

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

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

If you have sold or transferred all your securities in Merdeka Financial Services Group Limited (the “Company”), you should at once hand this circular together with the accompanying form of proxy to the purchaser, transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

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**MERDEKA**

**MERDEKA FINANCIAL SERVICES GROUP LIMITED**

**(萬德金融服務集團有限公司\*)**

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

**(Stock Code: 8163)**

**(1) MAJOR TRANSACTION  
IN RELATION TO THE DEED OF TRANSFER;  
AND  
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Financial adviser to the Company**



A letter from the board of directors of the Company is set out on pages 4 to 9 of this circular.

A notice convening the extraordinary general meeting of the Company (the “EGM”) to be held at Jasmine Room, 3/F., Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on Monday, 3 October at 11:00 a.m. is set out on pages 22 to 23 of this circular.

Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the appointed time for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM and any adjournment thereof (as the case may be) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

This circular will remain on the GEM website at <http://www.hkgem.com> on the “Latest Listed Company Information” page for at least seven days from the day of its publication and posting and the website of the Company at <http://www.merdeka.com.hk>.

## CHARACTERISTICS OF THE GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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## DEFINITIONS

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

“2008 Convertible Bonds”	the convertible bonds, originally due 2011 and extended to 2017 issued by the Company on 12 August 2008 as part of the consideration to acquire the forestry business. These bonds are interest-free and convertible into Shares at the initial conversion price of HK\$0.3696 per Share (subject to adjustment in accordance with the terms of the convertible bonds)
“2015 Convertible Bonds”	the convertible bonds, due 2018 issued by the Company on 21 April 2015 as part of the consideration to acquire the financial leasing business. These bonds are interest-free and convertible into Shares at the initial conversion price of HK\$0.23 per Share (subject to adjustment in accordance with the terms of the convertible bonds)
“Board”	the board of Directors
“Company”	Merdeka Financial Services Group Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Deed of Transfer”	the deed of transfer dated 18 August 2016 and entered into between Heng He and the Lessor in relation to the transfer of all the corresponding rights, benefits and obligations of the Lessor in respect of the Sub-leased Assets under the Sale and Purchase Agreement and the Finance Lease Agreement
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Deed of Transfer and the transactions contemplated thereunder
“Finance Lease Agreement”	the finance lease agreement dated 10 June 2016 and entered into between the Lessor and the Lessee

## DEFINITIONS

“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of the Securities on GEM
“Group”	the Company and its subsidiaries
“Heng He”	恒河融資租賃(上海)有限公司 (Heng He Financial Lease (Shanghai) Company Limited*), a sino-foreign joint venture company established in the PRC with limited liability
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	12 September 2016, being the latest practicable date for the purpose of ascertaining certain information included in this circular
“Lease Period”	a three-year period commencing from the date of payment made by Heng He to the Lessor for the purchase of the Sub-Leased Assets under the Deed of Transfer
“Leased Assets”	the fixed assets purchased by the Lessor in accordance with the Sale and Purchase Agreement, which shall be leased back to the Lessee
“Lessee”	上海名海科技發展有限公司 (Shanghai Ming Hai Technology Development Limited*), a company incorporated in the PRC with limited liability
“Lessor”	華富融資租賃(上海)有限公司 (Hua Fu Finance Leasing (Shanghai) Company Limited*), a company incorporated in the PRC with limited liability
“PRC”	the People’s Republic of China
“Sale and Purchase Agreement”	the sale and purchase agreement dated 10 June 2016 and entered into between the Lessor and the Lessee
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

\* For identification purpose only

## DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sub-leased Assets”	certain assets consist of network servers, Ethernet switches and high-end routers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

*For illustration purpose of this circular and unless otherwise specified, conversion of RMB into HK\$ is based on the exchange rate of RMB1.00 = HK\$1.17.*

LETTER FROM THE BOARD



MERDEKA

**MERDEKA FINANCIAL SERVICES GROUP LIMITED**

**(萬德金融服務集團有限公司\*)**

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

**(Stock Code: 8163)**

**Directors**

*Executive Directors:*

Mr. Cheung Wai Yin, Wilson

*(Chairman and Chief Executive Officer)*

Mr. Lau Chi Yan, Pierre *(Managing Director)*

*Independent Non-executive Directors:*

Ms. Yeung Mo Sheung, Ann

Mr. Ng Kay Kwok

Mr. Yip Kat Kong, Kenneth

*Registered office:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

British West Indies

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

Room 1502

Chinachem Century Tower

178 Gloucester Road

Wanchai, Hong Kong

15 September 2016

*To the Shareholders,*

Dear Sir or Madam,

**(1) MAJOR TRANSACTION  
IN RELATION TO THE DEED OF TRANSFER;  
AND  
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 18 August 2016 in relation to the entering into of the Deed of Transfer and the transactions contemplated thereunder.

The purpose of this circular is to provide you with, among other things, (i) further details of the transactions in relation to the Deed of Transfer; and (ii) a notice convening the EGM.

\* *For identification purpose only*

## LETTER FROM THE BOARD

The Board announced that on 18 August 2016, Heng He, an indirect non-wholly owned subsidiary of the Company, entered into the Deed of Transfer with the Lessor, pursuant to which all the corresponding rights, benefits and obligations of the Lessor in respect of the Sub-leased Assets under the Sale and Purchase Agreement and the Finance Lease Agreement would be transferred to Heng He at a total consideration of RMB65 million (approximately HK\$76 million).

### **Background information regarding the Sale and Purchase Agreement and the Finance Lease Agreement**

The Lessor is a company incorporated in the PRC and is principally engaged in financial leasing business in the PRC. On 10 June 2016, the Lessor entered into the Sale and Purchase Agreement, pursuant to which the Lessor purchased the Leased Assets from the Lessee for a total consideration of RMB150 million (approximately HK\$176 million), which shall be leased back to the Lessee in accordance with the Finance Lease Agreement. On 10 June 2016, the Lessor also entered into the Finance Lease Agreement, pursuant to which the Lessor agreed to lease the Leased Assets to the Lessee for a term of five years commencing from the date of the Lessor makes the first payment to the Lessee in accordance with the Sale and Purchase Agreement. Subsequent to the entering into of the Sale and Purchase Agreement and the Finance Lease Agreement, the Lessor entered into the Deed of Transfer with Heng He on 18 August 2016.

### **THE DEED OF TRANSFER**

The principal terms of the Deed of Transfer are set out below.

#### **Date**

18 August 2016

#### **Parties**

- (1) Heng He; and
- (2) the Lessor

To the best of the Directors' knowledge, information and belief, after having made all reasonable enquiries, the Lessor, the Lessee and their respective ultimate beneficial owners are independent third parties of the Company and its connected persons.

#### **Subject matter**

The Sub-leased Assets mainly consist of network servers, Ethernet switches and high-end routers.

The Sub-leased Assets were originally acquired by the Lessee for its business operation relating to digital networking and information technology development. The Sub-leased Assets are part of the assets of the Lessee that correspond to its principal business activities and do not have an identifiable stream.



## LETTER FROM THE BOARD

### Sale and purchase of the Sub-leased Assets

Pursuant to the Deed of Transfer, the Lessor conditionally agreed to sell, and Heng He conditionally agreed to purchase, the Sub-leased Assets owned by the Lessor, at an aggregate consideration of RMB65 million (approximately HK\$76 million). The carrying value of the Sub-leased Assets was approximately RMB84.36 million (approximately HK\$99 million) as at 10 June 2016, which is the date of the Sale and Purchase Agreement and the Finance Lease Agreement.

The consideration was determined after arm's length negotiations between Heng He and the Lessor with reference to the carrying values and/or prevailing market price of the Sub-leased Assets as at 15 June 2016. In assessing the prevailing market price of the Sub-leased Assets, the management of Heng He has considered the carrying value of the Sub-leased Assets, which was determined based on the consideration paid by the Lessor under the Sale and Purchase Agreement in respect of the Sub-leased Assets, net of depreciation for the relevant period. In view of (i) Heng He has carried out physical inspection on the Sub-leased Assets and considered that they are in good condition; and (ii) the adequate evaluation on the Sub-leased Assets has been conducted by Heng He and the value of the Sub-leased Assets was determined based on the then market price of the equipment of similar model having also considered the usage and depreciation of the equipment in question, the Directors therefore consider that the above assessments could fairly reflect the prevailing market price of the Sub-leased Assets, which are in line with the normal market practice in the financial leasing industry in the PRC.

The risk management committee of Heng He has also conducted the credit risk measures that might be associated with the transactions contemplated under the Deed of Transfer, which include the discussion with the Lessor regarding the principal business and market position of the Lessee and the Lessee's intended use of proceeds arising from the entering into of the Sale and Purchase Agreement, and the review on the financial due diligence work performed by the Lessor including but not limited to the assessments on the credit history, gearing ratio, profitability and financial position of the Lessee. After taken into the account of (i) the Lessor has performed its own due diligence works on the Lessee; (ii) Heng He has conducted individual assessments on the creditability and repayment ability of both the Lessor and the Lessee and the satisfactory results of which have been obtained by Heng He based on the legal and financial due diligence on the Lessor and the Lessee; (iii) the carrying value of the Sub-leased Assets is sufficient to cover the consideration for the Sub-leased Assets paid by Heng He and therefore the interests of Heng He can be reasonably protected; and (iv) in the event of default by the Lessor on lease payments of the Deed of Transfer, Heng He has the right to enforce the Deed of Transfer and commence legal actions to claim for compensation for any losses or costs uncured against the Lessor, the Board is of the view that the risk of the transactions to Heng He is acceptable to the Group.

The consideration shall be paid by Heng He to the Lessor after the following conditions, among others, are fulfilled:

- (i) the Sale and Purchase Agreement and the Finance Lease Agreement remains valid and effective; and

## LETTER FROM THE BOARD

- (ii) by means of a transfer notice, which would be signed by the Lessor and the Lessee for confirmation, to approve the registration of ownership and the formalities of transfer (if any) regarding the Sub-leased Assets having been duly completed and submitted to Heng He.

The consideration for the Sub-leased Assets will be financed by the internal resources of the Group. As disclosed in the interim report 2016 of the Company, the Group had the cash and cash equivalents of approximately HK\$97 million, which was mainly reserved for the expansion of its money lending and financial leasing business. The Directors consider that purchase of the Sub-leased Assets of approximately HK\$76 million was part of the transactions contemplated under the Deed of Transfer, which was entered into in the ordinary and usual course of business activities of Heng He, and the leaseback arrangement of the Sub-leased Assets will provide stable interest income to Heng He and the Group. Please refer to the section headed "Financial effect on the Group" below for further details of financial impact of the Deed of Transfer.

### **Leaseback of the Sub-leased Assets**

Pursuant to the Deed of Transfer, the Sub-leased Assets shall then be leased back to the Lessor at the aggregate lease payment for a term of three years. The aggregate lease payment shall be approximately RMB77.04 million (approximately HK\$90 million), being the principal lease cost of RMB65 million (approximately HK\$76 million) plus the aggregate interest of approximately RMB12.04 million (approximately HK\$14 million), which shall be payable by the Lessor to Heng He in 12 installments on quarterly basis.

The aforesaid aggregate lease payment is calculated at the interest rate of 6.175% per annum during the Lease Period, which was determined with reference to (i) the principal amount of the Sub-leased Assets; (ii) the interest rate charged by the Lessor to the Lessee under the Finance Lease Agreement; (iii) the shorter lease period of the Sub-leased Assets as compared to the Finance Lease Agreement; and (iv) the prevailing market rate charged by certain financial leasing companies in the PRC in respect of loans with similar principal amount, tenure and leased assets.

### **Ownership of the Sub-leased Assets**

The ownership of the Sub-leased Assets under the Deed of Transfer will be vested in Heng He throughout the Lease Period. At the end of the Lease Period and subject to payment by the Lessor of all amounts due under the Deed of Transfer, the ownership of the Sub-leased Assets will be vested in the Lessor.

### **Default**

If default is committed on the part of the Lessor, Heng He shall be entitled to, among others, (i) demand repayment of the aggregate lease payment which are due and payable and the default payment charged at 0.05% of the unpaid amount of the aggregate lease payment from the due date on a daily basis; (ii) take possession of the Sub-leased Assets by commencing applicable PRC legal action and seek enforcement of the obligation of the Lessor under the Deed of Transfer; and (iii) claim for compensation for any losses or costs incurred against the Lessor.

## LETTER FROM THE BOARD

### REASONS FOR AND BENEFITS OF ENTERING INTO THE DEED OF TRANSFER

The Group is principally engaged in financial services business, trading business, including the trading of various brands of milk powder products to customers based in Hong Kong and information technology business.

Heng He is a sino-foreign joint venture company with limited liability and is a non-wholly owned subsidiary of the Group. It is principally engaged in the financial leasing business, which specialises in organising and providing direct financial leasing services and sale-and-leaseback services to customers in the PRC, the customers of which are mainly manufacturing companies and governmental authorities.

The Lessor intends to save some of its internal resources for other sale-and-leaseback services and the transfer of financial leasing business to Heng He can provide the Lessor with working capital to further optimise its operation efficiency. The entering into of the Deed of Transfer is in the ordinary and usual course of business of the Group and can obtain stable revenue and cashflow stream from the interest to be received.

The Directors consider that the entering into of the Deed of Transfer is on normal commercial terms which are made on an arm's length basis and the terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### FINANCIAL EFFECT ON THE GROUP

#### Assets and liabilities

As disclosed in the paragraph headed "Sale and purchase of the Sub-leased Assets" under the section headed "The Deed of Transfer", Heng He conditionally agreed to purchase the Sub-leased Assets from the Lessor, which would be lease back to the Lessor for the Lease Period. The Company would recognise the Sub-leased Assets as finance lease receivables of the Group at the inception of the sale-and-leaseback arrangement under the Deed of Transfer in accordance with the Hong Kong Accounting Standard 17 "Leases". As such, upon the payment made by Heng He for the purchase of the Sub-leased Assets, the finance lease receivables of the Group would be increased and recognised in the assets of the Group, whereas the cash and cash equivalents of the Group would be decreased accordingly. The transactions contemplated under the Deed of Transfer will have no impact on the liabilities of the Group.

#### Earnings

During the Lease Period, Heng He would earn the aggregate interest of approximately RMB12.04 million (approximately HK\$14 million) under the Deed of Transfer, which will be recorded as revenue of the Group. At the end of the Lease Period, the finance lease receivables will be at zero balance.

In the event that Heng He takes possession of the Sub-leased Assets in accordance with the terms and conditions of the Deed of Transfer, the Sub-leased Assets will be booked as asset at fair value on the such date.

## LETTER FROM THE BOARD

### GEM LISTING RULES IMPLICATIONS

The entering into of the Deed of Transfer constitutes the finance lease of the Company under Rule 19.04(1)(c) and the provision of financial assistance under Rule 19.04(1)(e). In addition, as the consideration for the Sub-leased Assets exceeds 8% under the assets ratio defined under Rule 19.07(1) of the GEM Listing Rules, the advance to the Lessor is subject to the general disclosure obligation under Rule 17.15 of the GEM Listing Rules.

As one or more of the applicable percentage ratios calculated under the GEM Listing Rules in respect of the Deed of Transfer exceed 25%, the transaction contemplated under the Deed of Transfer constitutes a major transaction for the Company and is subject to the notification, announcement and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

### EGM

A notice convening the EGM to be held at Jasmine Room, 3/F., Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on Monday, 3 October 2016 at 11:00 a.m. is set out on pages 22 to 23 of this circular. Whether or not you intend to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Company's branch share registrar in Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the appointed time for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM and any adjournment thereof (as the case may be) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting at the EGM in respect of the Deed of Transfer and the transactions contemplated thereunder.

### RECOMMENDATION

The Directors are of the opinion that the Deed of Transfer and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution(s) to be proposed at the EGM.

### ADDITIONAL INFORMATION

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

Yours faithfully,  
By order of the Board of  
**Merdeka Financial Services Group Limited**  
**Cheung Wai Yin, Wilson**  
*Chairman and Chief Executive Officer*

**1. PRINCIPAL BUSINESS OF THE GROUP**

The Group is principally engaged in financial services business, trading business including the trading of various brands of milk powder products to customers based in Hong Kong and information technology business.

**2. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP**

Financial information of the Group for (i) each of the three years ended 31 December 2013, 2014 and 2015 and (ii) the six-months ended 30 June 2016 is disclosed in the following documents which have been published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.merdeka.com.hk>).

The unaudited condensed consolidated financial statement of the Group for the six months ended 30 June 2016 has been set out in pages 12 to 35 of the interim report 2016 of the Company which was posted on 11 August 2016 on the Stock Exchange's website (<http://www.hkexnews.hk>). Please also see below quick link to the interim report 2016:

<http://www.hkexnews.hk/listedco/listconews/GEM/2016/0811/GLN20160811015.pdf>

The audited consolidated financial statements of the Group for the year ended 31 December 2015 has been set out in pages 57 to 149 of the annual report 2015 of the Company which was posted on 18 March 2016 on the Stock Exchange's website (<http://www.hkexnews.hk>). Please also see below quick link to the annual report 2015:

<http://www.hkexnews.hk/listedco/listconews/GEM/2016/0318/GLN20160318007.pdf>

The audited consolidated financial statements of the Group for the year ended 31 December 2014 has been set out in pages 45 to 121 of the annual report 2014 of the Company which was posted on 31 March 2015 on the Stock Exchange's website (<http://www.hkexnews.hk>). Please also see below quick link to the annual report 2014:

<http://www.hkexnews.hk/listedco/listconews/GEM/2015/0331/GLN20150331069.pdf>

The audited consolidated financial statements of the Group for the year ended 31 December 2013 has been set out in pages 35 to 89 of the annual report 2013 of the Company which was posted on 24 March 2014 on the Stock Exchange's website (<http://www.hkexnews.hk>). Please also see below quick link to the annual report 2013:

<http://www.hkexnews.hk/listedco/listconews/GEM/2014/0324/GLN20140324051.pdf>

### 3. INDEBTEDNESS STATEMENT

At the close of business on 31 July 2016, being the latest practicable date prior to this circular for ascertaining certain information relating to the indebtedness statement of the Group, the indebtedness of the Group was as follows:

**(a) Obligation under finance lease**

The Group had outstanding obligation under finance leases of approximately HK\$2,348,000, which was secured by the charges over the leased assets with a carrying amount of approximately HK\$3,737,000.

**(b) Convertible bonds**

The Group had an outstanding principal of convertible bonds of approximately HK\$164,068,000, which are non-interest bearing and consists of the 2008 convertible bonds and 2015 convertible bonds. The outstanding principal of the 2008 convertible bonds is HK\$124,068,000 which is repayable by 12 August 2017. The outstanding principal of the 2015 convertible bonds is HK\$40,000,000 which is repayable by 21 April 2018.

**(c) Promissory note**

The Group had an outstanding principal of promissory note of approximately HK\$55,600,000, which consists of two promissory note. The promissory note with an outstanding principal of approximately HK\$23,600,000 is charged at interest rate of 2% per annum and the settlement date is 4 April 2017. The promissory note with an outstanding principal of approximately HK\$32,000,000 is non-interest bearing and the settlement date is 21 April 2018.

**(d) Interest-bearing bank borrowings**

The Group had an outstanding principal of bank borrowings of approximately HK\$1,749,846,000, of which HK\$206,000 was secured by a personal guarantee given by a former director of a subsidiary of the Company and repayable on demand. The remaining bank borrowings of approximately HK\$1,749,640,000 were secured by the finance lease assets held by the lease with the carrying value of approximately RMB1,769,424,000 (equivalent to approximately HK\$2,069,326,000 as at 31 July 2016, and the bank borrowings of approximately HK\$113,460,000 and HK\$1,636,180,000 is repayable within one year and within three years respectively. The interest rate of these bank borrowings were ranged from 5.0% to 6.3% per annum.

Save as aforesaid and apart from intra-group liabilities and normal trade payables in the ordinary course of business, the Group did not have any loan capital issued or agreed to be issued, bank overdrafts, loans, debt securities issued and outstanding, and authorised or otherwise created but unissued and term loans or other borrowings, indebtedness in the nature of borrowings, liabilities under acceptance (other than normal

trade bills) or acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, which are either guaranteed, unguaranteed, secured or unsecured, guarantees or other material contingent liabilities outstanding as at 31 July 2016.

Save as aforementioned in this indebtedness statement, the Directors have confirmed that there have been no material changes in the indebtedness and contingent liabilities of the Group since 31 July 2016, up to and including the Latest Practicable Date.

#### 4. WORKING CAPITAL

After taking into account the financial resources available to the Group, including the internally generated funds and available banking facilities of the Group, the Directors are of the opinion that the Group has sufficient working capital for its present requirements for at least 12 months from the date of this circular.

#### 5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2015, being the date of which the latest published audited consolidated financial statements of the Group were made up.

#### 6. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

It is obvious that in the coming days of the year 2016 the Company as well as the Group will be continuously putting more weight on the financial services business.

The acquisition of Heng He allowed the Group, without setting up a new financing company, to further develop its financing related business in the PRC through a direct working capital injection, and subsequently to enjoy the benefits of the capital leverage in Heng He. Looking forward, in view of the growth potential of the financial leasing industry in the PRC, the Directors consider that the business development of Heng He will further enhance the performance of the Group and the return to the Shareholders as a whole.

During its business process, Heng He had developed its credit rating system that was compatible to those used by the other financial institutions, including banks, and government organizations. As a result, it is sensible for it to invest and explore and diverse into the formation of 萬德徵信有限公司 (Merdeka Credit Information Limited\*) (“**Merdeka Credit**”), which is to carry out a business to be principally engaged in the provision of various kinds of credit information services to local and overseas institutional investors, financial institutions, regulatory authorities, government departments and economic research houses. The Directors consider that it would be in the interests of the Company and its Shareholders as a whole for Heng He to expand into business that is relating to its own financial leasing business, which in turn will be

\* For identification purpose only

beneficial to the Group by increasing its revenue and profits. The Directors also expect that the establishment of Merdeka Credit will bring to Heng He a new source of income and in turn benefit the Company and its Shareholders as a whole.

Regarding the money lending business, the Company continuously receives enquiries from various customers, however, the Company is cautious in concluding the transaction in order to lower the risk in money-laundering and, more practical, the risk of bad debt. It is expected that the income from money lending business will grow steadily and healthily.

In order to further expand and diverse into the financial services, on 10 August 2015, the Company entered into an acquisition agreement to purchase the entire shareholding of Xiaxin Securities (HK) Limited (presently known as Merdeka Capital Limited) (“Xiaxin”), a corporation licensed to carry out Type 1 (dealing in securities) regulated activities under the SFO, at a cash consideration of HK\$7.5 million. The Company has granted the approval by the Securities and Futures Commission to become the substantial shareholder of Xiaxin, completion of the acquisition of Xiaxin has been taken place on 15 July 2016.

Trading business is expected to continuously providing a stable source of revenue to the Group and as the business is growing healthily, the Group is expanding its trading business into more variety of consumer products and into more geographical markets within the PRC. The Group is also commencing to OEM its trading products from various Asian countries including Japan, Korea and Malaysia.

For the information technology business, revenue would be mainly driven by the additional contribution from the consolidation of different acquired entities into a single stream of income. The Group is also shifting its mobile and cloud information technology centre into Mian Yang, the PRC to 綿陽恒達信息科技有限公司 (Mian Yang Heng Da Information Technology Limited\*). Complementing the trading business with its information technology business, the Group intends to commence trading consumer products into the PRC through its customers there by developing mobile and cloud based application software and operating related e-commerce platform in the PRC. Another opportunity to complement the business of the Group lied on the development of mobile and cloud based applications in relation to the financial services provided or to be provided by the Group, in terms of, namely, financial leasing, money lending and securities brokerage in accordance with the permission under the laws of Hong Kong and the PRC.

\* For identification purpose only



## 1. RESPONSIBILITY STATEMENT

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

## 2. DISCLOSURE OF INTERESTS

### Interests of Directors

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange, were as follows:

#### *Long positions in the Shares*

Name of Director	Nature of Interest	Number of Shares	Approximate percentage of the issued share capital of the Company
Cheung Wai Yin, Wilson ("Mr. Cheung")	Founder of a discretionary trust and personal ( <i>Note</i> )	98,995,314	6.11%
Lau Chi Yan, Pierre	Personal	1,328,125	0.25%

*Notes:* As at the Latest Practicable Date, 98,437,500 Shares were owned by Ivana Investment Limited ("Ivana"), a company incorporated in the British Virgin Islands owned as to 100% by CW Limited, which in turn is wholly-owned by Asiitrust Limited, a trust company in its capacity as the trustee of a discretionary trust, the founder (as defined in the SFO) of which is Mr. Cheung and the discretionary objects which are family members of Mr. Cheung (including Mr. Cheung himself). Accordingly, Mr. Cheung is deemed to be interested in the relevant Shares of the purpose of the SFO. Mr. Cheung is also personally interested in 557,814 Shares.

*Long positions in the underlying Shares*

Name of Director	Nature of Interest	Number of underlying shares	Approximate percentage of total issued share capital of the Company
Mr. Cheung	Personal	100,000,000	6.17%
	Founder of a discretionary trust (Note)	297,619,048	18.37%
Lau Chi Yan, Pierre	Personal	20,000,000	1.23%
Yeung Mo Sheung, Ann	Personal	1,016,483	0.063%
Ng Kay Kwok	Personal	1,000,000	0.062%
Yip Kat Kong, Kenneth	Personal	1,000,000	0.062%

*Note:* As at the Latest Practicable Date, the interest is held by Ivana, a company incorporated in the British Virgin Islands owned as to 100% by CW Limited, which in turn is wholly-owned by Asiatrust Limited, a trust company in its capacity as the trustee of a discretionary trust, the founder (as defined in the SFO) of which is Mr. Cheung and the discretionary objects which are family members of Mr. Cheung (including Mr. Cheung himself).

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company have interest or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (iii) were required, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange.

**Interests of Substantial Shareholders**

So far as is known to any Directors or chief executives of the Company, as at the Latest Practicable Date, the following persons (not being Directors or chief executives of the Company) had, or were deemed to have, interests or short positions in the shares, debentures or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

*Long positions*

Name of Shareholder	Nature of Interest	Number of shares	Number of underlying shares	Approximate percentage of total issued share capital of the Company
Asiatrust Limited (Note 1)	Trustee	98,437,500	297,619,048	24.45%
CW Limited (Note 1)	Controlled corporation	98,437,500	297,619,048	24.45%
Ivana	Beneficial owner	98,437,500	297,619,048	24.45%
Yihua Enterprise Limited	Beneficial owner		173,913,043	10.37%
Cheng Jun (Note 2)	Controlled corporation		173,913,043	10.37%
Gao Yun Feng (Note 2)	Controlled corporation		173,913,043	10.37%

*Note 1:* The interest is held by Ivana, a company incorporate in the British Virgin Islands owned as to 100% by CW Limited, which in turn is wholly-owned by Asiatrust Limited, a trust company in its capacity as the trustee of a discretionary trust, the founder (as defined in the SFO) of which is Mr. Cheung and the discretionary objects of which are family members of Mr. Cheung (including Mr. Cheung himself).

*Note 2:* The interest is held by Yihua Enterprise Limited, a company incorporated in the British Virgin Islands owned as to 50% by Mr. Cheung Jun and 50% by Mr. Gao Yun Feng.

Save as disclosed above, so far as is known to the Directors or chief executives of the Company, the Company had not been notified of any other interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

### 3. SERVICE CONTRACTS

As the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).

### 4. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors or their respective associates had any interest in any business which competes or may compete, either directly or indirectly, with the business of the Group or has or may have any other conflicts of interest with the Group pursuant to the GEM Listing Rules.

## 5. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, none of the Directors were materially interested in any subsisting contract or arrangement which is significant in relation to the business of the Group. As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2015, being the date to which the latest published audited accounts of the Group were made up, acquired or disposed of by, or leased to any member of the Group, or were proposed to be acquired or disposed of, or leased to any member of the Group.

## 6. LITIGATION

On 22 January 2015, the Company announced that a writ of summons was issued in the Court of First Instance of the High Court of Hong Kong by Au Kai To Karel, as the plaintiff claiming against (i) End User Technology Limited, an indirect wholly-owned subsidiary of the Company, as the 1st Defendant; (ii) the Company, as the 2nd Defendant; and (iii) Lau Chi Yan Pierre, the managing director and executive director of the Company, as the 3rd Defendant for, inter alia, (1) specific performance of an agreement dated 2 May 2013 in relation to a discloseable transaction of the Company (details of which were disclosed in the announcement of the Company dated 2 May 2013); or (2) alternatively, the damages in the sum of HK\$8,000,000 in lieu of specific performance; and (3) the interest; (4) further and/or other relief; and (5) the costs. The Company have instructed legal representative to handle the matter, and was advised that the claim does not have merits as the agreement had been duly and completely performed. The three defendants, namely the Company, its subsidiary and Mr. Lau Chi Yan, Pierre have filed the relevant statements of defence with the High Court accordingly. On 3 August 2016, the parties attended the mediation as ordered by court, formal result of which is pending to be received by the Company.

Save for the above litigation, as at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, the Group was not involved in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened by or against any member of the Group.

## 7. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the members of the Group within two years immediately preceding the Latest Practicable Date and are or may be material:

- (a) the conditional sale and purchase agreement dated 31 October 2014 and entered into among End User Investments Limited as the purchaser, a wholly-owned subsidiary of the Company, Yihua Enterprises Limited as the vendor and Mr. Cheng Jun and Mr. Gao Yun Feng as the guarantors, in relation to the acquisition of the entire issued share capital of Blossom Height Ventures Limited;

- (b) the underwriting agreement dated 8 May 2015 entered into between the company as the issuer and Pacific Foundation Securities Limited as the underwriter in relation to the underwriting arrangement in respect of the open offer at HK\$0.09 per offer share on the basis of 2 offer shares for every 1 existing share held by Shareholders;
- (c) the placing agreement dated 17 August 2015 entered into between the Company and Guoyuan Securities Brokerage (Hong Kong) Limited as placing agent for the placing of up to 76,000,000 new shares at HK\$0.120 per Share;
- (d) the placing agreement dated 12 November 2015 entered into between the Company and Guoyuan Securities Brokerage (Hong Kong) Limited as placing agent for the placing of up to 245,000,000 new shares at HK\$0.170 per Share;
- (e) the capital injection agreement dated 14 December 2015 entered into between the Company and 上海市巽離股權投資管理有限公司 (Shanghai Xunli Equity Investment Management Limited\*) to increase the registered capital of Heng He from RMB170 million to RMB300 million;
- (f) the placing agreement dated 14 March 2016 entered into between the Company and Convoy Investment Services Limited as placing agent for the placing of up to 245,000,000 new shares at HK\$0.119 per Share;
- (g) the supplemental agreement dated 31 March 2016 entered into between the Company and Convoy Investment Services Limited to amend the terms of the placing agreement in (i) above. The number of placing shares was reduced to a maximum of 125,000,000 new shares at HK\$0.119 per Share; and
- (h) the placing agreement dated 8 June 2016 entered into between the Company and Pacific Foundation Securities Limited as placing agent for the placing of up to 270,000,000 new shares at HK\$0.092 per Share.

## 8. MISCELLANEOUS

- (a) The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. Its head office and principal place of business in Hong Kong is at Room 1502, Chinachem Century Tower, 178 Gloucester Road, Wanchai, Hong Kong.
- (b) The company secretary of the Company is Mr. Lai Yau Hong, Thomson. He has over 20 years of experience in company secretarial duties as well as corporate governance and management fields and has taken up senior management positions in a number of multinational conglomerates and companies listed on the Stock Exchange. He is an associate member of the Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. He is also a holder of the Practitioner's Endorsement issued by The Hong Kong Institute of Chartered Secretaries.

\* For identification purpose only

- (c) The Company's Hong Kong branch share registrar and transfer office is Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The English text of this circular and the accompanying form of proxy shall prevail over the Chinese text in the case of inconsistency.
- (e) As at the Latest Practicable Date, the Audit Committee of the Board comprises three members, including Ms. Yeung Mo Sheung, Ann, Mr. Ng Kay Kwok and Mr. Yip Kat Kong, Kenneth, all are independent non-executive Directors. Mr. Ng Kay Kwok has the appropriate financial and accounting experience required by the GEM Listing Rules. The primary duties of the Audit Committee of the Board is to communicate with the management of the Group from time to time, including but not limited to review the accounting principles and practices adopted by the Company, the effectiveness of its internal control systems, the interim and annual results of the Company. The biographical details of the members of the Audit Committee of the Board are set out in paragraph (f) below.
- (f) The brief biographical details of Directors and members of the senior management of the Company are set out below:

#### **Executive Directors**

**Mr. Cheung Wai Yin, Wilson ("Mr. Cheung")**, aged 45, is currently an executive director, the chairman, chief executive officer, compliance officer, member of the Nomination Committee, member of the Remuneration Committee, authorised representative and agent for service of process in Hong Kong of the Company and as a director of certain relevant subsidiaries of the Company. He is deemed a substantial shareholder of the Company. He is also the chairman and chief executive officer of Dejin Resources Group Company Limited, a company listed in Hong Kong. Mr. Cheung has over 18 years of experience in the field of audit, business development, corporate finance and financial management. Mr. Cheung is a member of the Hong Kong Institute of Certified Public Accountants and Hong Kong Securities and Investment Institute. He holds a Master of Science degree in Financial Engineering from City University of Hong Kong and Bachelor degrees in Arts and Administrative Studies from York University, Canada.

**Mr. Lau Chi Yan, Pierre ("Mr. Lau")**, aged 40, is currently an executive director, the managing director, member of Nomination Committee, member of the Remuneration Committee and as a director of certain relevant subsidiaries of the Company. He is also the executive director of Dejin Resources Group Company Limited, a company listed in Hong Kong. Mr. Lau has over 14 years of experience in the field of information system, operational system and general management. Mr. Lau holds an Executive Master Degree of Business Administration in General Management from University of Hull, the United Kingdom and a Bachelor of Science degree in Computer Science from University of Calgary, Canada. Besides,

Mr. Lau is a member of Guangdong Huizhou Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議廣東省惠州市委員) and a member of The 12th All-China Youth Federation Committee (第十二屆中華全國青年聯合委員會).

### **Independent Non-Executive Directors**

**Ms. Yeung Mo Sheung, Ann ("Ms. Yeung")**, aged 51, has served as an independent non-executive director of the Company since October 2012 and is a member of the Nomination Committee, the Remuneration Committee and the Audit Committee. She holds a Bachelor degree of Retail Marketing with honours in the United Kingdom and a Diploma in Marketing from The Chartered Institute of Marketing. She pursued her further study on legal course and has been awarded a Diploma in Legal Practice in the United Kingdom in 1998 and is presently a solicitor of Messrs. Fung & Fung Solicitors, a legal firm in Hong Kong. Ms. Yeung is currently an independent non-executive director, a member of the audit committee, a member of the remuneration committee and a member of the nomination committee of Success Universe Group Limited, issued shares of which are listed on the main board of the Stock Exchange.

Furthermore, she is currently an independent non-executive director, a member of each of the audit committee, remuneration committee and nomination committee of each of E Lighting Group Holdings Limited and Tai Shing International (Holdings) Limited, issued share of both are listed on GEM. She is also the chairman of the nomination committee of E Lighting Group Holdings Limited.

**Mr. Ng Kay Kwok ("Mr. Ng")**, aged 53, has served as an independent non-executive director of the Company since July 2013 and is a member of the Nomination Committee, the Remuneration Committee and the Audit Committee. He graduated from the Australian National University with a Bachelor's Degree in Economics and obtained a Graduate Diploma in Accounting from Macquarie University. He is a member of CPA Australia and has extensive experience in accounting and financial management. In addition, Mr. Ng was an executive director and the chief executive officer of GET Holdings Limited ("GET"), a company listed on GEM, from 9 July 2010 to 31 May 2011 and from 29 May 2012 to 24 May 2013, he was also the company secretary of GET from 1 January 2007 to 31 May 2011. Mr. Ng is currently an independent non-executive director, the chairman of the audit committee, a member of the nomination committee and the remuneration committee of China Fortune Financial Group Limited, a company listed on the main board of the Stock Exchange.

**Mr. Yip Kat Kong, Kenneth ("Mr. Yip")**, aged 53, has served as an independent non-executive director of the Company since July 2013 and is a member of the Nomination Committee, the Remuneration Committee and the Audit Committee. He is the founder and chairman of Greater China Capital Group Limited and Greater China Corporation Consultants Limited, both specialize in company restructuring, listing, portfolio investment and merger and acquisition. He has over 30 years of experience in the accounting profession and, coupled with his hands-on

experience and expertise in different industries, has been engaged in various growing enterprises including those listed on the Stock Exchange to serve as their strategic and business advisor. Mr. Yip is a member of various business and commercial organizations and societies in both China and Hong Kong, including, a member of Guangdong Huizhou Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議廣東省惠州市委員), a standing member of Guangdong Federation of Industry & Commerce (廣東省僑聯常務委員), an executive member of Guangdong Federation of Industry & Commerce (廣東省工商業聯合會(總商會)執委), a director of Guangdong Overseas Friendship Association (廣東海外聯誼會理事) and a member of China Affairs Committee of The Chinese General Chamber of Commerce Hong Kong (香港中華總商會中國內地事務委員).

#### 9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the office of the Company at Room 1502, Chinachem Century Tower, 178 Gloucester Road, Wanchai, Hong Kong, during normal business hours on any weekday (except for Saturday and public holidays) from the date of this circular up to and including the date of the EGM:

- (a) the memorandum and articles of association of the Company;
- (b) the Deed of Transfer;
- (c) the material contracts referred to in the paragraph headed "Material Contracts" in this Appendix;
- (d) the published annual reports of the Company for each of the three years ended 31 December 2013, 2014 and 2015 and the published interim report of the Company for the six months ended 30 June 2016; and
- (e) a copy of each circular issued pursuant to the requirements set out in Chapter 19 and/or 20 of the GEM Listing Rules which has been issued since 31 December 2015, being the date to which the latest audited consolidated financial statements of the Group were made up.



## NOTICE OF EGM



MERDEKA

### MERDEKA FINANCIAL SERVICES GROUP LIMITED

(萬德金融服務集團有限公司\*)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8163)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Merdeka Financial Services Group Limited (the “**Company**”) will be held at Jasmine Room, 3/F., Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on Monday, 3 October at 11:00 a.m., for the purposes of considering and, if thought fit, passing the following resolution with or without amendment as ordinary resolution:

#### ORDINARY RESOLUTION

“**THAT**

- (a) the deed of transfer dated 18 August 2016 (the “**Deed of Transfer**”) entered into between 恒河融資租賃(上海)有限公司 (Heng He Financial Lease (Shanghai) Company Limited\*) (“**Heng He**”) and 華富融資租賃(上海)有限公司 (Hua Fu Finance Leasing (Shanghai) Company Limited\*) (the “**Lessor**”), pursuant to which all corresponding rights, benefits and obligations of the Lessor in respect of the sub-leased assets would be transferred to Heng He at a total consideration of RMB65 million (approximately HK\$76 million) (a copy of which has been produced to the meeting and marked “A” and initialled by the chairman of the meeting for the purpose of identification) and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed; and
- (b) any one director of the Company be and is hereby authorised to do all such acts and things, to sign and execute all such further documents on behalf of the Company and to take all such steps as he or she may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Deed of Transfer or any transactions contemplated thereunder.”

By order of the Board of  
**Merdeka Financial Services Group Limited**  
**Cheung Wai Yin, Wilson**  
*Chairman and Chief Executive Officer*

Hong Kong, 15 September 2016

\* For identification purpose only

## NOTICE OF EGM

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

*Head office and principal place of  
business in Hong Kong:*  
Room 1502  
Chinachem Century Tower  
178 Gloucester Road  
Wanchai, Hong Kong

*Notes:*

1. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the share register of the Company in respect of the joint holding. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of the articles of association of the Company be deemed joint holders thereof.
2. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.
3. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the extraordinary general meeting or adjourned meeting.
5. All voting by the members at the Meeting shall be conducted by way of poll.

*As at the date of this notice, the Board comprises two executive Directors, namely Cheung Wai Yin, Wilson and Mr. Lau Chi Yan, Pierre, and three independent non-executive Directors, namely Ms. Yeung Mo Sheung, Ann, Mr. Ng Kay Kwok and Mr. Yip Kat Kong, Kenneth.*