

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

**If you are in any 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, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in China Seven Star Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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## **CHINA SEVEN STAR HOLDINGS LIMITED**

**中國七星控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 245)**

### **GENERAL MANDATES TO ISSUE AND BUY BACK SHARES, RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of the Company to be held at the Boardroom, Basement 2, the Wharney Guang Dong Hotel Hong Kong, 57-73 Lockhart Road, Wanchai, Hong Kong on 5 June 2014, Thursday, at 10:30 a.m. is set out on pages 15 to 18 of this circular.

A form of proxy for use at the annual general meeting is also enclosed. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time of the meeting to the office of the Company's registrar and transfer office, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof if you so wish.

30 April 2014

# CONTENTS

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b>	
— Introduction .....	3
— General mandate to issue shares .....	3
— General mandate to buy back shares .....	4
— General extension mandate to issue shares .....	4
— Re-election of retiring directors .....	5
— Annual general meeting .....	5
— Responsibility statement .....	5
— Recommendations .....	6
— General .....	6
<b>Appendix I — Explanatory Statement on Buy-back Mandate</b> .....	7
<b>Appendix II — Details of the Directors Proposed to be Re-elected                   at the Annual General Meeting</b> .....	11
<b>Notice of Annual General Meeting</b> .....	15

## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at the Boardroom, Basement 2, the Wharney Guang Dong Hotel Hong Kong, 57-73 Lockhart Road, Wanchai, Hong Kong on 5 June 2014, Thursday, at 10:30 a.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 15 to 18 of this circular, or any adjournment thereof
“Articles”	the existing articles of association of the Company
“Board”	the board of Directors
“Buy-back Mandate”	a general and unconditional mandate to be given to the Directors to exercise the powers of the Company to buy back at any time until the next annual general meeting of the Company or such earlier period as stated in the Share Buy-back Resolution the Shares up to a maximum of 10% of the total number of Shares in issue at the date of the Share Buy-back Resolution
“Company”	China Seven Star Holdings Limited (中國七星控股有限公司) (Stock Code: 245), a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Directors”	directors of the Company
“Extension Mandate”	a general and unconditional mandate to the Directors to the effect that any shares of the Company bought back under the Buy-back Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all power of the Company to allot, issue or otherwise deal with new Shares up to a maximum of 20% of the total number of Shares in issue as at the date of passing the resolution at the AGM

## DEFINITIONS

“Latest Practicable Date”	24 April 2014, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Shares
“Share Buy-back Rules”	the relevant rules set out in the Listing Rules to regulate the buy-back by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Share Buy-back Resolution”	the ordinary resolution referred to in number 5 of the notice of the AGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

**LETTER FROM THE BOARD**

**CHINA SEVEN STAR HOLDINGS LIMITED**

**中國七星控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 245)**

*Executive Directors:*

Mr. NI Xinguang (*Chairman*)  
Mr. TU Baogui (*Chief Executive Officer*)  
Ms. CHEN Xiaoyan

*Registered and principal office:*

Unit A02, 11/F  
Bank of East Asia Harbour View Centre  
56 Gloucester Road  
Wanchai  
Hong Kong

*Independent non-executive Directors:*

Mr. WONG Chak Keung  
Mr. LU Wei  
Mr. LING Yu Zhang

30 April 2014

*To the Shareholders*

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND BUY BACK SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed to seek approval of the Shareholders at the AGM in respect of, among other matters, (i) the Issue Mandate; (ii) the Buy-back Mandate; (iii) the Extension Mandate; and (iv) the re-election of retiring Directors. In compliance with the Listing Rules, this circular contains an explanatory statement which provides all the information reasonably necessary to enable the Shareholders to make informed decisions on whether to vote for or against the resolution approving the Buy-back Mandate and other relevant information.

**GENERAL MANDATE TO ISSUE SHARES**

At the annual general meeting of the Company held on 5 June 2013, an ordinary resolution was passed by the then Shareholders granting the existing Issue Mandate to the Directors, which is due to expire at the conclusion of the AGM.

An ordinary resolution will be proposed at the AGM to grant to the Directors a fresh Issue Mandate i.e. a general and unconditional mandate to allot, issue and deal with additional Shares with an aggregate number of Shares not exceeding 20% of the total number of Shares in issue at the date of the passing of such resolution.

## **LETTER FROM THE BOARD**

On the basis of a total of 2,198,331,250 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be issued or bought back prior to the AGM, the maximum number of Shares which may fall to be issued under this proposed Issue Mandate will be 439,666,250 Shares.

The fresh Issue Mandate will remain in effect until the earliest of (i) the date of the next annual general meeting; (ii) the date by which the next annual general meeting is required to be held by any applicable laws of Hong Kong or the Articles; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

### **GENERAL MANDATE TO BUY BACK SHARES**

At the annual general meeting of the Company held on 5 June 2013, an ordinary resolution was passed by the then Shareholders granting the existing Buy-back Mandate to the Directors, which is due to expire at the conclusion of the AGM.

An ordinary resolution will be proposed at the AGM to grant to the Directors a fresh Buy-back Mandate i.e. a general and unconditional mandate to buy back Shares subject to the maximum number of Shares of up to 10% of the total number of Shares in issue at the date of passing of such resolution. The fresh Buy-back Mandate will remain in effect until the earliest of (i) the date of the next annual general meeting; (ii) the date by which the next annual general meeting is required to be held by any applicable laws of Hong Kong or the Articles; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

Under the Listing Rules, the Company is required to give to the Shareholders an explanatory statement containing all information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Buy-back Mandate. The explanatory statement required by the Listing Rules is set out in the Appendix I to this circular.

### **GENERAL EXTENSION MANDATE TO ISSUE SHARES**

An ordinary resolution will be proposed at the AGM to extend the Issue Mandate by the addition to the aggregate numbers of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of a number of Shares representing the total number of Shares bought back by the Company pursuant to the Buy-back Mandate provided that such extended number shall not exceed 10% of the total number of Shares in issue on the date of passing the resolution approving the Issue Mandate.

## **LETTER FROM THE BOARD**

### **RE-ELECTION OF RETIRING DIRECTORS**

In relation to the ordinary resolution number 2 set out in the notice of the AGM regarding the re-election of retiring Directors, Mr. Ni Xinguang and Mr. Ling Yu Zhang shall retire as Directors by rotation and, being eligible, offer themselves for re-election at the AGM pursuant to article 116 of the Articles, and Mr. Tu Baogui and Ms. Chen Xiaoyan shall retire as Directors and, being eligible, offer themselves for re-election at the AGM pursuant to articles 99 and 117 of the Articles.

Mr. Ling Yu Zhang, being independent non-executive Director eligible for re-election at the AGM, has made an annual confirmation of independence pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that Mr. Ling Yu Zhang is independent in accordance with the independence guidelines. Also, in view of his integrity, extensive knowledge and experience, the Company recommends Mr. Ling Yu Zhang to be re-elected.

Details of the abovementioned Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

### **ANNUAL GENERAL MEETING**

The notice of the AGM is set out on pages 15 to 18 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, the grant of the Issue Mandate, the Buy-back Mandate and the Extension Mandate to the Directors and the re-election of retiring Directors.

A form of proxy for use at the AGM is enclosed herewith. If you are unable to attend and/or vote at the AGM in person, you are requested to complete the form of proxy and return it to the Company's registrar and transfer office, 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 time of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of shareholders at a general meeting must be taken by poll, except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, every resolution put to the vote at the AGM will be taken by way of poll. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### **RESPONSIBILITY STATEMENT**

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this

## LETTER FROM THE BOARD

circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

### RECOMMENDATIONS

The Board considers that the resolutions in relation to the Issue Mandate, the Buy-back Mandate, the Extension Mandate and the re-election of retiring Directors to be proposed at the AGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of such resolutions at the AGM. Shareholders should note that the Directors will exercise their voting rights in respect of all their shareholdings (if any) in favour of all resolutions.

### GENERAL

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

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on any resolution to be proposed at the AGM.

Yours faithfully,  
For and on behalf of the Board  
**China Seven Star Holdings Limited**  
**Ni Xinguang**  
*Chairman*



*This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the AGM in relation to the proposed Buy-back Mandate.*

### **(1) Share Buy-back Rules**

The Share Buy-back Rules permit companies whose primary listing are on the Stock Exchange to buy back their issued shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

#### *(a) Source of Funds*

Buy-backs must be made out of funds which are legally available for the purpose and in accordance with the company's memorandum and articles of association and the applicable laws of Hong Kong.

#### *(b) Maximum number of Shares to be bought back*

A maximum of 10% of the total number of Shares in issue as at the date of passing of the relevant resolution may be bought back.

### **(2) Exercise of the Buy-back Mandate**

Exercise in full of the Buy-back Mandate, on the basis of 2,198,331,250 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued or bought back prior to the AGM, could accordingly result in up to 219,833,125 Shares being bought back by the Company during the period ending on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by the Articles or any applicable laws of Hong Kong or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

### **(3) Reasons for Buy-backs**

The Directors believe that the ability to buy back Shares is in the interests of the Company and its Shareholders. Buy-backs may, depending on the circumstances, result in an increase in net assets and/or earnings per share. The Directors are seeking the grant of a general mandate to buy back Shares to give the Company the flexibility to do so if and when appropriate. The timing and the number(s), the price and other terms upon which the same are bought back will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

### **(4) Funding of Buy-backs**

It is envisaged that the funds required for any buy-back would be derived from the distributable profits of the Company being funds legally available for such buy-back in accordance with the Articles and the Companies Ordinance. The Companies Ordinance

provides that the amount of capital repaid in connection with a share buy-back may only be paid from the distributable profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the buy-back to such extent allowable under the Companies Ordinance.

There could be an adverse impact on the working capital or gearing position of the Company (as compared with the position at 31 December 2013 disclosed in its most recent published audited financial statements for the year ended 31 December 2013) in the event that the proposed share buy-backs were to be carried out in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

### (5) Share Prices

The highest and lowest prices at which shares of the Company have traded on the Stock Exchange in each of the previous twelve months immediately preceding the Latest Practicable Date are as follows:

	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2013</b>		
April	0.082	0.071
May	0.084	0.071
June	0.095	0.075
July	0.112	0.075
August	0.101	0.084
September	0.095	0.081
October	0.104	0.084
November	0.130	0.092
December	0.124	0.088
<b>2014</b>		
January	0.107	0.090
February	0.166	0.090
March	0.148	0.110
April (up to and including 24 April 2014)	0.194	0.121

### (6) Undertaking

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the Buy-back Mandate in accordance with the Listing Rules and the Laws of Hong Kong and in accordance with the regulations set out in the Articles.

None of the Directors nor (to the best of their knowledge having made all reasonable enquiries) any of their associates (as defined in the Listing Rules) have a present intention, in the event that the Buy-back Mandate is approved by the Shareholders, to sell Shares to the Company or its subsidiaries.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares held by them to the Company, or have undertaken not to do so, in the event that the Company is authorised to make buy-backs of its Shares.

### (7) Takeovers Code

If as a result of the buy-back of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the substantial shareholders of the Company are:

Name	Number of shares interested in	Approximate percentage of shareholding	If exercised in full the power to buy back
Group First Limited ( <i>note (a)</i> )	566,004,000	25.75%	28.61%
Ni Xinguang ( <i>note (b)</i> )	612,072,000	27.84%	30.94%
Ye Zhu Ying ( <i>note (c)</i> )	231,497,650	10.53%	11.70%
Best Idea International Limited ( <i>note (c)</i> )	231,497,650	10.53%	11.70%

*Notes:*

- (a) Group First Limited, which is 100% owned by Mr. Ni Xinguang, an executive Director and the chairman of the Company. By virtue of the SFO, Mr. Ni is deemed to have interested of Shares held by Group First Limited.
- (b) Mr. Ni Xinguang currently holds in total 612,072,000 Shares within which 46,068,000 Shares are personally held and 566,004,000 Shares are held by Group First Limited.
- (c) Best Idea International Limited, which is 100% owned by Ms. Ye Zhu Ying. By virtue of the SFO, Ms. Ye is deemed to have interested of Shares held by Best Idea International Limited.

On the basis that no further Shares are issued or bought back prior to the AGM, in the event that the Directors exercise in full the Buy-back Mandate, the interests of the above substantial shareholders of the Company would be increased to such percentages of the total number of issued Shares as set out in the fourth column of the above table. On the basis of the current shareholding of Mr. Ni Xinguang as at the Latest Practicable Date, Mr. Ni Xinguang may be obliged to make a mandatory offer under Rule 26 of the Takeovers Code if the

Buy-back Mandate is exercised in full. Nevertheless, the Directors have no intention to exercise the Buy-back Mandate to an extent as may result in any shareholder becoming obliged to make a general offer under Rule 26 of the Takeovers Code.

**(8) Capital**

No buy-backs of Shares have been made by the Company (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

*The followings are the details of Mr. Ni Xinguang and Mr. Li Yu Zhang, who will retire by rotation, and being eligible, offer themselves for re-election at the AGM pursuant to article 116 of the Articles.*

**Mr. Ni Xinguang**, aged 45, was appointed as chairman and executive Director on 12 March 2004 and a director of a subsidiary of the Company. Mr. Ni has extensive experience in the retail, distribution and printing business in the PRC. Further to a Diploma in Education, Mr. Ni also has a Degree of Master of Business Administration from the Nanyang Technological University in the Republic of Singapore.

Mr. Ni entered into a service contract with the Company for a period of two years commencing 1 April 2008 which has expired on 31 March 2010. Mr. Ni has not entered into any new written service contract with the Company but is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with Articles. Mr. Ni is entitled to an annual remuneration of HK\$980,000 with discretionary bonus payment as determined by the Board based on Mr. Ni's and the Company's performance. The remuneration package of Mr. Ni is determined by reference to his duties, responsibilities as well as the Company's remuneration policy and the market benchmark.

As at the Latest Practicable Date, pursuant to Part XV of the SFO, Mr. Ni has personal interest of 46,068,000 Shares in the Company and has 100% beneficial interest in Group First Limited, in which owned 566,004,000 Shares in the Company.

Save as disclosed above, Mr. Ni does not hold any other positions in the Company or any of its subsidiaries and is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date. Save as disclosed above, Mr. Ni did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange or other major appointments or professional qualifications during the three years preceding the Latest Practicable Date. Save as disclosed above, Mr. Ni does not have any interests or deemed interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, there is no other matters about Mr. Ni which are required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules or need to be brought to the attention of the Shareholders.

**Mr. Ling Yu Zhang**, aged 70, was appointed as an independent non-executive Director on 1 September 2011. Mr. Ling is also chairman and member of the remuneration committee and members of the audit committee and nomination committee of the Company. He graduated from the Department of Mechanical Engineering of Beijing Institute of Technology and is a Senior Economist. Mr. Ling has more than 40 years of experience in the automobile and mechanical industry. Mr. Ling has been appointed as Vice-director of Provincial Machinery and Industry Department in Fujian, Chairman of Fujian Motor Industry Group Company and member of the 9th committee of the Chinese People's Political Consultative Conference in Fujian.

Mr. Ling has not entered into any written service contract with the Company and is not appointed for a specific term but is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles. Mr. Ling is entitled to an annual remuneration of HK\$180,000 without any bonus payment. The remuneration of Mr. Ling is not covered by any service contract. The remuneration package of Mr. Ling is determined by the Board with reference to his duties, responsibilities as well as the Company's remuneration policy and the market benchmark.

Save as disclosed above, Mr. Ling does not hold any other positions in the Company or any of its subsidiaries and is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date. Save as disclosed above, Mr. Ling did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange or other major appointments or professional qualifications during the three years preceding the Latest Practicable Date. Save as disclosed above, Mr. Ling does not have any interests or deemed interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, there is no other matters about Mr. Ling which are required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules or need to be brought to the attention of the Shareholders.

*The followings are the details of Mr. Tu Baogui and Ms. Chen Xiaoyan, who will retire, and being eligible, offer themselves for re-election at the AGM pursuant to articles 99 and 117 of the Articles.*

**Mr. Tu Baogui**, aged 60, was appointed as an executive Director and chief executive officer of the Company on 9 July 2013. Mr. Tu graduated from the Department of Finance and Accounting of Open University of Fujian, the Graduate School of Professional and Continuing Education graduate courses in Department of Finance of Xiamen University and holds a Senior Accountant qualification. Mr. Tu has more than 20 years of experience in the banking and finance industry. Mr. Tu also has been appointed as the President of Shanghai Branch and the Supervisor of Supervisory Committee of Industrial Bank Co., Ltd..

Mr. Tu has not entered into any written service contract with the Company and is not appointed for a special term but is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles. Mr. Tu is entitled to an annual remuneration of HK\$1,200,000 with discretionary bonus payment as determined by the Board based on Mr. Tu's and the Company's performance. The remuneration of Mr. Tu is not covered by any service contract. The remuneration package of Mr. Tu is determined by the Board with reference to his duties, responsibilities as well as the Company's remuneration policy and the market benchmark.

Save as disclosed above, Mr. Tu does not hold any other positions in the Company or any of its subsidiaries and is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date. Save as disclosed above, Mr. Tu did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange or other major appointments or professional qualifications during the three years preceding the Latest Practicable Date. Save as disclosed above, Mr. Tu does not have any interests or deemed interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, there is no other matters about Mr. Tu which are required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules or need to be brought to the attention of the Shareholders.

**Ms. Chen Xiaoyan**, aged 38, was appointed as an executive Director on 16 January 2014. Ms. Chen obtained a Master Degree in Business Administration from Guizhou University in the People's Republic of China (the "PRC"). Ms. Chen is a sister-in-law of Mr. Ni Xinguang, an executive director and substantial Shareholder of the Company. Ms. Chen currently works as an enterprise supervisor for the accounting master program and auditing master program of Antai College of Economics and Management of Shanghai Jiao Tong University. Besides, Ms. Chen also holds a professional certificate (jade category) for heritage auction enterprises issued by State Administration of Cultural Heritage of the PRC. Ms. Chen worked in various PRC enterprises and PRC subsidiaries of the Company. She has over 15 years of experience in procurement, operation and finance management.

Ms. Chen has not entered into any written service contract with the Company and is not appointed for a special term but is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles. Ms. Chen is entitled to an annual remuneration of HK\$180,000 with discretionary bonus payment as determined by the Board based on Ms. Chen's and the Company's performance. The remuneration of Ms. Chen is not covered by any service contract. The remuneration package of Ms. Chen is determined by the Board with reference to her duties, responsibilities as well as the Company's remuneration policy and the market benchmark.

Save as disclosed above, Ms. Chen does not hold any other positions in the Company or any of its subsidiaries and is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date. Save as disclosed above, Ms. Chen did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange or other major appointments or professional qualifications during the three years preceding the Latest Practicable Date. Save as disclosed above, Ms. Chen does not have any interests or deemed interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, there is no other matters about Ms. Chen which are required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules or need to be brought to the attention of the Shareholders.



**CHINA SEVEN STAR HOLDINGS LIMITED**

**中國七星控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 245)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “AGM”) of China Seven Star Holdings Limited (the “Company”) will be held at the Boardroom, Basement 2, the Wharney Guang Dong Hotel Hong Kong, 57–73 Lockhart Road, Wanchai, Hong Kong on 5 June 2014, Thursday, at 10:30 a.m., to consider and, if thought fit, transact the following ordinary business:

1. to receive and consider the audited financial statements and the reports of the directors and auditors of the Company and its subsidiaries for the year ended 31 December 2013;
2. each as a separate resolution, to re-elect the retiring directors and to authorise the board of directors to fix the remuneration of directors;
3. to re-appoint Messrs. RSM Nelson Wheeler as the Company’s auditors and to authorise the board of directors to fix their remuneration;

and, as special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions (with or without modifications):

**ORDINARY RESOLUTIONS**

4. **“THAT:**
  - (a) subject to paragraph (c) below and in substitution for all previous authorities, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements, options and other rights, or issue warrants and other securities including bonds, debentures and notes convertible into shares of the Company, which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options and other rights, or issue warrants and other securities, which would or might require the exercise of such powers after the end of the Relevant Period;

## NOTICE OF ANNUAL GENERAL MEETING

- (c) the total number of Shares allotted or to be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to or in consequence of:
- (i) a Rights Issue (as hereinafter defined); or
  - (ii) the exercise of any option under any share option scheme or similar arrangement for the time being adopted for the grant or issue to option holders of shares in the Company; or
  - (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company; or
  - (iv) any adjustment, after the date of grant or issue of any options, rights to subscribe or other securities referred to above, in the price at which shares in the Company shall be subscribed, and/or in the number of shares in the Company which shall be subscribed, on exercise of relevant rights under such options, rights to subscribe or other securities, such adjustment being made in accordance with, or as contemplated by, the terms of such options, rights to subscribe or other securities; or
  - (v) a specified authority granted by the shareholders of the Company in general meeting.

shall not exceed 20 per cent. of the total number of Shares in issue at the date of passing of this Resolution and the said approval shall be limited accordingly; and

- (d) for the purposes of this Resolution:

“Relevant Period” means the period from 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 expiry of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any other applicable laws to be held; or
- (iii) the revocation, variation or renewal of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

## NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares in the Company, or an offer of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the directors of the Company to holders of shares in the Company on the registers of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject in all cases to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong Special Administrative Region of the People’s Republic of China).”

5. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to buy back its own shares on The Stock Exchange of Hong Kong Limited, subject to and in accordance with applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total number of Shares to be bought back by the Company pursuant to paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the total number of Shares in issue at the date of passing of this Resolution and the authority pursuant to paragraph (a) above shall be limited accordingly; and
- (c) for the purposes of this Resolution:

“Relevant Period” means the period from 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 expiry of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any other applicable laws to be held; or
- (iii) the revocation, variation or renewal of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

## NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT** conditional upon the ordinary resolutions Nos. 4 and 5 above being passed, the general mandate granted to the Directors to allot, issue and deal with additional Shares pursuant to ordinary resolution No. 4 be and is hereby extended by the addition thereto of a number of Shares representing the total number of Shares bought back by the Company under the authority granted pursuant to ordinary resolution No. 5 provided that such number of Shares shall not exceed 10% of the total number of the Shares in issue as at the date of passing the said resolution.”

By order of the Board  
**China Seven Star Holdings Limited**  
**Law Gerald Edwin**  
*Company Secretary*

Hong Kong, 30 April 2014

*Registered office:*

Unit A02, 11/F  
Bank of East Asia Harbour View Centre  
56 Gloucester Road  
Wanchai  
Hong Kong

*Notes:*

1. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or, if he holds two or more shares, more proxies to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the annual general meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company's registrar and transfer office, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the annual general meeting or any adjournment thereof, should he so wish.
3. In the case of joint holders of shares in the Company, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holders, seniority being determined by the order in which names stand in the register of members.
4. If Typhoon Signal No. 8 or above, or a “black” rainstorm warning is in effect any time after 7:00 a.m. on the date of the annual general meeting, the meeting will be postponed. The Company will post an announcement on the website of Company at <http://www.sevenstar.hk> and on the HKExnews website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) to notify Shareholders of the date, time and place of the rescheduled meeting.

*As at the date of this notice, the members of the Board of the Company comprises (1) executive directors: Mr. Ni Xinguang, Mr. Tu Baogui and Ms. Chen Xiaoyan; and (2) independent non-executive directors: Mr. Ling Yu Zhang, Mr. Lu Wei and Mr. Wong Chak Keung.*