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

If you have sold or transferred all your shares in Value Partners Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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VALUE PARTNERS GROUP LIMITED
惠理集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 806)

**PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
ADOPTION OF THE NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Value Partners Group Limited to be held at Cliftons Hong Kong, on 5th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong on Thursday, 4 May 2017 at 2:30 p.m. is set out on pages 32 to 37 of this circular. A form of proxy for use at the annual general meeting is also enclosed with this circular.

Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting (i.e., at or before 2:30 p.m. on Tuesday, 2 May 2017) or any adjourned meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting at the annual general meeting if you so wish.

22 March 2017

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DEFINITIONS

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

“Adoption Date”	4 May 2017, the date on which the New Share Option Scheme is to be conditionally adopted by the Shareholders in the AGM;
“AGM”	the annual general meeting of the Company to be held on Thursday, 4 May 2017;
“Articles”	the articles of association of the Company;
“associate”	has the same meaning as defined in the Listing Rules;
“Board”	the board of Directors;
“Business Day”	any day (excluding a Saturday and Sunday) on which banks are generally open for business in Hong Kong;
“CCML”	Cheah Capital Management Limited, a company incorporated in the British Virgin Islands and wholly-owned by Cheah Company Limited which is in turn wholly-owned by BNP Paribas Jersey Trust Corporation Limited, as trustee for a discretionary trust, the founder of which is Dato’ Seri CHEAH Cheng Hye for the purposes of the SFO and the discretionary objects of which include Dato’ Seri CHEAH Cheng Hye and certain members of his family;
“close associate”	has the same meaning as defined in the Listing Rules;
“Company”	Value Partners Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange;
“Core Connected Person(s)”	has the same meaning as defined in the Listing Rules;

DEFINITIONS

“Date of Grant”	in respect of an Option, the Business Day on which the Board resolves to make an Offer to a Participant, whether or not the Offer is subject to Shareholders’ approval on the terms of the New Share Option Scheme;
“Directors”	the directors of the Company;
“Grantee”	any Participant who accepts an Offer in accordance with the terms of this Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Grantee or the legal personal representative of such person;
“Group”	the Company and its subsidiaries;
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC;
“Issue Mandate”	the mandate proposed to be sought at the AGM to authorise the Directors to allot, issue and deal with Shares not exceeding 20% of the number of issued shares of the Company as at the date of AGM;
“Latest Practicable Date”	15 March 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“New General Mandates”	the Issue Mandate and Repurchase Mandate;

DEFINITIONS

“New Share Option Scheme”	the new share option scheme proposed to be adopted by the Company at the AGM, a summary of the principal terms of which is set out in Appendix III to this circular;
“Offer”	the offer of the grant of an Option made in accordance with the terms and conditions of the New Share Option Scheme;
“Old Share Option Scheme”	the share option scheme adopted by the Company on 24 October 2007 and amended on 15 May 2008;
“Option”	an option to subscribe for Shares pursuant to the New Share Option Scheme and for the time being subsisting;
“Option Period”	in respect of any particular Option, the period to be determined and notified by the Board to the Grantee at the time of making an Offer which shall not expire later than 10 years from the Date of Grant;
“Participants”	directors (including executive directors, non-executive directors and independent non-executive directors) and employees of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters, service providers of any member of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the Group;
“Repurchase Mandate”	the mandate proposed to be sought at the AGM to authorise the Directors to exercise power of the Company to repurchase Shares on the Stock Exchange not exceeding 10% of the number of issued shares of the Company as at the date of the AGM;
“SFO”	the Securities and Futures Ordinance;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company;

DEFINITIONS

“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option pursuant to the New Share Option Scheme;
“Subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)), of the Company, whether incorporated in Hong Kong or elsewhere and “Subsidiaries” shall be construed accordingly;
“Substantial Shareholder”	has the same meaning as defined in the Listing Rules;
“Supplementary Guidance”	supplementary guidance on Rule 17.03(13) of the Listing Rules issued by the Stock Exchange on 5 September 2005 and any future guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“%”	per cent.

Note: All times and dates referred to in this circular refer to Hong Kong local times and dates.

LETTER FROM THE BOARD



VALUE PARTNERS GROUP LIMITED
惠理集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 806)

Executive Directors:

Dato' Seri CHEAH Cheng Hye
Mr. SO Chun Ki Louis
Dr. AU King Lun
Ms. HUNG Yeuk Yan Renee

Registered Office:

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

Independent Non-executive Directors:

Dr. CHEN Shih-Ta Michael
Mr. LEE Siang Chin
Mr. Nobuo OYAMA

Head office and principal place of

business in Hong Kong:
9th Floor, Nexxus Building
41 Connaught Road Central
Hong Kong

22 March 2017

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
ADOPTION OF THE NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is:

- (i) to provide you with the requisite information relating to the grant of the New General Mandates;

LETTER FROM THE BOARD

- (ii) to serve as an explanatory statement required by the Listing Rules to be given in relation to the Repurchase Mandate;
- (iii) to provide details regarding re-election of Directors; and
- (iv) to provide you with the information in relation to the adoption of the New Share Option Scheme.

GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed to give the Directors a general mandate to allot, issue and deal with new Shares not exceeding 20% of the number of issued shares of the Company as at the date of passing the proposed resolution of Issue Mandate. As at the Latest Practicable Date, a total of 1,851,714,831 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and assuming there is no change to the issued share capital of the Company from the Latest Practicable Date to the date of the AGM, the maximum number of Shares that may be issued by the Company under the Issue Mandate is 370,342,966 Shares. If the Company conducts a Share consolidation or subdivision after the Issue Mandate is granted, the maximum number of Shares that can be issued under such mandate will be adjusted so that such maximum number of Shares as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision will be the same.

The Issue Mandate will, if granted, remain effective until the earliest of: (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 to be held by the laws of Cayman Islands or the Articles; and (iii) its revocation or variation by an ordinary resolution of the Shareholders in general meeting.

In addition, if the Repurchase Mandate, as described below, is granted, a separate ordinary resolution will be proposed at the AGM to increase the number of Shares which may be allotted and issued under the Issue Mandate by the number of Shares repurchased under the Repurchase Mandate (up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the grant of the Issue Mandate).

LETTER FROM THE BOARD

GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will also be proposed to grant to the Directors authority to repurchase Shares up to 10% of the number of issued shares of the Company as at the date of passing the proposed resolution of Repurchase Mandate. Subject to the passing of the proposed resolution granting the Repurchase Mandate to the Directors and assuming there is no change to the issued share capital of the Company from the Latest Practicable Date to the date of the AGM, the maximum number of Shares that may be repurchased by the Company under the Repurchase Mandate is 185,171,483 Shares. If the Company conducts a Share consolidation or subdivision after the Repurchase mandate is granted, the maximum number of Shares that can be repurchased under such mandate will be adjusted so that such maximum number of Shares as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision will be the same.

The Repurchase Mandate will, if granted, remain in effect until the earliest of: (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 to be held by the laws of Cayman Islands or by the Articles; and (iii) its revocation or variation by an ordinary resolution of the Shareholders in general meeting.

An explanatory statement in relation to the Repurchase Mandate as required by the relevant provisions of the Listing Rules concerning the regulation of repurchases by companies of their own securities on the Stock Exchange is set out in Appendix I to this circular.

RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board comprises four Executive Directors, namely Dato' Seri CHEAH Cheng Hye, Mr. SO Chun Ki Louis, Dr. AU King Lun and Ms. HUNG Yeuk Yan Renee and three Independent Non-executive Directors, namely Dr. CHEN Shih-Ta Michael, Mr. LEE Siang Chin and Mr. Nobuo OYAMA.

Pursuant to Article 87 of the Articles, Ms. HUNG Yeuk Yan Renee and Dr. CHEN Shih-Ta Michael shall retire from office by rotation at the AGM. Pursuant to Article 86(3) of the Articles, Dr. AU King Lun, who was appointed as an Executive Director with effect from 7 March 2017, shall only hold office until the next following annual general meeting of the Company and be eligible for re-election. Brief biographical and other details of the abovementioned Directors who offer themselves for re-election, which are required to be disclosed under the Listing Rules, are set out in Appendix II to this circular.

LETTER FROM THE BOARD

Dr. CHEN Shih-Ta Michael has been appointed as an Independent Non-executive Director since 22 October 2007 and has continued to serve the Company for more than nine years. He is eligible for re-election at the AGM and has provided his annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that Dr. CHEN Shih-Ta Michael meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the terms of the guidelines.

Appendix 14 to the Listing Rules stipulates that serving more than nine years could be relevant to the determination of a non-executive director's independence. If an independent non-executive director serves more than nine years, any further appointment of such independent non-executive director should be subject to a separate resolution to be approved by shareholders. A resolution for the proposed re-election of Dr. CHEN Shih-Ta Michael forms part of the notice of AGM. If passed, this resolution would confirm his appointment notwithstanding he has served the Company for more than nine years.

Save as disclosed above and in Appendix II, there is no other matters that need to be brought to the attention of the Shareholders regarding the re-election of these Directors.

PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME

A. The New Share Option Scheme

The Old Share Option Scheme has a term of 10 years and will expire on 24 October 2017. In view of the expiry of the Old Share Option Scheme, the Board proposes to recommend to the Shareholders to approve the adoption of the New Share Option Scheme at the AGM. The New Share Option Scheme will become effective after all the conditions precedent as referred to under the paragraph headed "Conditions precedent to the adoption New Share Option Scheme" below have been fulfilled.

As at the Latest Practicable Date, there were a total of 128,570,000 outstanding options granted under the Old Share Option Scheme, representing approximately 6.94% of the total number of issued Shares as at the Latest Practicable Date. The expiry of the Old Share Option Scheme will not affect the terms of the options that have been granted and the above outstanding options continue to be subject to the provisions of the Old Share Option Scheme.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there were a total of 1,851,714,831 Shares in issue. Assuming that there is no change in the total number of Shares in issue during the period from the Latest Practicable Date up to the date of the AGM, the maximum number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option schemes of the Company will be 185,171,483 Shares, representing approximately 10% of the total number of Shares in issue as at the date of the AGM, unless the Company obtains a fresh approval from its Shareholders to renew the 10% limit on the basis that the maximum number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the total number of Shares in issue from time to time.

B. Reasons for adopting the New Share Option Scheme

The purpose of the New Share Option Scheme is to reward Participants who have contributed or will contribute to the Group and to encourage Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole. The New Share Option Scheme expressly provides that, the Board may with respect to each grant of Options, determine the Subscription Price (in compliance with Rule 17.03(9) of the Listing Rules), the minimum period (if any) for which an Option must be held before it can be exercised, performance targets (if any) and other conditions that apply to the Options.

The Directors believe that the New Share Option Scheme will accord the Board flexibility in determining specific targets, parameters and conditions to which the specific grant of Options may be subject on a case-by-case basis, which can be designed to promote alignment between the Participant the aim of enhancement of shareholders value through increase in share price. The Directors also believe that the New Share Option Scheme will continue to enable the Group to attract people who are valuable to the development of the Group and to maintain or attract business relationship with Participants whose contributions are or may be beneficial to the growth of the Group.

C. Conditions precedent to the adoption of the New Share Option Scheme

The New Share Option Scheme shall take effect subject to the following conditions:

- (a) the passing of an ordinary resolution of the Shareholders in the AGM approving the adoption of the New Share Option Scheme and authorising the Board to grant Options thereunder and to allot and issue Shares pursuant to the exercise of any Options granted under the New Share Option Scheme; and

LETTER FROM THE BOARD

- (b) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares which fall to be issued and allotted pursuant to the exercise of Options under the New Share Option Scheme.

An application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options granted under the New Share Option Scheme.

D. Value of the Options

The Directors consider that it is not appropriate to state the value of all Options that can be granted under the New Share Option Scheme as if they had been granted on the Latest Practicable Date as a number of variables which are crucial for the calculation of the value of the Options have not been determined. Such variables include but are not limited to the exercise price, exercise period, any lock-up period, any performance targets set and other variables. The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a great number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.

E. Principal terms of the New Share Option Scheme

A summary of the principal terms of the New Share Option Scheme is set out in Appendix III to this circular. The terms of the New Share Option Scheme are in line with the provisions of Chapter 17 of the Listing Rules, which governs the terms of the share option schemes of listed companies. There is no material difference between the terms of the Old Share Option Scheme and the New Share Option Scheme except for changes made primarily to remove references to the new listing of the Company's Shares on the Stock Exchange that were applicable to the Old Share Option Scheme and bring them in line with changes to Companies Ordinance (Cap. 622 of the Laws of Hong Kong) and the other relevant laws, regulations and the Listing Rules since.

A copy of the New Share Option Scheme is available for inspection at the principal place of business of the Company at 9th Floor, Nexxus Building, 41 Connaught Road Central, Hong Kong from the date of this circular to and including the date of the AGM.

LETTER FROM THE BOARD

AGM

The notice convening the AGM is set out on pages 32 to 37 of this circular. For determining the entitlement to attend and vote at the AGM, the Register of Members of the Company will be closed from Thursday, 27 April 2017 to Thursday, 4 May 2017 (both days inclusive), during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on Wednesday, 26 April 2017. At the AGM, resolutions will be proposed for the purpose of considering and if thought fit, approving, among other matters, the resolutions proposed in this circular by way of poll pursuant to the Listing Rules. Results of the poll voting will be published on the Company's website at www.valuepartners-group.com and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the AGM.

A form of proxy for use at the AGM is enclosed with this circular. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM (i.e., at or before 2:30 p.m. on Tuesday, 2 May 2017) or any adjourned meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM or the adjourned meeting if you so wish.

None of the Directors is a trustee of the New Share Option Scheme and there is no trustee for the New Share Option Scheme. As at the Latest Practicable Date, to the best of the Directors' knowledge and belief having made all reasonable enquiries, no Shareholder has a material interest in the adoption of the New Share Option Scheme and therefore no Shareholder is required to abstain from voting on the resolution in relation thereto.

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 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.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the grant of the New General Mandates and the re-election of Directors are in the interest of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of all resolutions to be proposed at the AGM.

Yours faithfully

By order of the Board of

Value Partners Group Limited

Dr. Au King Lun MH, Ph.D

Chief Executive Officer and Executive Director

The following is an explanatory statement required by the Stock Exchange to be presented to Shareholders concerning the Repurchase Mandate.

1. STOCK EXCHANGE RULES FOR REPURCHASES OF SHARES

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions.

The Listing Rules provide that all proposed repurchases of share by a company with a primary listing on the Stock Exchange must be approved by Shareholders in advance by an ordinary resolution, either by way of a general mandate or, by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up.

2. REASONS FOR REPURCHASES

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

3. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprises 1,851,714,831 Shares.

Subject to the passing of the relevant ordinary resolution to approve the New General Mandates to issue and repurchase Shares and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 185,171,483 Shares.

4. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association and the Articles, the laws of Cayman Islands and/or any other applicable laws.

The Company is empowered by its Memorandum of Association and the Articles to repurchase Shares. The laws of Cayman Islands provide that the amount of capital paid in connection with a share repurchase by a company may only be paid out of either the capital paid up on the relevant shares, or the funds of the company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for such purpose. The amount of premium payable on repurchase may only be paid out of funds of the company which would otherwise be available for dividend or distribution or out of the share premium account of the company before the shares are repurchased.

5. IMPACT OF REPURCHASES

As compared to the financial position of the Company as at 31 December 2016 (being the date of the Company's latest audited accounts), the Directors consider that the repurchase of Shares will have no material adverse impact on the working capital and the gearing position of the Company in the event that the Repurchase Mandate were to be exercised in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase 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.

6. TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, 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 the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, 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 for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, Dato' Seri CHEAH Cheng Hye (by himself and through CCML) and Mr. YEH V-Nee, the co-founder of the Company, being a party acting in concert with Dato' Seri CHEAH Cheng Hye for the purpose of Takeovers Code, were interested in 761,360,636 Shares (representing approximately 41.12% of the total issued share capital of the Company as of the Latest Practicable Date).

On the basis that the issued share capital of the Company remains unchanged up to the date of the AGM, in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the relevant ordinary resolution to be proposed at the AGM, the interest of 761,360,636 in the issued Shares would be increased to approximately 45.69% of the total issued share capital of the Company. Such an increase of shareholding would give rise to an obligation for Dato' Seri CHEAH Cheng Hye, Mr. YEH V-Nee and their concert parties to make a mandatory offer under the Takeovers Code. However, the Directors do not have any present intention to exercise the Repurchase Mandate to such an extent as would give rise to such an obligation.

Save as aforesaid and as at the Latest Practicable Date, the Directors were not aware of any consequence which the exercise in full of the Repurchase Mandate would have under the Takeovers Code.

7. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors or, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective close associates has 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.

None of the Core Connected Persons of the Company has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchase of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and in accordance with the Memorandum of Association and the Articles of the Company.

8. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Share has been made by the Company in the six months (whether on the Stock Exchange or otherwise) ended on the Latest Practicable Date.

9. MARKET PRICES OF SHARES

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

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2016		
March	8.380	6.417
April	8.281	7.150
May	7.750	6.972
June	7.740	6.730
July	7.200	6.350
August	7.950	6.530
September	8.810	7.150
October	8.230	7.400
November	7.690	6.630
December	7.140	6.040
2017		
January	6.800	6.100
February	8.020	6.550
March (up to the Latest Practicable Date)	8.100	7.450

APPENDIX II PARTICULARS OF DIRECTORS STANDING FOR RE-ELECTION

AU King Lun MH, Ph.D (“Dr. AU”)

Chief Executive Officer

Executive Director

Dr. AU King Lun, aged 57, is Chief Executive Officer (“CEO”) of Value Partners Group, responsible for the Group’s business and corporate affairs. He joined Value Partners in December 2016, bringing almost 30 years of industry experience and network in the Asian asset management industry to his role with the Group.

Previously, Dr. AU was CEO of Eastspring Investments (Hong Kong) Limited, an ultimately wholly owned subsidiary of Prudential plc of the United Kingdom. He also served as CEO of BOCHK Asset Management Limited (a wholly owned subsidiary of BOC Hong Kong (Holdings) Limited) and held various senior management positions at other financial institutions including 11 years’ service with HSBC Global Asset Management (Hong Kong) Limited.

Dr. AU was named CEO of the Year in Hong Kong by Asia Asset Management in 2012 and 2014. He was awarded the Medal of Honour (“MH”) by the Government of the Hong Kong Special Administrative Region (“Hong Kong SAR”) for his valuable contributions to the securities and asset management industry in 2008.

Currently, Dr. AU sits on the Advisory Committee of Hong Kong’s Securities and Futures Commission and the Market Development Committee of the Financial Services Development Council (“FSDC”), a high-level, cross-sector advisory body established by the Hong Kong Special Administrative Region Government. From 2015 to 2016, Dr. AU served as a member of FSDC. In addition, he was the Chairman of the Hong Kong Securities and Investment Institute from 2006 to 2008 and the Chairman of the Hong Kong Investment Funds Association in 2004/2005.

Dr. AU holds a CFA, and he earned a Bachelor’s degree in Physics from the University of Oxford and a PhD in Theoretical Particle Physics from Durham University.

APPENDIX II PARTICULARS OF DIRECTORS STANDING FOR RE-ELECTION

Dr. AU, as an Executive Director and the CEO of Value Partners Group, is entitled to receive a fixed salary of HK\$3,240,000 per annum payable in 12 equal monthly instalments and a discretionary Chinese New Year bonus equivalent to one month of his salary. In addition, Dr. AU is entitled to participate in the year-end discretionary bonus scheme under which the Company has agreed to make available between 20% to 23% (or such greater percentage as may be approved by the Remuneration Committee of the Company) of a net profit pool each year as management bonus. Dr. AU is also eligible to participate in the share option scheme of the Company. The emoluments of Dr. AU have been approved, and are subject to annual review, by the Remuneration Committee, with reference to prevailing market conditions and to his duties and responsibilities at the Company. Dr. Au is subject to retirement by rotation and re-election in accordance with the articles of associates of the Company.

Save as disclosed above, as at the Latest Practicable Date, (i) Dr. AU has not held any directorships in any other listed public companies in the last three years immediately prior to the issue of this circular; (ii) he does not have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; (iii) he does not have or was not deemed to have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO; and (iv) there is no information required to be disclosed in relation to him pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

HUNG Yeuk Yan Renee (“Ms. HUNG”)

Deputy Chief Investment Officer

Ms. Renee HUNG, aged 42, is Deputy Chief Investment Officer of Value Partners Group, responsible for the overall management of the investment management team. She also holds a leadership role in the Group’s investment process and commands a high degree of responsibility for portfolio management.

Ms. HUNG has extensive experience in the financial industry, with a solid track record in research and portfolio management. She joined the Group as an Analyst in April 1998. She was promoted to the roles of Fund Manager and Senior Fund Manager in 2004 and 2005, respectively. In March 2009, she was promoted to her current role of Deputy Chief Investment Officer.

Ms. HUNG has been serving as a Director of the Tung Wah Group of Hospitals (“TWGH”) since April 2012. With over 145 years of history, TWGH is one of the largest charitable organizations in Hong Kong and provides medical and health, education as well as community services to the Hong Kong society.

Ms. HUNG graduated from the University of California in Los Angeles with a Bachelor’s degree in Applied Mathematics.

APPENDIX II PARTICULARS OF DIRECTORS STANDING FOR RE-ELECTION

Ms. HUNG has entered into a service agreement with the Group which shall be terminated in accordance with the provisions of the service agreement or, throughout the term of the appointment, by either party giving to the other not less than three months' prior notice in writing. Her term of office is subject to retirement by rotation and re-election in accordance with the Articles.

Ms. HUNG is at present entitled to receive a fixed salary of HK\$2,409,600 per annum payable in 12 equal monthly instalments and a discretionary Chinese New Year bonus equivalent to one month of her salary. In addition, Ms. HUNG is entitled to participate in the year-end discretionary bonus scheme under which the Company has agreed to make available up to 20 to 23% (or such greater percentage as may be approved by the Remuneration Committee of the Company) of a net profit pool each year as a management bonus. Ms. HUNG is also eligible to participate in the Share Option Scheme. The emoluments of Ms. HUNG have been approved, and are subject to annual review, by the Remuneration Committee, with reference to prevailing market conditions and to her duties and responsibilities at the Company.

As far as the Directors are aware, as at the Latest Practicable Date, Ms. HUNG was interested in 16,870,583 Shares and options to subscribe for 11,370,000 Shares within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Ms. HUNG has not held any directorships in any other listed public companies in the last three years immediately prior to the issue of this circular; (ii) she does not have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; (iii) she does not have or was not deemed to have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO; and (iv) there is no information required to be disclosed in relation to her pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

CHEN Shih-Ta Michael (“Dr. CHEN”)

Independent Non-executive Director

Dr. Michael Shih-Ta CHEN, aged 71, was appointed as an Independent Non-executive Director of Value Partners Group Limited on 22 October 2007.

APPENDIX II PARTICULARS OF DIRECTORS STANDING FOR RE-ELECTION

Dr. CHEN serves as Senior Advisor to the Director of the Case Research Center of Peking University, Guanghua School of Management. He was appointed as a member of Harvard Business School's Asia-Pacific Advisory Board and a member of the Investment Committee of the Croucher Foundation in Hong Kong in November 2014 and January 2015, respectively. He is also a member of both the Global Advisory and Editorial Boards of the Global Jesuit Case Series. He was the Executive Director of the Harvard Business School Asia Pacific Research Center, the first international research office established by the Harvard Business School in Asia. Prior to joining the Center in October 2005, he worked in both the private and public sectors. Previously, he served as Head of the Risk Management Unit of the Private Sector Operations Department of the Asian Development Bank, Head of International Private Banking in Hong Kong of Standard Chartered Bank, and Regional Director of National Westminster Bank. Between 1973 and 1986, he worked with Citibank both in New York and in Hong Kong in a variety of staff and line roles in its corporate, private and investment banking units. He served on the boards of a number of companies invested by Asian Development Bank. He also wrote cases and taught at various educational entities and universities.

Dr. CHEN graduated with a BA (Honors) Degree in Economics from the University of California, Berkeley in the U.S.A., received an MBA from Harvard University in the U.S.A. in 1972 and obtained a PhD in Economics from Cornell University in the U.S.A. in 1973.

Pursuant to the letter of appointment issued by the Company to Dr. CHEN, Dr. CHEN is appointed for a term of one year commencing on 22 November 2016 and either the Company or the independent non-executive Director may terminate the appointment by giving at least three months' notice in writing. His term of office is subject to retirement by rotation and re-election in accordance with the Articles.

Under this appointment, Dr. CHEN is entitled to receive an annual director's fee of HK\$300,000. Dr. CHEN is also eligible to participate in the Old Share Option Scheme. The emoluments of Dr. CHEN are subject to annual review, by the Remuneration Committee, with reference to other listed companies in Hong Kong

As far as the Directors are aware, as at the Latest Practicable Date, Dr. CHEN was interested in options to subscribe for 500,000 Shares within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Dr. CHEN has not held any directorships in any other listed public companies in the last three years immediately prior to the issue of this circular; (ii) he does not have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; (iii) he does not have or is not deemed to have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO; and (iv) there is no information required to be disclosed in relation to him pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

The following is a summary of the rules of the New Share Option Scheme:

PURPOSE

The purpose of the New Share Option Scheme is to reward Participants who have contributed or will contribute to the Group and to encourage Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole.

WHO MAY JOIN

On and subject to the terms of the New Share Option Scheme and the Listing Rules, the Board shall be entitled at any time within 10 years after the Adoption Date to make an Offer to any Participant as the Board may in its absolute discretion select to take up an Option pursuant to which such Participant may, during the Option Period, subscribe for such number of Shares as the Board may determine at a price calculated in accordance with the section headed “SUBSCRIPTION PRICE” below. An Offer shall remain open for acceptance by the Participant concerned for a period of 28 days from the Date of Grant provided that no such Offer shall be open for acceptance after the expiry of the life of the New Share Option Scheme or after the New Share Option Scheme has been terminated or after the Participant for whom the Offer is made has ceased to be a Participant. An Offer is deemed to be accepted when the Company receives from the Grantee the offer letter signed by the Grantee specifying the number of Shares in respect of which the Offer is accepted, and a remittance to the Company of HK\$1.00 as consideration for the grant of Option. Such remittance is not refundable in any circumstances.

The Offer shall specify the terms on which the Option is to be granted. Such terms may at the discretion of the Board, include, among other things, (i) the number of Shares comprised in, and the Option Period in respect of, the relevant Option; (ii) the Subscription Price (in compliance with Rule 17.03(9) of the Listing Rules); (iii) the minimum period for which an Option must be held before it can be exercised; (iv) a performance target that must be reached before the Option can be exercised in whole or in part; and/or (v) any other terms, all of which may be imposed (or not imposed) either on a case-by-case basis or generally.

SUBSCRIPTION PRICE

The subscription price for the Options shall be determined by the Board in its absolute discretion but in any event shall be at least the highest of:

- (1) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the Date of Grant which must be a Business Day;
- (2) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five Business Days immediately preceding the Date of Grant; and
- (3) the nominal value of the Shares.

**PERIOD OF THE NEW SHARE OPTION SCHEME AND TIME OF EXERCISE OF
OPTIONS**

Subject to the terms of the New Share Option Scheme, the New Share Option Scheme was adopted for a period of ten years commencing from the Adoption Date.

Subject to any restrictions applicable under the Listing Rules and notwithstanding the terms of grant thereof, an Option may be exercised by the Grantee in accordance with the terms of the New Share Option Scheme at any time during the period to be determined and notified by the Board to each Grantee, at the time of making an offer of the grant of an Option which shall not expire later than ten years from the Date of Grant.

RIGHTS ARE PERSONAL TO GRANTEES

An Option shall be personal to the Grantee and shall not be assignable or transferable and no Grantee shall in any way sell, transfer, assign, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any other person over or in relation to any Option or purport to do any of the foregoing. Any breach of the foregoing by the Grantee shall entitle the Company to cancel any outstanding Option or any part thereof granted to such Grantee to the extent not already exercised without incurring any liability on the part of the Company.

RIGHTS OF SHARES AND OPTIONS

The Shares to be allotted upon the exercise of an Option shall be subject to all the provisions of the memorandum of association and Articles of the Company for the time being in force and shall rank *pari passu* in all respects with the existing fully paid Shares in issue on the date on which those Shares are allotted on exercise of the Option and accordingly shall entitle the holders to participate in all dividends or other distributions paid or made after the date on which the Shares are allotted other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the date on which the Shares are allotted. For the avoidance of doubt, a Share issued upon the exercise of an Option shall not carry any voting rights until the registration of the Grantee (or any other person nominated by the Grantee), but without prejudice to the other terms of the New Share Option Scheme, as the holder thereof.

The Options do not carry any right to vote in general meeting of the Company, or any right, dividend, transfer or any other rights, including those arising on the liquidation of the Company.

GRANT OF OPTIONS TO CONNECTED PERSONS OR ANY OF THEIR ASSOCIATES

Any grant of Options to any Director, chief executive or substantial shareholder (as such term is defined in the Listing Rules) of the Company, or any of their respective associates under the New Share Option Scheme or any other share option schemes of the Company or any of its Subsidiaries shall be subject to the prior approval of the independent non-executive Directors of the Company (excluding independent non-executive Directors who are the proposed Grantees of the Options in question). Where any grant of Options to a substantial shareholder or an independent non-executive Director of the Company, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled or outstanding) to such person in the 12 month period up to and including the date of such grant:

- (1) representing in aggregate over 0.1% of the Shares in issue on the date of such grant;
and
- (2) having an aggregate value, based on the closing price of the Shares as stated in the daily quotations sheets issued by the Hong Kong Stock Exchange on the Date of Grant, in excess of HK\$5 million,

Such further grant of Options shall be subject to prior approval by resolution of the Shareholders (voting by way of poll). The Company shall send a circular to the Shareholders in accordance with the Listing Rules and the Grantee, his associates and all core connected persons of the Company shall abstain from voting in favour of the resolution at such general meeting of the Shareholders. Such person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular required to be issued pursuant to the Listing Rules.

MAXIMUM NUMBER OF SHARES

- (1) The maximum number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option schemes of the Company shall not, in the absence of Shareholders' approval, in aggregate exceed 10% in nominal amount of the aggregate of Shares in issue on the Adoption Date (that is, 185,171,483 Shares assuming there will be no change to the issued share capital of the Company from the Latest Practicable Date to the Adoption Date (or such number of Shares as shall result from a sub-division or a consolidation of such 185,171,483 Shares from time to time so that the maximum number of Shares that may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option scheme of the Company as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or sub-division shall be the same)) (the "Scheme Mandate Limit"). Options lapsed in accordance with the terms of the New Share Option Scheme and (as the case may be) such other share option schemes of the Company will not be counted for the purpose of calculating the Scheme Mandate Limit.

The Company may renew the Scheme Mandate Limit at any time subject to prior Shareholders' approval but in any event, the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option schemes of the Company under the limit as refreshed must not exceed 10% of the Shares in issue as at the date of approval of the renewal of the Scheme Mandate Limit. Options previously granted under the New Share Option Scheme or any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the terms or exercised options) will not be counted for the purpose of calculating the refreshed Scheme Mandate Limit.

- (2) Notwithstanding the foregoing, the Company may grant Options beyond the Scheme Mandate Limit to Participants if:
- (i) separate Shareholders' approval has been obtained for granting Options beyond the Scheme Mandate Limit to Participants specifically identified by the Company before such Shareholders' approval is sought; and
 - (ii) the Company, in connection with the seeking of such separate Shareholders' approval, has first sent a circular to Shareholders containing such information as may be required by the Listing Rules then prevailing to be included in such circular.
- (3) Subject to paragraph (4) below, the maximum number of Shares issued and to be issued upon exercise of the Options granted to each Grantee under the New Share Option Scheme (including both exercised and outstanding Options) in any 12-month period shall not (when aggregated with any Shares subject to options granted during such period under any other share option scheme(s) of the Company other than those options granted pursuant to specific approval by the Shareholders in a general meeting) exceed 1.0% of the Shares in issue for the time being.
- (4) Where any further grant of Options to a Participant would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such person (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1.0% of the Shares in issue, such further grant must be separately approved by Shareholders in general meeting with such Participant and his close associates (or his associates if the Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders disclosing the identity of the Participant in question, the number and terms of the Options to be granted (and Options previously granted to such Participant) and such other information required under the Listing Rules.

MAXIMUM NUMBER OF OPTIONS

At any time, the maximum number of Shares which may be issued upon exercise of all Options which then have been granted and have yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the Shares in issue from time to time.

RIGHTS ON TERMINATION OF EMPLOYMENT BY DISMISSAL

- (i) If the Grantee (if an employee or director of the Company or another member of the Group) ceases to be a Participant by reason of the termination of his employment or directorship on the grounds that he has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has committed any act of bankruptcy or has become insolvent or has made any arrangement or compromise with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or on any other grounds on which an employer would be entitled to terminate his employment summarily, his Option shall lapse automatically (to the extent not already exercised) and not be exercisable on or after the date of termination of his employment and to the extent the Grantee has exercised the Option in whole or in part, but Shares have not been allotted to him, the Grantee shall be deemed not to have so exercised such Option and the Company shall return to the Grantee the amount of the Subscription Price for the Shares received by the Company in respect of the purported exercise of such Option.
- (ii) If the Grantee who is an employee or a director of the Company or another member of the Group ceases to be a Participant for any reason other than his death or the termination of his employment or directorship on one or more of the grounds specified above, the Option (to the extent not already exercised) shall lapse on a date (to be determined by the Board or delegated committees of the Board) falling no later than two years from the date of cessation or termination of such employment or directorship (which date shall be the Grantee's last actual working day with the Company or the relevant Subsidiary whether salary is paid in lieu of notice or not).

RIGHTS ON DEATH

If the Grantee ceases to be a Participant by reason of his death before exercising his Option in full and none of the events which would be a ground for termination of his employment as described in paragraph (i) under the section headed "RIGHTS ON TERMINATION OF EMPLOYMENT BY DISMISSAL" above has arisen, his legal personal representative(s) may exercise the Option up to the Grantee's entitlement as at the date of death (to the extent not already exercised) within a period of 12 months following the date of his death.

RIGHTS ON CEASING TO BE A PARTICIPANT IN OTHER CIRCUMSTANCES

If a Grantee who is not an employee or a director of the Company or a member of the Group ceases to be a Participant as and when determined by the Board by resolution for any reason other than his death, the Board may by written notice to such Grantee within one month from the date of such cessation determine the period within which the Option (or such remaining part thereof) shall be exercisable following the date of such cessation.

RIGHTS ON A GENERAL OFFER BY WAY OF TAKEOVER

In the event of a general offer for Shares by way of takeover or otherwise (other than by way of scheme of arrangement pursuant to the section below) being made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional prior to the expiry date of the relevant Option, the Company shall forthwith notify all the Grantees and any Grantee (or his legal personal representative) shall be entitled to exercise the Option in full (to the extent not already exercised) or to the extent as notified by the Company at any time within such period as shall be notified by the Company.

RIGHTS ON A GENERAL OFFER BY WAY OF SCHEME OF ARRANGEMENT

In the event of a general offer by way of scheme of arrangement being made to all the Shareholders and approved by the necessary number of Shareholders at the requisite meetings, the Company shall forthwith notify all the Grantees and any Grantee (or his legal personal representative) may at any time thereafter (but before such time as shall be notified by the Company) exercise the Option either to its full extent or to the extent specified in such notice.

RIGHTS ON WINDING UP

In the event a notice is given by the Company to the Shareholders to convene a Shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall forthwith give notice thereof to all the Grantees and any Grantee (or his legal personal representative) may at any time thereafter (but before such time as shall be notified by the Company) exercise the Option either to its full extent or to the extent specified in such notice, and the Company shall as soon as possible and in any event no later than three days prior to the date of the proposed Shareholders' meeting, allot and issue and register in the name of the Grantee such number of fully paid Shares to the Grantee which fall to be issued on exercise of such Option.

RIGHTS ON A COMPROMISE OR ARRANGEMENT

In the event a compromise or arrangement (other than a scheme of arrangement contemplated above) between the Company and its members or creditors is proposed in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all the Grantees on the same day as it gives notice of the meeting to its members or creditors to consider such compromise or arrangement, and any Grantee (or his legal personal representative) may at any time thereafter (but before such time as shall be notified by the Company) exercise the Option either to its full extent or to the extent notified by the Company and the Company shall as soon as possible and in any event no later than three days prior to the date of the proposed meeting, allot, issue and register in the name of the Grantee such number of fully paid Shares which fall to be issued on exercise of such Option.

EFFECT OF ALTERATIONS TO SHARE CAPITAL

In the event of any alteration to the capital structure of the Company whilst any Option remains exercisable, arising from capitalisation issue, rights issue, consolidation, subdivision or reduction of the share capital of the Company in accordance with legal requirements and requirements of the Stock Exchange, other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party, adjustment (if any) shall be made to (a) the number or nominal amount of Shares subject to the Option so far as unexercised; (b) the number of Shares subject to the New Share Option Scheme; (c) the Subscription Price for the Shares subject to the Option so far as unexercised; and/or (d) the method of exercise of the Option, provided that:

- (a) any such alterations must be made so that each Grantee is given the same proportion of the equity capital of the Company as that to which he was previously entitled;
- (b) no such alterations shall be made which would result in the Subscription Price for a Share being less than its nominal value;
- (c) any such alterations, save as those made on a capitalisation issue, shall be confirmed by the auditors of the Company or the independent financial adviser in writing to the Board, either generally or as regards any particular Grantee, that such adjustments made by the Company satisfy the requirements of sub-paragraphs (a) and (b) above and are in his opinion fair and reasonable and in compliance with the requirements under Rule 17.03(13) of the Listing Rules and the note thereto;

- (d) any such alterations made pursuant to a sub-division or consolidation of share capital shall be made on the basis that the aggregate Subscription Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event; and
- (e) any such alterations as a result of an issue of securities with a price-dilutive element, such as rights issue, open offer or capitalisation issue, should be based on a scrip factor similar to the one used in accounting standards in adjusting the earnings per share figures (referred to in Hong Kong Accounting Standards 33) and the acceptable adjustments set out in the Supplementary Guidance and any future guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time.

The capacity of the auditors of the Company or the independent financial adviser to the Company in this section is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees.

TERMINATION OF THE NEW SHARE OPTION SCHEME

The Company may by ordinary resolution in general meeting or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further Options will be offered or granted but in all other respects the provisions of the New Share Option Scheme shall remain in full force and effect in respect of Options which are granted during the life of the New Share Option Scheme and which remain unexpired immediately prior to the termination of the operation of the New Share Option Scheme.

ALTERATIONS TO THE NEW SHARE OPTION SCHEME

Those specific provisions of the Share Option Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules cannot be altered to the advantage of Participants, and changes to the authority of the Board in relation to any alteration of the terms of the Share Option Scheme shall not be made, in either case, without the prior approval of Shareholders in general meeting. Any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature, or any change to the terms of Options granted, must also, to be effective, be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme. The New Share Option Scheme so altered must comply with Chapter 17 of the Listing Rules.

LAPSE OF OPTION

Without prejudice to the authority of the Board to provide for additional situations where an Option shall lapse, an Option shall lapse automatically and shall not be exercisable, to the extent not already exercised, on the earliest of:

- (1) the expiry of the Option Period (subject to the provisions of the New Share Option Scheme);
- (2) the expiry of the periods referred to in the sections headed “RIGHTS ON TERMINATION OF EMPLOYMENT BY DISMISSAL”, “RIGHTS ON DEATH”, “RIGHTS ON CEASING TO BE A PARTICIPANT IN OTHER CIRCUMSTANCES”, “RIGHTS ON A GENERAL OFFER BY WAY OF TAKEOVER”, “RIGHTS ON A GENERAL OFFER BY WAY OF SCHEME OF ARRANGEMENT”, “RIGHTS ON WINDING UP” or “RIGHTS ON A COMPROMISE OR ARRANGEMENT” above respectively;
- (3) the expiry of the period referred to in the section headed “RIGHTS ON A GENERAL OFFER BY WAY OF TAKEOVER” above, subject to no court of competent jurisdiction making any order to prohibit the offeror from acquiring the remaining Shares in the offer;
- (4) subject to the scheme of arrangement becoming effective, the expiry of the period for exercising the Option as referred to in the section headed “RIGHTS ON A GENERAL OFFER BY WAY OF SCHEME OF ARRANGEMENT” above;
- (5) the date of the commencement of the winding-up of the Company, other than as contemplated in the section headed “RIGHTS ON WINDING UP” above;
- (6) the date on which the Grantee (if an employee or director of the Company or another member of the Group) ceases to be a Participant as referred to in paragraph (i) under the section headed “RIGHTS ON TERMINATION OF EMPLOYMENT BY DISMISSAL” above;
- (7) where the Grantee commits a breach by selling, transferring, assigning charging, mortgaging, encumbering or creating any interest (legal or beneficial) in favor of any third party over or in relation to any Option or purport to do any of the foregoing, the date on which the Board shall exercise the Company’s right to cancel the Option; and

- (8) subject to paragraph (ii) under the section headed “RIGHTS ON TERMINATION OF EMPLOYMENT BY DISMISSAL” above, the date the Grantee ceases to be a Participant by any other reason.

RESTRICTION ON GRANT OF OPTION

In addition, a grant of Options may not be made after inside information (as defined under Part XIVA of the SFO) has come to the Company’s knowledge until it has disclosed the information to the public. In particular, during the period commencing one month immediately preceding the earlier of:

- (1) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company’s results for any year, half-year, quarterly or, any other interim period (whether or not required under the Listing Rules); and
- (2) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement, no Option may be granted.

CANCELLATION OF OPTIONS

Any Options granted but not exercised may be cancelled by the Board if the Grantee so agrees and new Options may be granted to the Grantee provided that such new Options fall within the limits prescribed in the sections headed “MAXIMUM NUMBER OF SHARES” and “MAXIMUM NUMBER OF OPTIONS” above, excluding the cancelled Options, and are otherwise granted in accordance with the terms of the New Share Option Scheme. Notwithstanding the foregoing, where the Grantee is in breach of any of the restrictions set out in the section headed “RIGHTS ARE PERSONAL TO GRANTEES” above, the Board may cancel any outstanding Option without the relevant Grantee’s agreement. For the avoidance of doubt, no consent is required to be given by the Grantee where an Option lapses in accordance with the terms of the New Share Option Scheme.

NOTICE OF ANNUAL GENERAL MEETING



VALUE PARTNERS GROUP LIMITED

惠理集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 806)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the shareholders of Value Partners Group Limited (the “Company”) will be held at Cliftons Hong Kong, on 5th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong on Thursday, 4 May 2017 at 2:30 p.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and the auditor for the year ended 31 December 2016.
2. To declare final and special dividends for the year ended 31 December 2016.
3. (A) To re-elect, each as a separate resolution:
 - (i) Dr. AU King Lun as an executive director of the Company;
 - (ii) Ms. HUNG Yeuk Yan Renee as an executive director of the Company;
and
 - (iii) Dr. CHEN Shih-Ta Michael as an independent non-executive director of the Company.
- (B) To fix the directors’ remuneration.
4. To re-appoint auditor and to authorise the board of directors to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

5. As special business, to consider and, if thought fit, to pass the following resolutions as ordinary resolutions of the Company:

(A) **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorised and unissued shares in the capital of the Company and to make or grant offers, agreements and options which 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 to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Right Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company; and
 - (iii) any scrip dividend scheme 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 the Company,

shall not exceed 20% of the aggregate number of issued shares of the Company (“Shares”) on the date of the passing of this resolution provided that if any subsequent consolidation or subdivision of Shares is effected, the maximum number of Shares that may be issued pursuant to the approval in paragraph (a) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same, and such maximum number of Shares, and powers granted under such approval shall be adjusted accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

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

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to holders of Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusions 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 any relevant jurisdiction or the requirements of any recognised regulatory body or any stock exchange).”;

- (B) **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its Shares, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the total number of Shares to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of issued Shares on the date of passing of this resolution provided that if any subsequent consolidation or subdivision of Shares is effected, the maximum number of Shares that may be purchased pursuant to the approval in paragraph (a) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same, and such maximum number of Shares, and powers granted under such approval shall be adjusted accordingly; 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 the Company or any applicable laws to be held.”;
- (C) “**THAT** conditional upon the passing of the resolutions set out in items 5(A) and 5(B) of the notice convening this meeting (the “Notice”), the general mandate referred to in the resolution set out in item 5(A) of the Notice be and is hereby extended by the addition to the aggregate number of Shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the aggregate number of Shares purchased by the Company pursuant to the mandate referred to in the resolution set out in item 5(B) of the Notice, provided that such amount shall not exceed 10% of the aggregate number of the issued Shares on the date of the passing of this resolution.”;

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- (D) “**THAT** subject to and conditional upon the Listing Committee of the Stock Exchange of Hong Kong Limited granting listing of, and permission to deal in, the shares of the Company, representing 10% of the number of issued Shares on the date of the passing of this resolution, which may fall to be issued pursuant to the exercise of any options granted under the new share option scheme of the Company (the “New Share Option Scheme”) (a copy of which has been submitted to the meeting and signed by the Chairman of the meeting for the purpose of identification), the New Share Option Scheme be and is hereby approved and adopted on the date of this meeting and the directors of the Company be and are hereby authorised to grant options and to allot and issue shares of the Company thereunder and to take all such steps and do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme.”

By order of the board of
Value Partners Group Limited
CHEUNG Kwong Chi, Aaron
Company Secretary

Hong Kong, 22 March 2017

Registered Office:

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Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head office and principal place of

business in Hong Kong:
9th Floor, Nexxus Building
41 Connaught Road Central
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any member entitled to attend and vote at the meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him.
2. A proxy need not be a member of the Company. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.
3. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than forty-eight (48) hours before the time appointed for holding the meeting (i.e., at or before 2:30 p.m. on Tuesday, 2 May 2017) or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.
4. Delivery of an instrument appointing a proxy shall not preclude a Shareholder from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.