
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 should be taken, you should consult your stockbroker or other licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

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

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



ZHONG FA ZHAN HOLDINGS LIMITED

中發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 475)

**PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES,
RE-ELECTION OF DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at Empire Room 1, 1/F., Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong on Friday, 30 August 2013 at 10:00 a.m. (the "Annual General Meeting") or any adjournment thereof is set out on pages 14 to 17 of this circular.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return as soon as practicable to the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong and in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjourned meeting. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.475hk.com). Completion and the delivery of form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjourned meeting should you so wish.

24 July 2013

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
1. Introduction	3
2. Repurchase and Issuance Mandates	4
3. Proposed Re-election of Directors	5
4. Annual General Meeting	5
5. Responsibility Statement	6
6. Recommendation	6
7. General Information	6
Appendix I — Explanatory Statement — Repurchase Mandate	7
Appendix II — Directors Proposed to be Re-elected	11
Notice of Annual General Meeting	14

DEFINITIONS

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

“Annual General Meeting”	an annual general meeting of the Company to be held at Empire Room 1, 1/F., Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong on Friday, 30 August 2013 at 10:00 a.m., or any adjournment thereof, to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 14 to 17 of this circular
“Articles of Association”	the articles of association of the Company
“Associates”	has the meaning ascribed to such term in the Listing Rules
“Board”	the board of Directors of the Company
“Companies Law”	the Companies Law (Cap. 22 Law 3 of 1961, as consolidated and revised) of the Cayman Islands and any amendments or other statutory modifications thereof
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as amended from time to time
“Company”	Zhong Fa Zhan Holdings Limited, a company duly incorporated in the Cayman Islands with limited liability, whose shares are listed and traded on the Stock Exchange
“Connected Person(s)”	has the meaning ascribed to such term in the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its Subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	as defined in the section headed “REPURCHASE AND ISSUANCE MANDATES” of the Letter from the Board
“Latest Practicable Date”	22 July 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Repurchase Mandate”	as defined in the section headed “REPURCHASE AND ISSUANCE MANDATES” of the Letter from the Board

DEFINITIONS

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company (or such other nominal value as shall result from a subdivision, consolidation, reclassification or restructuring of such shares from time to time)
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary” or “Subsidiaries”	a company which is for the time being and from time to time a subsidiary (within the meaning of section 2 of the Companies Ordinance) of the Company
“Substantial Shareholder”	has the meaning ascribed to such term in the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases issued by the Securities and Futures Commission in Hong Kong, as amended from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong



ZHONG FA ZHAN HOLDINGS LIMITED
中發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 475)

Executive Directors:

Mr. Wu Hao (*Chairman*)
Mr. Hu Yangjun
Mr. Hu Yishi
Mr. Chan Wing Yuen, Hubert (*Chief Executive*)

Non-Executive Director:

Mr. Li Wei Qi, Jacky

Independent Non-Executive Directors:

Mr. Wu Chi Keung
Mr. Heung Chee Hang, Eric
Ms. Kwok Pui Ha

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

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

23/F., Chinachem Century Tower
178 Gloucester Road
Wanchai
Hong Kong

24 July 2013

*To the Shareholders,
and for information only, holders of options of the Company*

Dear Sir and Madam,

**PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES,
RE-ELECTION OF DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting relating to (i) the grant of Repurchase Mandate and the Issuance Mandate to the Directors; and (ii) the re-election of Directors.

LETTER FROM THE BOARD

2. REPURCHASE AND ISSUANCE MANDATES

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

At the annual general meeting of the Company held on 17 August 2012, general mandates were given to the Directors to exercise the powers of the Company to undertake repurchases of the Company's fully paid up shares of an aggregate nominal amount of up to a maximum of 10% of the issued share capital of the Company on the date of passing the said ordinary resolution at the annual general meeting and to allot, issue and deal with new shares of an aggregate nominal amount of up to 20% of the issued share capital of the Company on the date of passing the said ordinary resolution at the annual general meeting. Such general mandates will continue in force until the conclusion of the forthcoming Annual General Meeting.

Hence, ordinary resolutions will be proposed at the Annual General Meeting of the Company:

- (i) to grant a general mandate to the Directors to exercise the powers of the Company to undertake repurchases of the Company's fully paid up Shares up to a maximum of 10% of the issued share capital of the Company on the date of passing the relevant ordinary resolution (the "Repurchase Mandate");
- (ii) to grant a general mandate to the Directors to issue new Shares up to a maximum of 20% of the issued share capital of the Company on the date of passing the relevant ordinary resolution (the "Issuance Mandate"); and
- (iii) to extend the Issuance Mandate by the number of shares repurchased by the Company under the Repurchase Mandate.

The Repurchase Mandate and the Issuance Mandate, if granted, will continue to be in force during the period from the date of passing of the resolutions for the approval of the Repurchase Mandate and the Issuance Mandate up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association, the Companies Law or any other applicable laws of Cayman Islands to be held; or (iii) the revocation or variation of the Repurchase Mandate or the Issuance Mandate (as the case may be) by ordinary resolution of the Shareholders in general meeting, whichever occurs first. Based on 273,610,000 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued and no Shares are repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Directors will be able to allot, issue and deal with a maximum of 54,722,000 Shares if the Issuance Mandate is granted at the Annual General Meeting.

LETTER FROM THE BOARD

In accordance with the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the grant of the Repurchase Mandate. An explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I of this circular.

3. PROPOSED RE-ELECTION OF DIRECTORS

The Board currently consists of eight Directors namely Mr. Wu Hao, Mr. Hu Yangjun, Mr. Hu Yishi and Mr. Chan Wing Yuen, Hubert as executive Directors; Mr. Li Wei Qi, Jacky as a non-executive Director; and Mr. Wu Chi Keung, Mr. Heung Chee Hang, Eric and Ms. Kwok Pui Ha as independent non-executive Directors.

In accordance with Article 87 of the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years at the annual general meeting. Mr. Wu Hao, Mr. Chan Wing Yuen, Hubert and Mr. Li Wei Qi, Jacky shall retire from office by rotation and be eligible to offer themselves for re-election at the Annual General Meeting.

In this respect, ordinary resolutions will be proposed to (a) re-elect Mr. Wu Hao and Mr. Chan Wing Yuen, Hubert as executive Directors; and (b) re-elect Mr. Li Wei Qi, Jacky as a non-executive Director at the Annual General Meeting.

Details of the above named Directors who are proposed for re-election at the Annual General Meeting are set out in Appendix II to this circular in accordance with the relevant requirements of the Listing Rules.

4. ANNUAL GENERAL MEETING

The notice of the Annual General Meeting, which contains, inter alia, ordinary resolutions to approve the re-election of Directors, the grant of the Repurchase Mandate and the grant of the Issuance Mandate, is set out on pages 14 to 17 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. An announcement on the poll vote results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.475hk.com). If you intend to appoint a proxy to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General

LETTER FROM THE BOARD

Meeting or any adjournment thereof. Completion and return of the form of proxy will not prevent you from attending and voting at the Annual General Meeting or any adjourned meeting if you so wish.

5. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material 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.

6. RECOMMENDATION

The Directors consider that the proposed ordinary resolutions for approval of the re-election of Directors, the grant of the Repurchase Mandate and the grant of the Issuance Mandate, are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the resolutions to be proposed at the Annual General Meeting.

7. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully,
By Order of the Board
Zhong Fa Zhan Holdings Limited
Chan Wing Yuen, Hubert
Chief Executive & Executive Director

APPENDIX I EXPLANATORY STATEMENT — REPURCHASE MANDATE

The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules to enable them to make an informed decision on whether to vote for or against the ordinary resolution in relation to the granting of the Repurchase Mandate to be proposed at the Annual General Meeting.

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their fully-paid up shares on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

1. REASONS FOR SHARE REPURCHASE

The Directors believe that it is in the best interest of the Company and the Shareholders for the Directors to have general authority from the Shareholders to enable the Company to repurchase shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset per Share and/or earnings per Share and will only be made if the Directors believe such repurchase will benefit the Company and the Shareholders.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued and fully paid up share capital of the Company comprised 273,610,000 Shares of HK\$0.01 each.

Subject to the passing of the ordinary resolution to approve the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 27,361,000 Shares.

3. FUNDING OF REPURCHASES

Repurchases to be made pursuant to the proposed Repurchase Mandate would be financed out of funds legally available for the purpose in accordance with the Articles of Association, the Listing Rules and the Companies Law. The Companies Law provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Companies Law. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Company's Shares are repurchased in the manner provided for in the Companies Law.

There might be material adverse impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

APPENDIX I EXPLANATORY STATEMENT — REPURCHASE MANDATE

4. GENERAL

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have been traded on the Stock Exchange during each of the previous 12 months before the Latest Practicable Date were as follows:

Month	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2012		
July	2.07	1.60
August	1.80	1.60
September	1.74	1.50
October	1.79	1.50
November	1.65	1.59
December	1.59	1.43
2013		
January	1.80	1.31
February	1.65	1.44
March	1.70	1.41
April	1.51	1.44
May	2.00	1.47
June	1.60	1.45
July (up to the Latest Practicable Date)	1.50	1.35

6. DISCLOSURE OF INTEREST

The Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands.

No Connected Person has notified the Company that he/she has a present intention to sell Shares to the Company or that he/she has undertaken not to do so in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

APPENDIX I EXPLANATORY STATEMENT — REPURCHASE MANDATE

7. EFFECT OF THE TAKEOVERS CODE

If as a result of a share repurchase by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert (within the meaning under the Takeovers Code), could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, according to the register of interests required to be kept by the Company under section 336 of the SFO, and to the best of the knowledge and belief of the Directors, the shareholding interests of the Substantial Shareholder were as follows:

Name of Substantial Shareholder	Number of Shares held	Approximate percentage of the issued share capital of the Company
Resources Rich Capital Limited	204,718,000	74.82%

Note: Pursuant to the SFO, Mr. Hu Yangjun and Mr. Hu Yishi are deemed to be interested in this shareholding interest through Resources Rich Capital Limited, which is a company owned as to 50% by Mr. Hu Yangjun and as to 50% by Mr. Hu Yishi.

Assuming that there would not be any change in the issued share capital of the Company prior to the repurchase of Shares and that the above Substantial Shareholder would not dispose of its Shares nor acquire additional Shares prior to any repurchase of Shares, if the Repurchase Mandate were exercised in full, the percentage of shareholding of the above Substantial Shareholder would be increased as follows:

Name of Substantial Shareholder	Approximate percentage of shareholding immediately prior to the exercise of the Repurchase Mandate in full	Approximate percentage of shareholding immediately after the exercise of the Repurchase Mandate in full
Resources Rich Capital Limited	74.82%	83.13%

The Directors consider that such an increase would not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. They are, however, aware that such an increase would reduce the amount of Shares held by the public to less than 25%. The Company has no present intention to exercise the Repurchase Mandate to the extent as would result in (a) the number of Shares in public hands falling below the prescribed minimum percentage of 25% of the issued share capital of the Company; and (b) a requirement to make a mandatory offer under the Takeovers Code.

APPENDIX I EXPLANATORY STATEMENT — REPURCHASE MANDATE

Save as aforesaid, the Directors are not aware of any consequences which will arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

8. SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company or any of its Subsidiaries (whether on the Stock Exchange or otherwise) during the six months immediately preceding the Latest Practicable Date.

Stated below are the details of the following Directors who will retire and be eligible for re-election at the Annual General Meeting according to the Articles of Association of the Company:

(a) **Mr. Wu Hao**, aged 39, *Chairman and Executive Director*

Mr. Wu Hao, aged 39, is the chairman and an executive Director. He joined the Group in 2012 and is responsible for overall strategic planning and development. Mr. Wu Hao joined Xinjiang Lian Rui Mining Company Limited* (新疆聯瑞礦業有限公司), which is principally engaged in mining resources business, in 2008 and was appointed as its vice chairman in 2009. Mr. Wu Hao graduated in legal professional studies from Correspondence Institute of Party School of the Central Committee of Communist Party of China* (中共中央黨校函授學院) in 2002.

Mr. Wu Hao has not entered into any service contract with the Company and is subject to retirement by rotation and is eligible for re-election at the Annual General Meeting in accordance with the Articles of Association. Mr. Wu Hao is entitled to bonus payable at the discretion of the Board and a fixed director's fee of HK\$200,000 per annum which was determined with reference to the prevailing market conditions, Mr. Wu Hao's effort and expertise and is subject to review by the Board from time to time. As at the Latest Practicable Date, options have been granted to Mr. Wu Hao to subscribe for 2,736,000 shares of the Company.

Mr. Wu Hao is the cousin of Mr. Hu Yangjun, an executive Director of the Company, and Mr. Hu Yishi, an executive Director of the Company.

Save as disclosed above, Mr. Wu Hao (i) does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; (ii) does not own any interests in the shares of the Company within the meaning of Part XV of the SFO; (iii) does not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) does not hold other position with other members of the Group. Save as disclosed above, there is no information in relation to the re-election of Mr. Wu Hao that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of holders of securities of the Company.

* *translation for identification purpose only*

(b) **Mr. Chan Wing Yuen, Hubert**, aged 55, *Chief Executive and Executive Director*

Mr. Chan Wing Yuen, Hubert (“Mr. Hubert Chan”), aged 55, is our chief executive and an executive Director. He joined the Group in 2011 and is responsible for business policy formulation and execution. Mr. Hubert Chan is a member of the Chinese People’s Political Consultative Conference — Heilongjiang Province Committee in the PRC. Mr. Hubert Chan spent over ten years with the Stock Exchange. Mr. Hubert Chan was a director of Guangdong Investment Limited (stock code: 270), Rising Development Holdings Limited (stock code: 1004), Interchina Holdings Company Limited (stock code: 202) and China Pipe Group Limited (stock code: 380), all companies of which shares are listed on the Stock Exchange. Mr. Hubert Chan obtained a higher diploma in company secretaryship and administration from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University). Mr. Hubert Chan is an associate member of both The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Company Secretaries and is also a member of the Hong Kong Securities Institute and the Hong Kong Institute of Directors.

Mr. Hubert Chan has entered into a service contract with the Company with a fixed term of one year, which will be renewed automatically if no objection is raised by both parties. Mr. Hubert Chan is subject to retirement by rotation and is eligible for re-election at the Annual General Meeting in accordance with the Articles of Association. Mr. Hubert Chan is entitled to fixed annual emoluments of HK\$1,950,000, with bonus payable at the discretion of the Board, and a fixed director’s fee of HK\$200,000 per annum which was determined with reference to the prevailing market conditions, Mr. Hubert Chan’s effort and expertise and is subject to review by the Board from time to time. As at the Latest Practicable Date, options have been granted to Mr. Hubert Chan to subscribe for 2,736,000 shares of the Company.

Save as disclosed above, Mr. Hubert Chan (i) does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; (ii) does not own any interests in the shares of the Company within the meaning of Part XV of the SFO; (iii) does not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) does not hold other position with other members of the Group. Save as disclosed above, there is no information in relation to the re-election of Mr. Hubert Chan that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of holders of securities of the Company.

(c) **Mr. Li Wei Qi, Jacky**, aged 41, *Non-Executive Director*

Mr. Li Wei Qi, Jacky (“Mr. Jacky Li”), aged 41, was appointed as a non-executive director in November 2011. Mr. Jacky Li has experience in the financial services field. Mr. Jacky Li is currently vice president of the marketing department of Emperor Bullion Investments (Asia) Limited, Emperor Futures Limited, Emperor Securities Limited and Emperor Wealth Management Limited. Mr. Jacky Li is a licensed representative under the SFO to carry on Type 1 (dealing in securities) and Type 2 (dealing in futures contracts) regulated activities, a licensed representative of the Professional Insurance Brokers Association to carry on long term insurance (including linked long term insurance) and general insurance regulated activities, a licensed representative of the Mandatory Provident Fund Schemes Authority to carry on related regulated activities and an account executive registered with The Chinese Gold & Silver Exchange Society. Mr. Jacky Li was previously vice president of the marketing department of Tanrich Futures Limited and was a person licensed by the SFC for dealing and advising in futures contracts and asset management.

Mr. Jacky Li has not entered into any service contract with the Company and is subject to retirement by rotation and is eligible for re-election at the Annual General Meeting in accordance with the Articles of Association. Mr. Jacky Li is entitled to a fixed director’s fee of HK\$200,000 per annum which was determined with reference to the prevailing market conditions, Mr. Jacky Li’s effort and expertise and is subject to review by the Board from time to time. The length of service is for a fixed term of one year and will be renewed automatically if no objection is raised by both parties. As at the Latest Practicable Date, options have been granted to Mr. Jacky Li to subscribe for 2,736,000 shares of the Company.

Save as disclosed above, Mr. Jacky Li (i) does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; (ii) does not own any interests in the shares of the Company within the meaning of Part XV of the SFO; (iii) does not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) does not hold other position with other members of the Group. Save as disclosed above, there is no information in relation to the re-election of Mr. Jacky Li that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of holders of securities of the Company.



ZHONG FA ZHAN HOLDINGS LIMITED

中發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 475)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the “Annual General Meeting”) of Zhong Fa Zhan Holdings Limited (the “Company”) will be held at Empire Room 1, 1/F., Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong on Friday, 30 August 2013 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and the auditors of the Company for the year ended 31 March 2013;
2. To re-elect directors of the Company (the “Director(s)”), namely, Mr. Wu Hao and Mr. Chan Wing Yuen, Hubert as executive Directors; and Mr. Li Wei Qi, Jacky as a non-executive Director and to authorize the board of Directors to fix the Directors’ remuneration;
3. To appoint Deloitte Touche Tohmatsu as auditors of the Company and to authorize the board of Directors to fix their remuneration;
4. To consider as special business and, if thought fit, pass the following ordinary resolutions:

ORDINARY RESOLUTIONS

4A.

“THAT

- (a) subject to paragraph (b) below, the Directors be hereby generally and unconditionally authorized to exercise during the Relevant Period (as defined below) all the powers of the Company to issue, allot and deal with additional shares of the Company and to make or grant offers, agreements and options which would or might require the exercise of any of such powers during or after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate nominal amount of the shares allotted, issued or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, other than pursuant to (i) a Rights Issue (as defined below); or (ii) an issue of share of the Company by way of scrip dividend pursuant to the articles of association of the Company from time to time; or (iii) the exercise of any option granted under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or its subsidiaries, of options to subscribe for, or rights to acquire, shares of the Company, shall not in total exceed 20% of the total nominal amount of the share capital of the Company in issue on the date of passing the resolution; and
- (c) for the purpose 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meeting; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and

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

4B.

“THAT

- (a) the Directors be generally and unconditionally authorized to exercise during the Relevant Period (as defined below) all the powers of the Company to purchase its shares, subject to and in accordance with the applicable laws;
- (b) the total nominal amount of shares which may be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing this resolution; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) for the purpose 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meeting; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”

4C. “**THAT** conditional upon the ordinary resolutions no. 4A and no. 4B contained in the notice of the Annual General Meeting of which this resolution forms part being approved, the aggregate nominal amount of shares in the capital of the Company which are repurchased by the Company pursuant to and in accordance with ordinary resolution no. 4B shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with ordinary resolution no. 4A.”

By order of the Board
Zhong Fa Zhan Holdings Limited
Chan Wing Yuen, Hubert
Chief Executive & Executive Director

Hong Kong, 24 July 2013

As at the date of this notice, the Board consists of four executive Directors, namely Mr. Wu Hao, Mr. Hu Yangjun, Mr. Hu Yishi and Mr. Chan Wing Yuen, Hubert; a non-executive Director, namely Mr. Li Wei Qi, Jacky; and three independent non-executive Directors, namely Mr. Wu Chi Keung, Mr. Heung Chee Hang, Eric and Ms. Kwok Pui Ha.

Notes:

- (1) For the purpose of determining the shareholders who are entitled to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from 28 August 2013 to 30 August 2013, both days inclusive. In order to qualify for attending and voting at the Annual General Meeting, all transfer documents should be lodged for registration with Tricor Investor Services Limited, 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 27 August 2013.
- (2) In accordance with the relevant requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and for good corporate governance practice, the Chairman of the Board has indicated that he would direct that each of the resolutions set out in the notice of the Annual General

NOTICE OF ANNUAL GENERAL MEETING

Meeting be voted on by poll. The results of the poll will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.475hk.com) respectively.

- (3) A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as his proxy to attend and vote in his stead. 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 the Annual General Meeting. A proxy need not be a member of the Company.
- (4) In order to be valid, the form of proxy must be deposited at the Company's branch share registrar, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed or certified copy of such power of attorney or authority, not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof.
- (5) A form of proxy for use in connection with the Annual General Meeting is enclosed and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.475hk.com) respectively.