

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



econtext Asia Limited
環亞智富有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 1390)

**PROPOSED APPOINTMENT OF NEW DIRECTOR
AND
PROPOSED ADOPTION OF NEW ARTICLES OF ASSOCIATION**

PROPOSED APPOINTMENT OF NEW DIRECTOR

The Board announces that the Board resolved to propose that Mr. Toshiyuki Fushimi be appointed as an independent non-executive Director. An ordinary resolution to consider and approve the appointment of Mr. Toshiyuki Fushimi as an independent non-executive Director will be proposed at the Annual General Meeting.

PROPOSED ADOPTION OF NEW ARTICLES OF ASSOCIATION

The Board proposes to adopt the New Articles of Association to replace the existing Articles of Association to, among others, bring them in line with the New Companies Ordinance.

The proposed adoption of the New Articles of Association is subject to the approval of the Shareholders by way of a special resolution at the Annual General Meeting. A circular containing, among other things, information relating to the major changes brought about by the adoption of the New Articles of Association when compared with the existing Articles of Association together with a notice convening the Annual General Meeting will be despatched to the Shareholders in due course.

PROPOSED APPOINTMENT OF NEW DIRECTOR

The board (the “**Board**”) of directors (the “**Directors**”) of econtext Asia Limited (the “**Company**”) announces that the Board resolved to propose that Mr. Toshiyuki Fushimi be appointed as an independent non-executive Director. An ordinary resolution to consider and approve the appointment of Mr. Toshiyuki Fushimi as an independent non-executive Director will be proposed at an annual general meeting of the Company to be held on 24 October 2014 (the “**Annual General Meeting**”).

Mr. Toshiyuki Fushimi, aged 58, is currently a professor of College of Economics and Graduate School of Economics at Nihon University in Japan, visiting professor of Central University of Economics and Finance in the People’s Republic of China (the “**PRC**”), visiting professor of Yangzhou Tax Training Institute, State Administration of Tax in the PRC, and part-time teacher of Graduate School of Hitotsubashi University and Graduate School of Takushoku University in Japan.

Mr. Fushimi possesses more than 30 years of experiences in Japanese and international taxation at tax authority in Japan. Mr. Fushimi joined National Tax Agency (“**NTA**”) in Japan in 1981 and had held various senior positions at NTA as well as regional taxation bureaus in Japan until he retired in 2013. He was also a professor and researcher of Central University of Finance and Economics in the PRC from 2004 to 2006. Mr. Fushimi was a commissioner of Kanazawa Regional Taxation Bureau in Japan from 2012 to 2013. Since 2013, Mr. Fushimi has been a professor at Nihon University and since 2014, he has been a non-executive director of YAMADA Consulting Group Co., Ltd., whose shares are listed and traded on the Japan Association of Securities Dealers Automated Quotation. Mr. Fushimi is a Certified Tax Accountant in Japan. Mr. Fushimi received a Bachelor of Political Science and Economics degree from Waseda University in Japan.

The Company and Mr. Fushimi will enter into a letter of appointment for a term of one year commencing from the date of an approval of his appointment by the shareholders of the Company (the “**Shareholders**”) at the Annual General Meeting, which may be terminated by either party giving to the other not less than one month’s prior notice in writing. Mr. Fushimi will be subject to retirement by rotation and re-election in accordance with the Articles of Association, which in particular provides that every Director shall be subject to retire at least once every three years. Mr. Fushimi will receive a fee from the Group of JP¥3,300,000 per annum, which was determined by the Board on the recommendation of the Remuneration Committee of the Company with reference to his duties and responsibilities and performance of the Group.

Save as disclosed above, Mr. Fushimi (i) does not have any relationship with any Directors, senior management or substantial or controlling Shareholders, (ii) does not have any interest or short positions in the shares, underlying shares and/or debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance, (iii) does not hold any positions with the Company and its subsidiaries; and (iv) does not hold any directorship in the last three years in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

There are no other matters which need to be brought to the attention of the Shareholders, and there is no information that needs to be disclosed pursuant to the requirements of the provisions of Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) in connection with Mr. Fushimi’s appointment as an independent non-executive Director at the Annual General Meeting.

PROPOSED ADOPTION OF NEW ARTICLES OF ASSOCIATION

The Board announces that the following major statutory changes come into operation on 3 March 2014 and may have impact on the provisions contained in the existing articles of association of the Company (the “**Articles of Association**”):

- (i) the New Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “**New Companies Ordinance**”) has replaced the previous Companies Ordinance (Chapter 32 of the Laws of Hong Kong), and the major changes include, inter alia, abolishing the par value of shares, abolishing the memorandum of association and regarding conditions in the memorandum of association of existing companies as provisions of the articles of association, removing the power to issue warrants to bearer, removing the power to convert shares into stock, requiring the company to give reasons for declining to register a transfer of shares upon request, reducing the threshold for demanding a poll and deeming consent from members to receive corporate communications via the company’s website; and
- (ii) the previous Companies Ordinance (Chapter 32 of the Laws of Hong Kong) has been retitled as Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) with core provisions affecting the operation of companies repealed except those provisions relating to prospectus, winding-up, insolvency of companies and disqualification of directors.

The Board proposes to adopt a new set of Articles of Association (the “**New Articles of Association**”) to bring them in line with the New Companies Ordinance as well as to modernise and update the Articles of Association. A summary of the major changes brought about by the adoption of New Articles of Association are set out below:

A. Changes pursuant to the New Companies Ordinance

Major changes the Board proposes to make to the Articles of Association include:

- (a) to formally migrate the mandatory clauses from the memorandum of association of the Company (such as the name of the Company and the limited liability of the members) to the New Articles of Association given that the New Articles of Association will become the single constitutional document of the Company due to the abolition of the memorandum of association under the New Companies Ordinance;
- (b) to remove all the references in the Articles of Association to authorised capital, par or nominal value of shares, unissued shares, capital redemption reserve fund and share premium account which have become obsolete due to the mandatory no par value regime under the New Companies Ordinance;

- (c) to provide a statement of the reasons for refusal of registration of a transfer of shares within 28 days, if required by the transferor or the transferee of the Company's shares;
- (d) to include a provision for accepting as sufficient evidence of grant of probate of the will or the letters of administration of a deceased person in so far it relates to transmission of shares by operation of law;
- (e) to delete the term "extraordinary" from general meetings which is made redundant in the New Companies Ordinance;
- (f) to allow the Company to hold general meetings in more than one location using any technology that enables the members to listen, speak and vote at the meetings;
- (g) to include the new statutory requirement to record result of poll in minutes of a general meeting;
- (h) to include the following new provisions in respect of appointment of proxy:
 - a. to give flexibility for return of a proxy form by various means including by electronic means and to prescribe the statutory period in various situations for the return of proxy form; and
 - b. to set out the notice requirement in the case of revocation of proxy's authority;
- (i) to require members' approval for a service contract made by the Company with its Directors for a guaranteed term of employment exceeding three years;
- (j) to include new provisions regarding issue of debentures;
- (k) to broaden the scope of the requirement for declaration of a Director's interest by requiring a Director to declare the nature and extent of the interest of himself and entities connected to him and the direct or indirect interest in any transaction, contract or arrangement of himself and his connected entities and to specify the timing and procedures of declaration of such interests by a Director in accordance with the New Companies Ordinance;
- (l) to allow the Company having the flexibility to execute a document as a deed without using its common seal as permitted under the New Companies Ordinance with added requirement of the authority of the Board;
- (m) to include the mandatory requirement in respect of disclosure of permitted indemnity provisions provided by the Company to its Directors or directors of its associated companies in the Directors' report; and
- (n) to replace the obsolete terms with the new terms used in New Companies Ordinance; and the section references to the previous Companies Ordinance (Chapter 32 of the Laws of Hong Kong) with the corresponding section references to the New Companies Ordinance.

B. Miscellaneous Amendments

Certain amendments to the Articles of Association are proposed to streamline the Company's management and operational process, which include:

- (a) providing flexibility to the Directors to signify their agreement to, in place of signing, written resolutions of Directors under certain specified procedures; and
- (b) deleting articles which have no practical use and have become obsolete.

Other house-keeping amendments to the Articles of Association are also proposed, including making consequential amendments in line with the above amendments to the Articles of Association, as well as improving on the drafting, providing more clarity for certain clauses, updating certain provisions with reference to the Listing Rules currently in force and correcting typographical errors. New definitions are also proposed to improve clarity and readability of the Articles of Association generally.

The proposed adoption of the New Articles of Association is subject to approval of the Shareholders by way of a special resolution at the Annual General Meeting.

A circular containing, among others, information relating to the major changes brought about by the adoption of the New Articles of Association when compared with the existing Articles of Association together with a notice of convening the Annual General Meeting will be despatched to the Shareholders in due course.

By order of the Board
econtext Asia Limited
Kaoru Hayashi
Chairman

Hong Kong, 11 September 2014

As at the date of this announcement, the Board comprises Kaoru Hayashi (Chairman), Takashi Okita, Tomohiro Yamaguchi and Keizo Odori as executive Directors; Joi Okada and Adam David Lindemann as non-executive Directors; and Mamoru Ozaki, Toshio Kinoshita and Takao Nakamura as independent non-executive Directors.