.1, if an application is made to the court (otherwise than where the Company is being voluntarily wound up), pursuant to the Companies Law or the Companies Ordinance, in connection with a proposed compromise or arrangement between the Company and its creditors (or any class of them) or between the Company and its Shareholders (or any class of them), a Participant may by notice in writing to the Company, within the period of 21 days after the date of such application, exercise his or her outstanding Option to its full extent or to the extent specified in such notice. Upon the compromise or arrangement being sanctioned by

the court and becoming effective, all outstanding Options shall lapse except insofar as exercised. Notice of the application referred to herein and the effect thereof shall be given by the Company to all Participant(s) as soon as practicable.

6.10 Subject to Paragraph 7.1, in the event that a notice is given by the Company to its Shareholders to convene a general meeting for the purpose of approving a resolution to voluntarily wind-up the Company when the Company is solvent, the Company shall on the day of such notice to each Shareholder or as soon as practicable, give notice thereof to all Participant(s) (together with a notice of the existence of this provision). Thereupon each Participant shall be entitled to exercise all or any of his or her outstanding Options at any time no later than two business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given, whereupon the Company shall, as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot and issue the relevant Shares to the Participant(s) credited as fully paid.

7. LAPSE OF OPTIONS

7.1 An Option shall lapse forthwith and not exercisable (to the extent not already exercised) on the earliest of:

- (A) the relevant Option Period in respect of the Option having expired (subject to the provisions of Paragraphs 3.1 and 14;
- (B) the first anniversary of the death of the Participant(s);
- (C) in the event that the Participant(s) was an employee or director of any member of the Group at the relevant Offer Date, the date on which such member of the Group terminates the Participant's employment or removes the Participant(s) from his or her office on the ground that the Participant(s) has been guilty of misconduct, has committed an act of bankruptcy or has become insolvent or has made any arrangements or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty. A resolution of the Board or the board of directors of the relevant member of the Group to the effect that such employment or office has or has not been terminated or removed on one or more of the grounds specified in this Paragraph 7.1(C) shall be conclusive;
- (D) in the event that the Participant(s) was an employee or director of any member of the Group at the relevant Offer Date, the expiry of a period of three months from the date of the Participant(s) ceasing to be an employee or director of such member of the Group by reason of:
 - (I) his or her retirement on or after attaining normal retirement age or, with the express consent of the Board in writing for the purpose of this Paragraph at a younger age;

- (II) ill health or disability recognised as such expressed by the Board in writing for the purpose of this Paragraph;
- (III) the company by which he or she is employed and/or of which he or she is a director (if not the Company) ceasing to be a Subsidiary;
- (IV) expiry of his or her employment contract or the vacation of his or her office with such member of the Group and such contract or office is not immediately extended or renewed; or
- (V) at the discretion of the Board, any reason other than death or the reasons described in Paragraphs 7.1(C) or 7.1(D)(I) to (IV);
- (E) the expiry of any period referred to in Paragraph 6.8 to Paragraph 6.10, provided that in the case of Paragraph 6.9 all Options granted shall lapse upon the proposed compromise or arrangement becoming effective; and
- (F) the date the Participant(s) commits any breach of the provisions of Paragraph 6.1.

7.2 Transfer of employment from one company in the Group to another company in the Group shall not be considered a cessation of employment. It shall not be considered as cessation of employment if a Participant is placed on such leave of absence considered by the relevant company in the Group as continuing intact the employment relationship.

7.3 If an Option lapses, the Board shall notify the Participant(s) in writing of such lapse and forthwith upon such notification, the Participant(s) shall be bound to surrender to the Company the certificate evidencing such Option.

8. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

8.1 The total number of Shares which may be issued upon the exercise of all options to be granted under this Scheme and Other Schemes must not, in aggregate, exceed 10% of the Shares in issue as at the date of passing of the relevant ordinary resolution approving this Scheme (the “**Scheme Mandate Limit**”) provided that options lapsed in accordance with the terms of this Scheme or Other Schemes will not be counted for the purpose of calculating the Scheme Mandate Limit.

8.2 Subject to the approval of Shareholders in general meeting, the Company may refresh the Scheme Mandate Limit to the extent that the total number of Shares which may be issued upon exercise of all options to be granted under this Scheme and Other Schemes under the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of such Shareholders’ approval provided that options previously granted under this Scheme and Other Schemes (including those outstanding, cancelled, exercised or lapsed in accordance with the terms thereof) will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed. Approval for listing of and permission to deal in any Shares to be

issued upon the exercise of the Options granted under the refreshed 10% limit of the Share Option Scheme is required to be obtained from the Stock Exchange. In relation to the Shareholders' approval referred to in this Paragraph 8.2, the Company shall send a circular to the Shareholders containing the information required by the Listing Rules.

- 8.3 Subject to the approval of Shareholders in general meeting, the Company may also grant Options beyond the Scheme Mandate Limit provided that the Options in excess of the Scheme Mandate Limit are granted only to Eligible Person(s) specifically identified by the Company before such Shareholders' approval is sought. In relation to the Shareholders' approval referred to in this Paragraph 8.3, the Company shall send a circular to the Shareholders containing a generic description of the identified Eligible Person(s), the number and terms of the Options to be granted, the purpose of granting Options to the identified Eligible Person(s), an explanation as to how the terms of such Options serve the intended purpose and such other information required by the Listing Rules.
- 8.4 Notwithstanding the foregoing, the Company should not grant any Option if the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and Other Schemes exceed 30% of the Shares in issue from time to time.

9. CHANGES IN CAPITAL STRUCTURE

9.1 If there is any alteration in the capital structure of the Company while any Option remains exercisable, whether by way of capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party), such corresponding alterations (if any) shall be made to:

- (A) the number of Shares (without fractional entitlements) subject to the Option(s) so far as unexercised; and/or
- (B) the Subscription Price.

Except alterations made on a capitalisation issue, any alteration to the number of Shares which is the subject of the Options and/or the Subscription Price shall be conditional on the Auditors or the independent financial adviser appointed by the Company confirming in writing to the Board that the alteration is made on the basis that the proportion of the issued share capital of the Company to which a Participant is entitled after such alteration shall remain the same as that to which he or she was entitled before such alteration. No such alteration shall be made to the effect of which would be to enable any Share to be issued at less than its nominal value or which would result in the aggregate amount payable on the exercise of any Option in full being increased. The capacity of the Auditors or an independent financial adviser appointed by the Company in this Paragraph 9 is that of experts and not of arbitrators and their certification shall be

final and binding on the Company and the Participant(s) in the absence of manifest error. The costs of the Auditors or an independent financial adviser appointed by the Company in so certifying shall be borne by the Company.

10. SHARE CAPITAL

The exercise of any Option shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised 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.

11. DISPUTES

Any dispute arising in connection with the Scheme (whether as to the number of Shares which is the subject of an Option, the amount of the Subscription 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.

12. ALTERATION OF THE SCHEME

12.1 The Scheme may be altered in any respect by resolution of the Board except that the provisions of the Scheme relating to matters contained in rule 17.03 of the Listing Rules shall not be altered to the advantage of the Participant(s) or the prospective Participant(s) without the prior approval of the Shareholders in general meeting, with the Eligible Person(s), the Participant(s) and their Associates abstaining from voting. No such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Participant(s) as would be required of the Shareholders under the Articles of Association for a variation of the rights attached to the Shares. Any alterations to the terms and conditions of the Scheme which are of a material nature or any change to the terms of the Options granted must be approved by the Shareholders, except where such alterations take effect automatically under the existing terms of the Scheme.

12.2 Notwithstanding the foregoing, no modification of or amendment to the Scheme made by the Board shall be effective prior to approval by the Shareholders to the extent Shareholders' approval is otherwise required by applicable legal requirements.

13. GRANT OF OPTIONS TO CERTAIN PERSONS OR ANY OF THEIR ASSOCIATES

13.1 Where Options are proposed to be granted to a Director, the Chief Executive or Substantial Shareholder or any of their respective Associates, the proposed grant must be approved by all independent non-executive directors of the Company (excluding any independent non-executive director who is the grantee of the Options).

13.2 If a grant of Options to a Substantial Shareholder or an independent non-executive Director or their respective Associates will 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 under the Scheme or Other Scheme in any 12-month period up to and including the date of the grant represents in aggregate over 0.1% of the Shares in issue from time to time and having an aggregate value, based on the closing price of the Shares at the Offer Date, in excess of HK\$5 million, then the proposed grant of Options must be subject to Shareholders' approval taken on a poll. The Company must send a circular to the Shareholders. All Connected Persons must abstain from voting in favour at such general meeting. The circular must contain the information required under rule 17.03 of the Listing Rules.

13.3 Shareholders' approval will also be required for any change in the terms of the Options granted to an Eligible Person(s) who is a Substantial Shareholder, an independent non-executive Director or their respective Associates.

13.4 The circular must contain the following:

- (A) details of the number and terms (including Subscription Price) of the Options to be granted to each Eligible Person(s), which must be fixed before the relevant Shareholders' meeting, and the date of Board meeting for proposing such further grant is to be taken as the Offer Date for the purpose of calculating the Subscription Price;
- (B) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a proposed grantee of the Options in question) to the independent Shareholders as to voting; and
- (C) all other information as required by the Listing Rules.

For the avoidance of doubt, the requirements for the granting of Options to a Director or Chief Executive set out in this Paragraph 13 do not apply where the Eligible Person(s) is only a proposed Director or proposed Chief Executive.

14. TERMINATION

The Company by ordinary resolution in general meeting may at any time terminate the operation of the Scheme before the end of its life and in such event no further Options will be offered but the provisions of the Scheme shall remain in all other respects in full force and effect in respect of Options granted prior thereto but not yet exercised at the time of termination, which shall continue to be exercisable in accordance with their terms of grant. Details of the Options granted, including Options exercised or outstanding, under the Scheme, and (if applicable) Options that become void or non-exercisable as a result of termination must be disclosed in the circular to the Shareholders seeking approval for the first new scheme to be established after such termination.

15. CANCELLATION

Any cancellation of Options granted but not exercised must be approved by the Shareholders in general meeting, with Participant(s) and their Associates abstaining from voting. Any vote taken at the meeting to approve such cancellation must be taken by poll. Cancelled Options may be re-issued after such cancellation has been approved, provided that such re-issued Options shall only be granted in compliance with the terms of the Scheme. Notwithstanding the above, new Option may be granted to the Option holder in substitution of his or her cancelled Options subject to the availability of the unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit.

16. GENERAL

- 16.1 The Company shall bear the costs of establishing and administering the Scheme.
- 16.2 The Company shall provide a copy of the Scheme to all Participant(s) on joining the Scheme. The Company shall also provide to all Participant(s) all details relating to changes of the terms of the Scheme during the life of the Scheme upon such changes taking place.
- 16.3 The Scheme shall not form part of any contract of employment between any member of the Group and any Participant(s), and the rights and obligations of any Participant(s) under the terms of his or her office or employment shall not be affected by his or her participation in the Scheme or any right which he or she may have to participate in it. The Scheme shall afford such a Participant no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.
- 16.4 Nothing contained in the Scheme or in any related agreement, and no action of the Company or any member of the Group or the Board with respect thereto, shall confer or be construed to confer on any Participant(s) any right to continue in the employment with any member of the Group or interfere in any way with the right of any member of the Group to terminate the employment of the Participant(s) at any time, with or without cause.
- 16.5 No right or benefit under the Scheme shall be subject to anticipation, alienation, sale, assignment, hypothecation, pledge, exchange, transfer, encumbrance or charge, and any attempt to anticipate, alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same shall be void. No right or benefit hereunder shall in any manner be liable for or subject to the debts, contracts, liabilities or torts of the person entitled to such benefits.
- 16.6 A Participant shall be entitled to receive copies of all notices and other documents sent by the Company to Shareholders.

- 16.7 Save as otherwise provided herein, a Participant who is Director may, subject to and in accordance with the Company's Memorandum of Association and Articles of Association from time to time, notwithstanding his or her interest, vote on any Board resolution concerning the Scheme (other than in respect of his or her own participation therein) and may retain any benefits under the Scheme.
- 16.8 Any notice or other communication between the Company and an Eligible Person(s) or Participant(s) shall be in writing and 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 as may be notified to the Eligible Person(s) and Participant(s) from time to time and, in the case of the Eligible Person(s) or Participant(s), his or her address as notified to the Company from time to time.
- 16.9 Any notice or other communication served by post:
- (A) by the Company shall be deemed to have been served 48 hours after it was placed in the post where the recipient's address is in Hong Kong and seven days where the address is elsewhere; and
 - (B) by the Eligible Person(s) or Participant(s) shall not be deemed to have been served until the same shall have been received by the Company.
- In the case of Paragraph 16.9(A), in proving the service of any notice or other communication by post, it will be sufficient to prove that the notice or other communication was properly stamped, addressed and placed in the post.
- 16.10 An Eligible Person(s) or Participant(s), as the case may be, shall be responsible at his or her sole costs and expenses for obtaining any government or other official consent that may be required by any country or jurisdiction in order to permit the grant or exercise of an Option, as the case may be. The Company shall not be responsible for any failure by such person to obtain any such consent or for any tax or other liability to which that person may become subject as a result of his or her participation in the Scheme.
- 16.11 The Scheme and all Options granted hereunder shall in all respects be governed by and construed in accordance with the laws of Hong Kong.

This appendix II 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 2014 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 507,669,131 shares of HK\$0.01 each which are fully paid.

Subject to the passing of the ordinary resolution no. 7 as set out in the notice of 2014 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 50,766,913 shares on the basis that no further shares will be issued or repurchased prior to the 2014 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:

	Highest <i>HK\$</i>	Shares Lowest <i>HK\$</i>
2013		
March	2.48	2.05
April	2.78	2.33
May	2.91	2.58
June	2.92	2.45
July	2.93	2.44
August	2.96	2.58
September	3.05	2.60
October	3.03	2.75
November	3.50	2.99
December	3.41	2.94
2014		
January	3.22	2.88
February	3.05	2.80
March	2.97	2.58
April to the Latest Practicable Date	2.60	2.38

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, 2013) 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 (“ Mr. Fu ”) (<i>Note 1</i>)	183,427,467	36.13%
Fu's Family Limited (<i>Note 2</i>)	174,184,799	34.31%
Mutual Fund Populus & Elite	43,046,320	8.48%
Cheah Capital Management Limited (<i>Note 3</i>)	36,460,000	7.18%
Cheah Cheng Hye (<i>Note 3</i>)	36,460,000	7.18%
Cheah Company Limited (<i>Note 3</i>)	36,460,000	7.18%
Hang Seng Bank Trustee International Limited (<i>Note 3</i>)	36,460,000	7.18%
To Hau Yin (<i>Note 3</i>)	36,460,000	7.18%
Value Partners Group Limited (<i>Note 3</i>)	36,460,000	7.18%

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. 7 to be proposed at the 2014 Annual General Meeting, the aforesaid interests of (1) Fu Wai Chung; (2) Fu's Family Limited; (3) Mutual Fund Populus & Elite; (4) Cheah Capital Management Limited; (5) Cheah Cheng Hye; (6) Cheah Company Limited; (7) Hang Seng Bank Trustee International Limited; (8) To Hau Yin; and (9) 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) 40.15%; (2) 38.12%; (3) 9.42%; (4) 7.98%; (5) 7.98%; (6) 7.98%; (7) 7.98%; (8) 7.98%; and (9) 7.98% respectively. In view of this, such increase may give rise to an obligation to Mr. Fu and 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's interests include 174,184,799 shares held through Fu's Family Limited, 8,410,334 shares held by himself and 832,334 shares held by his spouse, Ms. Ng Wan, who is also a director of the Company.

Note 2: These 174,184,799 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: These shares are held by Hang Seng Bank Trustee International Limited in its capacity as the trustee of a family trust and held through Value Partners Group Limited, Cheah Company Limited and Cheah Capital Management Limited. 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.

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. 7 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. 7 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 Boardroom 3–4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on 6 June, 2014 (Friday) 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, 2013;
2. To declare a final dividend for the year ended 31 December, 2013 and the directors of the Company be authorized to do all acts and things as may be necessary and expedient in connection with payment of dividend for the year ended 31 December, 2013, including, but not limited to, determining the amount to be paid out of the share premium account of the Company for any dividend for the year ended 31 December, 2013;
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 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 issued and allotted pursuant to the exercise of options granted 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 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:

NOTICE OF ANNUAL GENERAL MEETING

- (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 Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”);
 - (iii) 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 Listing Rules;
 - (iv) 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
 - (v) 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.”
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 (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;
- (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;

NOTICE OF ANNUAL GENERAL MEETING

- (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

“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

NOTICE OF ANNUAL GENERAL MEETING

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).”

7. 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 50,766,913 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
 - (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.”

NOTICE OF ANNUAL GENERAL MEETING

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 the passing of the resolutions numbered 6 and 7 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 6 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 7 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.”

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

Hong Kong, 29 April, 2014

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 Level 22, Hopewell Centre, 183 Queen’s Road East, 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.

NOTICE OF ANNUAL GENERAL MEETING

- (4) The register of members of the Company will be closed during the following periods:
- (i) from 4 June 2014 (Wednesday) to 6 June 2014 (Friday), both days inclusive, for the purpose of ascertaining shareholders' entitlement to attend and vote at the 2014 Annual General Meeting. In order to be eligible to attend and vote at the 2014 Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's share registrars in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 3 June 2014 (Tuesday); and
 - (ii) from 12 June 2014 (Thursday) to 13 June 2014 (Friday), both days inclusive, for the purpose of ascertaining shareholders' entitlement to the Proposed Final Dividend. In order to establish entitlements to the Proposed Final Dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's share registrars in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 11 June 2014 (Wednesday).

During the periods mentioned in sub-paragraphs (i) and (ii) above, no transfers of shares will be registered.

- (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.