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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 (the "Company"), 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.

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**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)**

**PROPOSAL FOR REFRESHMENT OF SCHEME MANDATE LIMIT  
UNDER THE SHARE OPTION SCHEME  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

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A notice convening the extraordinary general meeting of the Company to be held at B2 Boardroom, The Wharney Guang Dong Hotel Hong Kong, 57-73 Lockhart Road, Wanchai, Hong Kong on Friday, 13 February 2015 at 10:00 a.m. ("EGM") or any adjournment thereof is set out on pages 8 to 9 of this circular.

Whether or not you are able to attend the EGM or any adjourned meeting, please 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 Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong and in any event not less than 48 hours before the time appointed for holding of the EGM or any adjourned meeting. Such form of proxy is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.475hk.com](http://www.475hk.com)). Completion and the delivery of form of proxy will not preclude you from attending and voting at the EGM or any adjourned meeting should you so wish.

29 January 2015

# CONTENTS

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b>	
1. Introduction .....	3
2. Proposal for Refreshment of Scheme Mandate Limit under the Share Option Scheme .....	4
3. Extraordinary General Meeting .....	6
4. Recommendation .....	7
5. Responsibility Statement .....	7
<b>Notice of Extraordinary General Meeting</b> .....	8

## DEFINITIONS

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

“Articles of Association”	the articles of association of the Company;
“Board”	the board of Directors of the Company;
“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;
“Date of Adoption”	26 February 2007, being the date on which the Share Option Scheme was adopted by the Company;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be held at B2 Boardroom, The Wharney Guang Dong Hotel Hong Kong, 57-73 Lockhart Road, Wanchai, Hong Kong on Friday, 13 February 2015 at 10:00 a.m., or any adjournment thereof;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	26 January 2015, 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;
“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);
“Share Option(s)”	any share option(s) granted or to be granted under the Share Option Scheme;
“Share Option Scheme”	the share option scheme adopted by the Company on the Date of Adoption;

## DEFINITIONS

“Share Option Scheme Mandate Limit”	the maximum number of Shares in respect of which options may be granted under the Share Option Scheme must not in aggregate exceed 10% of the issued share capital of the Company as at the Date of Adoption and thereafter, if refreshed, shall not exceed 10% of the issued share capital of the Company as at the date of approval of the refreshed limited by the Shareholders;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

LETTER FROM THE BOARD



**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*)  
Ms. Kwong Wai Man, Karina (*Chief Financial Officer*)

*Registered office:*

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

*Non-Executive Director:*

Mr. Li Wei Qi, Jacky

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

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

*Independent Non-Executive Directors:*

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

29 January 2015

*To the Shareholders,*

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

Dear Sir and Madam,

**PROPOSAL FOR REFRESHMENT OF SCHEME MANDATE LIMIT  
UNDER THE SHARE OPTION SCHEME  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with information regarding a resolution to be proposed at the EGM to be held at B2 Boardroom, The Wharney Guang Dong Hotel Hong Kong, 57-73 Lockhart Road, Wanchai, Hong Kong, or immediately after the conclusion of the EGM, on Friday, 13 February 2015 at 10:00 a.m., which upon approval, would enable the Company to refresh the Share Option Scheme Mandate Limit.

## LETTER FROM THE BOARD

### 2. PROPOSAL FOR REFRESHMENT OF SCHEME MANDATE LIMIT UNDER THE SHARE OPTION SCHEME

The Company adopted the Share Option Scheme pursuant to a written resolution of the sole Shareholder of the Company passed on the Date of Adoption. The Share Option Scheme will remain in force for a period of 10 years from the Adoption Date. The purpose of the Share Option Scheme is to provide incentives or rewards to participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group.

Pursuant to the terms of the Share Option Scheme and in compliance with Chapter 17 of the Listing Rules, the maximum number of Shares which may be issued upon the exercise of all the options granted or to be granted under the Share Option Scheme or any other share option schemes of the Company must not, in aggregate, exceed 26,000,000 Shares, being 10% of the Shares in issue as at 17 April 2007, the date on which the Shares were listed on the Stock Exchange. The 10% limit has not been previously refreshed since the Date of Adoption. According to the terms of the Share Option Scheme, the Company may seek prior approval from the Shareholders to refresh the Share Option Scheme Mandate Limit to the extent not exceeding 10% of the Shares in issue as at the date of such Shareholders' approval.

As at the Latest Practicable Date, there were, in aggregate, 293,754,000 Shares in issue and the following table sets forth the details in relation to the Share Option Scheme:

<b>Share Options granted</b>	<b>Share Options lapsed/cancelled</b>	<b>Share Options exercised</b>	<b>Share Options outstanding</b>
27,450,000 <sup>#</sup>	1,550,000	22,054,000	3,846,000

<sup>#</sup> including 1,450,000 Share Options lapsed and re-granted and 100,000 Share Options lapsed but not re-granted.

The Company has granted a total of 27,450,000 Share Options since the Date of Adoption, out of which 1,450,000 Share Options have lapsed and re-granted and 100,000 Share Options have lapsed but not re-granted; and 22,054,000 Share Options have been exercised, leaving an outstanding balance of 3,846,000 Share Options, representing approximately 1.31% of the Shares in issue as at the Latest Practicable Date. Save for the 100,000 Share Options which have lapsed but not re-granted and the 22,054,000 Share Options which have been exercised, none of the Share Options so far granted have been exercised, cancelled and/or lapsed.

## LETTER FROM THE BOARD

Unless the Share Option Scheme Mandate Limit is refreshed, the Company may only grant 100,000 Shares Options being the Share Options lapsed but not re-granted pursuant to the Share Option Scheme, representing less than 0.01% of the Shares in issue as at the Latest Practicable Date. As a result, the Company had utilised substantial part of the existing Share Option Scheme Mandate Limit. If the refreshment of the Share Option Scheme Mandate Limit is approved by the Shareholders at the EGM, based on 293,754,000 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are issued by the Company from the Latest Practicable Date up to and including the date of the EGM, the Company will be allowed to grant further options under the Share Option Scheme of up to a total of 29,375,400 Share Options, representing 10% of the Shares in issue as at the date of passing the resolution (i.e. the date of the EGM). Share Options previously granted under the Share Option Scheme (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme) will not be counted for the purpose of calculating the Share Option Scheme Mandate Limit as “refreshed”. As at the Latest Practicable Date, apart from the Share Option Scheme, the Company had no other share option scheme currently in force.

Pursuant to the terms of the Share Option Scheme and in accordance with the relevant provisions of Chapter 17 of the Listing Rules, the limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company at any time must not exceed 30% of the Shares in issue from time to time. No options may be granted under the Share Option Scheme or any other share option schemes of the Company if it will result in the aforesaid 30% limit being exceeded. As mentioned in the above paragraph, the Share Option Scheme Mandate Limit so refreshed is 29,375,400 Share Options which, together with the outstanding Share Options with rights to subscribe for 3,846,000 Shares since the Date of Adoption, represent approximately 11.31% of the issued share capital of the Company as at the Latest Practicable Date and accordingly, does not exceed the 30% limit as at the Latest Practicable Date.

The Directors consider that the Company should refresh the Share Option Scheme Mandate Limit so that the Company could have more flexibility to provide incentives to the eligible participants of the Share Option Scheme by way of granting share options to them to strive for the future development and success of the Group.

The Directors further consider that the refreshment of the Share Option Scheme Mandate Limit is in the interests of the Group and the Shareholders as a whole because it enables the Company to reward appropriately and motivate the eligible participants under the Share Option Scheme.

At the EGM, an ordinary resolution will be proposed to the Shareholders to approve the proposed refreshment of the Share Option Scheme Mandate Limit so as to allow the Company to grant further options under the Share Option Scheme for subscription of up to a total of 29,375,400 additional Shares, representing 10% of the Shares in issue as at the date of passing the resolution.

## LETTER FROM THE BOARD

The refreshment of the Share Option Scheme Mandate Limit is conditional upon:

- (a) the passing of an ordinary resolution to approve the refreshment of the Share Option Scheme Mandate Limit by the Shareholders at the EGM; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, any new Shares which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the Share Options that may be granted under the refreshed Share Option Scheme Mandate Limit up to 10% of the Shares in issue as at the date of passing the relevant ordinary resolution (i.e. the date of the EGM).

Application will be made by the Company to the Stock Exchange for the grant of the listing of, and permission to deal in, any new Shares which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the Share Options that may be granted under the refreshed Share Option Scheme Mandate Limit (i.e. up to 10% of the Shares in issue as at the date of passing the relevant ordinary resolution).

### 3. EXTRAORDINARY GENERAL MEETING

The following are the details of the EGM:

Date:	Friday, 13 February 2015
Time:	10:00 a.m.
Venue:	B2 Boardroom, The Wharney Guang Dong Hotel Hong Kong, 57-73 Lockhart Road, Wanchai, Hong Kong

The notice of EGM is set out on pages 8 to 9 of this circular. At the EGM, resolution will be proposed to refresh of Share Option Scheme Mandate Limit under the Share Option Scheme.

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the proposed resolution will be put to vote by way of poll at the EGM. An announcement on the poll vote results will be published by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

To the extent that the Directors are aware, having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on the proposed resolution at the EGM.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.475hk.com](http://www.475hk.com)). Please complete and sign the 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 Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong and in any event not less than 48 hours before the time appointed for holding of the EGM or any adjourned meeting. Completion and return of the form of proxy will not prevent you from attending and voting at the EGM or any adjourned meeting if you so wish.



## LETTER FROM THE BOARD

### 4. RECOMMENDATION

The Directors consider that the resolution proposed in relation to the refreshment of the Share Option Scheme Mandate Limit under the Share Option Scheme in this circular is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders vote in favour of such resolution to be proposed at the EGM.

### 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 that the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

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

## NOTICE OF EXTRAORDINARY GENERAL MEETING



### 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 EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “EGM”) of Zhong Fa Zhan Holdings Limited (the “Company”) will be held at B2 Boardroom, The Wharney Guang Dong Hotel Hong Kong, 57-73 Lockhart Road, Wanchai, Hong Kong on Friday, 13 February 2015 at 10:00 a.m. (or an adjournment thereof), or immediately after the conclusion of the EGM, for the purposes of considering and, if thought fit, passing the following resolution (with or without modifications):

### ORDINARY RESOLUTION

1. “THAT subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the listing of, and permission to deal in, the additional shares of HK\$0.01 each in the capital of the Company (the “Shares”) to be issued pursuant to the exercise of options which may be granted under the share option scheme adopted by the Company on 26 February 2007 (the “Share Option Scheme”), the refreshment of the general limit in respect of the grant of options to subscribe for Shares under the Share Option Scheme be and is hereby approved provided that:
  - (a) the total number of Shares which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company under the limit as refreshed hereby shall not exceed 10% of the total number of Shares in issue as at the date of passing this resolution (the “Refreshed Limit”);
  - (b) options previously granted under the Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) will not be counted for the purpose of calculating the Refreshed Limit;
  - (c) the Directors be and are hereby unconditionally authorised to do all such acts and things and execute all such documents, including under seal where applicable, as they consider necessary or expedient to give effect to the foregoing arrangement; and

## NOTICE OF EXTRAORDINARY GENERAL MEETING

- (d) such increase in the Refreshed Limit shall in no event result in the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company exceed 30% of the Shares in issue from time to time.”

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

Hong Kong, 29 January 2015

*As at the date of this notice, the Board consists of five executive Directors, namely Mr. Wu Hao, Mr. Hu Yangjun, Mr. Hu Yishi, Mr. Chan Wing Yuen, Hubert and Ms. Kwong Wai Man, Karina; 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) Any shareholder of the Company (the “**Shareholder**”) entitled to attend or vote at the meeting is entitled to appoint one or more proxies to attend and vote on behalf of him. A proxy need not be a Shareholder.
- (2) Where there are joint registered holders of any Shares, any one such persons may vote at the EGM, either personally 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 the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
- (3) A form of proxy for use in connection with the EGM is enclosed and such form of proxy is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.475hk.com](http://www.475hk.com)) respectively.
- (4) In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be deposited at the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, 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 EGM or any adjournment thereof.
- (5) For the purpose of determining the Shareholders who are entitled to attend and vote at the EGM, the Register of Members of the Company will be closed on Friday, 13 February 2015, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the EGM, all transfer documents should be lodged for registration with Tricor Investor Services Limited of Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong no later than 4:30 p.m. on Thursday, 12 February 2015.
- (6) 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 EGM be voted on by poll. The results of the poll will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.475hk.com](http://www.475hk.com)) respectively.