
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in the Company, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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CNNC INTERNATIONAL LIMITED

中核國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2302)

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

A notice convening the annual general meeting of CNNC International Limited to be held at Boardroom 6, Mezzanine Floor, Renaissance Hong Kong Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong on Friday, 31st May, 2013 at 2:30 p.m. is set out in Appendix IV of this circular. Whether or not you are able to attend the meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's head office in Hong Kong at Unit 2809, 28th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible but in any event not later than 48 hours before the time appointed for the holding of such meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude you from subsequently attending and voting in person at the annual general meeting or any adjourned meeting should you so wish.

30th April, 2013

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DEFINITIONS

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

“Adoption Date”	the date on which the conditions for adoption of the New Share Option Scheme as set out therein is fulfilled;
“AGM”	the annual general meeting of the Company to be held at Boardroom 6, Mezzanine Floor, Renaissance Hong Kong Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong on Friday, 31st May, 2013 at 2:30 p.m. or any adjournment thereof (as the case may be);
“AGM Notice”	the notice dated 30th April, 2013 convening the AGM as set out on pages 33 to 38 of this circular;
“Articles”	the Articles of Association of the Company;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“associated company”	has the meaning ascribed to it under the Takeovers Code;
“Board” or “Directors”	the board of directors of the Company;
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and any amendments or other statutory modifications thereof;
“Company”	CNNC International Limited, a company incorporated in the Cayman Islands whose shares are listed on the Stock Exchange (stock code: 2302);
“Connected person”	has the same meaning as defined in the Listing Rules;
“Eligible Employee”	any employee (whether full time or part time, including any executive director but excluding any non-executive director) of the Company, any Subsidiary or any Invested Entity;
“Eligible Participant(s)”	any person who satisfies the eligibility requirements in the New Share Option Scheme namely: (a) any Eligible Employee; (b) any non-executive directors (including independent non-executive directors) of the Company, any Subsidiary or any Invested Entity; (c) any supplier of goods or services to any member of the Group or any Invested Entity;

DEFINITIONS

	(d) any customer of the Group or any Invested Entity;
	(e) any person or entity that provides or will provide research, development or other technological support to the Group or any Invested Entity;
	(f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; and
	(g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity;
“Exercise Price”	the price per Share at which an Eligible Participant who accepts an offer of the grant of option in accordance with the terms of the New Share Option Scheme may subscribe for Shares on the exercise of an Option;
“Existing Share Option Scheme”	the Share Option Scheme adopted by the Company on 11th December, 2002 and expired on 11th December, 2012;
“General Mandate”	the proposed general mandate granted to the Directors to exercise all the powers of the Company to allot, issue and otherwise deal with new Shares not exceeding 20% of the issued share capital of the Company as at the date of passing the resolution approving the said mandate;
“General Scheme Limit”	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 scheme of the Group must not in aggregate exceed 10% of the Shares in issue as at the day of the passing of the relevant ordinary resolution approving the New Share Option Scheme;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Invested Entity”	any entity in which any member of the Group holds any equity interest;
“Latest Practicable Date”	24th April, 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular;

DEFINITIONS

“Listing Committee”	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“New Share Option Scheme”	the New Share Option Scheme of the Company to be proposed for adoption by the Company at the AGM, the principal terms of which are set out in Appendix III;
“Option(s)”	an option (if any) to subscribe for Shares granted or to be granted under the Existing Share Option Scheme or the New Share Option Scheme, as the context requires;
“Repurchase Mandate”	the proposed general mandate to the Directors to exercise the powers of the Company to purchase Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the passing of the resolution granting such mandate;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	the registered holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance (Cap. 32 of the Laws of Hong Kong)) of the Company, whether incorporated in Hong Kong or elsewhere;
“substantial shareholder(s)”	shall have the meaning ascribed to it under the Listing Rules;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases; and
“%”	per cent.



CNNC INTERNATIONAL LIMITED

中核國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2302)

Chairman and Non-executive Director:

Mr. Cai Xifu

Executive Directors:

Mr. Zhang Hongqing

Ms. Wang Ying

Non-executive Director:

Mr. Xu Shouyi

Independent Non-executive Directors:

Mr. Cheong Ying Chew Henry

Mr. Cui Liguao

Mr. Zhang Lei

Registered Office:

P.O. Box 309GT

Ugland House

South Church Street

Grand Cayman

Cayman Islands

*Head Office and Principal Place
of Business:*

Unit 2809, 28th Floor

China Resources Building

26 Harbour Road

Wanchai

Hong Kong

30th April, 2013

To the Shareholders

Dear Sir or Madam,

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

INTRODUCTION

The purpose of this circular is to give you information regarding the following resolutions to be proposed at the AGM to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions.

LETTER FROM THE BOARD

The resolutions include (i) the grant of the Repurchase Mandate; (ii) the grant of the General Mandate in respect of the Company's own fully paid up Shares and (iii) the re-election of directors and (iv) the adoption of the New Share Option Scheme of the Company.

REPURCHASE MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase issued shares in the share capital of the Company subject to the criteria set out in this circular. In particular, Shareholders should note that the maximum number of Shares that may be repurchased pursuant to the Repurchase Mandate will be such number which represents 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution subject to the Listing Rules. The Repurchase Mandate will end on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by the Companies Law or the Articles, or the date upon which such authority is revoked or varied by ordinary resolution of the Company in general meeting.

In accordance with the Listing Rules, the Company is required to send to the Shareholders an explanatory statement, which is set out in Appendix I to this circular.

GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to allot, issue and deal with further shares representing up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the resolution.

As at the Latest Practicable Date, the number of Shares in issue was 489,168,308. Subject to the passing of the resolution in relation to the General Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company would be allowed under the General Mandate to allot a maximum of 97,833,661 Shares, representing 20% of the issued share capital of the Company. The General Mandate will end on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by the Companies Law or the Articles, or the date upon which such authority is revoked or varied by ordinary resolution of the Company in general meeting.

Subject to the passing of the aforesaid ordinary resolutions of the Repurchase Mandate and the General Mandate, an ordinary resolution will also be proposed to authorise the Directors to issue new Shares in the share capital of the Company in an amount not exceeding the aggregate nominal amount of the Shares in the capital of the Company purchased pursuant to the Repurchase Mandate.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Details of the retiring directors who are proposed to be re-elected at the AGM pursuant to Article 112 of the Articles are provided in Appendix II to this circular.

PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME

Expiry of the Existing Share Option Scheme and Adoption of the New Share Option Scheme

The Existing Share Option Scheme allowing the Company to grant share options to eligible participants for the purpose of, among others, providing incentive or rewards to the eligible participants for their contribution to the Group, is valid and effective for a period of 10 years commencing on 11th December, 2002. Accordingly, the Existing Share Option Scheme expired on 11th December, 2012.

Under the Existing Share Option Scheme, the Board may offer Options to the eligible participants prescribed in the Existing Share Option Scheme in its absolute discretion. As at the Latest Practicable Date, the Company had not granted any Options, under the Existing Share Option Scheme. Accordingly, there were no outstanding Options as at the Latest Practicable Date.

Principal terms of the New Share Option Scheme

The Board proposes to the Shareholders to adopt the New Share Option Scheme at the AGM. A summary of the principal terms of the New Share Option Scheme is set out in Appendix III to this circular. This serves as a summary of the terms of the New Share Option Scheme but does not constitute the full terms of the same. A copy of the rules of the New Share Option Scheme is available for inspection at the principal place of business of the Company at Unit 2809, 28th Floor China Resources Building, 26 Harbour Road, Wanchai, Hong Kong during normal business hours for a 14-day period immediately preceding the AGM and at the venue of the AGM during the AGM.

The Company is not required to appoint any trustee for the purpose of administering the New Share Option Scheme. The New Share Option Scheme will be subject to administration of the Board. None of the Directors is or will be a trustee of the New Share Option Scheme or have a direct or indirect interest in any such trustee.

Reasons for adopting the New Share Option Scheme

The Existing Share Option Scheme expired on 11th December, 2012. The Directors consider that the New Share Option Scheme, which will be valid for ten years from the date of its adoption, will provide the Company with more flexibility in long term planning of granting of the Options to the Eligible Participants in a longer period in the future. The New Share Option Scheme also provides appropriate incentives or rewards to the Eligible Participants for their contributions or potential contributions to the Group. The purpose of the New Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees, directors, consultants, advisers and shareholders of the Group and to promote the success of the business of the Group.

LETTER FROM THE BOARD

The New Share Option Scheme also expressly provides that, the Board may, with respect to each grant of Options, determine the Exercise Price (being not less than the minimum price specified in the Listing Rules), the conditions precedent and any performance targets that apply to the Options. The Directors believe the New Share Option Scheme will provide the Board with flexibility in determining the applicable performance targets and any other conditions to which the specific grant of Options may be subject on a case-by-case basis, and thus will place the Group in a better position to attract human resources that are valuable to the long term growth and development of the Group.

Conditions of the New Share Option Scheme

The adoption of the New Share Option Scheme is conditional on:

- (i) the passing of an ordinary resolution at the AGM approving the adoption of the New Share Option Scheme, and authorising the Directors to grant Options thereunder and to allot and issue Shares pursuant to the exercise of any Option; and
- (ii) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, any new Shares which may be allotted and issued upon the exercise of the subscription rights attaching to the Options granted under the New Share Option Scheme up to the General Scheme Limit.

As at the Latest Practicable Date, there were 489,168,308 Shares in issue. Assuming that there are no further allotment of Shares from the Latest Practicable Date up to the date of approval of the New Share Option Scheme, Options to subscribe for 48,916,830 Shares may be issued under the New Share Option Scheme and any other schemes of the Company pursuant to Rule 17.03(3) of the Listing Rules, representing 10% of Shares in issue as at the date of approval of the New Share Option Scheme.

Value of the Options

The Directors consider it inappropriate to value all the options that can be granted under the New Share Option Scheme on the assumption that they were granted on the Latest Practicable Date as a number of factors crucial for the valuation cannot be determined. Such factors include the exercise period and the conditions, such as performance targets, if any, that an Option is subject to. With a scheme life of ten years, the Board is of the view that it is too premature to state whether or not Options will be granted under the New Share Option Scheme and, if so, the number of Options that may be granted. It is also difficult to ascertain with accuracy the Exercise Price given the volatility to which the price of Shares may be subject to during the ten-year life span of the New Share Option Scheme. Accordingly any valuation of the Options based on a large number of speculative assumptions would not be meaningful but would be misleading to the Shareholders.

LETTER FROM THE BOARD

Listing and dealings

Application has been made to the Listing Committee of the Stock Exchange for granting of listing of and permission to deal in the new Shares which may be issued and allotted pursuant to the New Share Option Scheme up to the General Scheme Limit. The Shares of the Company are only listed in the Stock Exchange and not on any other stock exchange.

ANNUAL GENERAL MEETING

A notice of the AGM is set out in Appendix IV to this circular. At the AGM, ordinary resolutions will be proposed to approve the Repurchase Mandate, the General Mandate, the re-election of Directors; and the adoption of the New Share Option Scheme of the Company.

VOTING BY POLL

Pursuant to Article 76 of the Articles, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded or unless a poll is required under the Listing Rules as amended from time to time. On 28th November, 2008, the Stock Exchange amended the Listing Rules to make voting by poll mandatory on all resolutions at general meetings of listed issuers. Therefore, resolutions of the AGM shall be decided by voting by poll.

RECOMMENDATION

The Directors are of opinion that the granting of the Repurchase Mandate, the General Mandate, the re-election of Directors and the adoption of the New Share Option Scheme of the Company as proposed therein are in the best interests of the Company and accordingly recommend all the Shareholders to vote in favour of the ordinary resolutions to be proposed at the AGM. As at the Latest Practicable Date, no Shareholder is required to abstain from voting under the Listing Rules in respect of any of the Resolution to be proposed at the AGM.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement contained herein misleading.

By order of the Board
CNNC International Limited
中核國際有限公司
Cai Xifu
Chairman

This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions to be proposed at the AGM in relation to the Repurchase Mandate.

1. PROPOSED SHARE REPURCHASE MANDATE

It is proposed that the Directors may exercise the powers of the Company to repurchase up to 10% of the Shares in issue as at the date of passing of the resolution to approve the granting to the Directors the Repurchase Mandate. At the Latest Practicable Date, the number of Shares in issue was 489,168,308 shares. Accordingly, the exercise of the Repurchase Mandate in full (being the repurchase of 10% of the Shares in issue as at the date of the passing of the resolution to approve the Repurchase Mandate) would enable the Company to repurchase 48,916,830 shares (assuming no Share is issued or repurchased after the Latest Practicable Date and up to the passing of the relevant resolution).

2. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders. Whilst it is not possible to anticipate in advance any specific circumstance in which the Directors might think it appropriate to repurchase Shares, they believe that an ability to do so would give the Company additional flexibility that would be beneficial to the Company and the Shareholders as such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Shareholders can be assured that the Directors would only make such purchases in circumstances where they consider them to be in the best interests of the Company.

3. FUNDING OF REPURCHASES

In making repurchases, the Company proposes to apply funds legally available for such purpose in accordance with its memorandum and articles of association, the Listing Rules and the Companies Law. Under the Companies Law, share repurchases by the Company may only be paid out of profits or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by the Articles and subject to the Companies Law, out of capital. Any premium payable on share repurchases may only be paid out of profits of the Company or out of the Company's share premium account, or, if so authorised by the Articles and subject to the Companies Law, out of capital. In accordance with the Companies Law, the shares so repurchased would remain part of the authorized but unissued share capital of the Company.

4. IMPACT OF REPURCHASE

On the basis of the consolidated financial position of the Company as at 31st December, 2012 (being the date to which the latest published audited financial statements of the Company have been made up) and in particular the working capital position of the Company at that time and the number of Shares now in issue, the Directors consider that there might be a material adverse impact on the working capital position and the gearing

position of the Company in the event that purchases of all the Shares were to be carried out in full during the Repurchase Mandate period. No repurchase would be made by the Company in circumstances that would have a material adverse impact on the working capital position or gearing position of the Company (as compared with the position disclosed in the latest published audited financial statements).

5. PRICE OF SHARES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous thirteen months up to the Latest Practicable Date were as follows:

	Share Price	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2012		
April	2.28	1.90
May	2.26	1.80
June	2.21	1.91
July	2.10	1.80
August	2.17	1.74
September	2.12	1.90
October	2.60	2.00
November	2.39	2.08
December	2.37	2.07
2013		
January	2.53	2.20
February	2.28	2.05
March	2.24	1.90
April (up to the Latest Practicable Date)	2.08	1.61

6. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the Articles of the Company and the Companies Law.

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their associates has any present intention to sell any Shares to the Company or its subsidiaries in the event that the Repurchase Mandate is approved by the Shareholders.

As at the Latest Practicable Date, no connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell his/her Shares to the Company or its subsidiaries, nor has he/she undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

7. 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 Rule 32 of the Takeovers Code. As a result, 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 Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the following Shareholder had interests representing 5% or more of the then issued share capital of the Company:

Name	No. of Shares held	Approximately % of total issued Shares
CNNC Overseas Uranium Holding Limited	326,372,273	66.72%

On the basis of the current shareholding of the Company, an exercise of the Repurchase Mandate in full will result in the increase of the shareholding of CNNC Overseas Uranium Holding Limited to approximately 74.13%. CNNC Overseas Uranium Holding Limited and its respective associates as acting in concert would not be obliged to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no intention to exercise the Repurchase Mandate on the Stock Exchange to such extent that would result in the amount of shares held by the public being reduced to less than such prescribed minimum percentage under the Listing Rules.

8. SHARE REPURCHASES MADE BY THE COMPANY

No repurchases of Shares have been made by the Company during the previous six months preceding the Latest Practicable Date, whether on the Stock Exchange or otherwise.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

As referred to in item 2 of the notice of AGM, Mr. Zhang Hongqing, Ms. Wang Ying, Mr. Cheong Ying Chew Henry and Mr. Cui Ligu (whose biographical details are set out below) will retire in accordance with Article 95 and 112. All retiring Directors, being eligible, offer themselves for re-election at the AGM.

EXECUTIVE DIRECTOR

Mr. Zhang Hongqing, aged 46, joined China National Nuclear Corporation (“CNNC”), the ultimate holding company of the Company, in 1991 and has substantial experience in asset management. Mr. Zhang had served the asset management division of CNNC (中國核工業集團公司資產經營部) as deputy general manager, CNNC Hainan Haiyuan Group Co., Ltd. (中核海南海原集團有限公司) as general manager, CNNC Huineng Co. Ltd. (中核匯能有限公司) as deputy general manager and China Isotope and Radiation Co. Ltd. (中國同輻股份有限公司) as a director. Mr. Zhang had also served as deputy department head, department head and deputy principal of China Institute for Radiation Protection (中國輻射防護研究院) within the group of CNNC. Mr. Zhang works concurrently as a director of Beijing Rixing Real Estate Co. Ltd. (北京日興房地產有限公司), a subsidiary of CNNC. Mr. Zhang graduated from Peking University in 1988 with a bachelor degree in Radioactive Chemistry, and from China Institute for Radiation Protection in 1991 with a master degree in Radiation Protection and Nuclear Safety.

Mr. Zhang was appointed as Executive Director and Chief Executive Officer on 1st September, 2012. He had entered into a service contract with the Company for a term of three years commencing 1st September, 2012 which shall continue thereafter until terminated by either party giving to the other party not less than three months prior written notice. Mr. Zhang is subject to the provisions of retirement by rotation and re-election under the Articles. His director’s fee and emoluments are to be determined by the Board with reference to his duties and responsibilities in the Company, the Company’s performance and prevailing market situation and to be authorized by the Shareholders at annual general meeting. For the four months ended 31st December, 2012, a director’s fee, emolument and other benefits of HK\$317,000 is payable to Mr. Zhang. His director’s fee and emolument before discretionary bonus for the year ending 31st December, 2013 is proposed to be HK\$630,000. Save as disclosed above and as a member of the Remuneration Committee and the Nomination Committee of the Company and a director of a number of companies within the Company’s group, Mr. Zhang does not hold any directorships in other listed public companies in the last three years preceding the Latest Practicable Date and he has not held any other position with the Company or any other member of the Company’s group.

Save as disclosed above, Mr. Zhang does not have any relationship with any other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Company and at the Latest Practicable Date, he did not have interests or deemed to be interested in any shares of the Company within the meaning of Part XV of the SFO.

**APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

EXECUTIVE DIRECTOR

Ms. Wang Ying, aged 40, joined CNNC in 2010 and has substantial experience in finance, management in economy and strategic planning. Before joining CNNC, Ms. Wang had served the Forecast Department of Economic and Information Center of Beijing Planning Commission (北京市計委經濟資訊中心預測部) as Deputy Director, Hong Yuan Security Ltd. (宏源證券股份有限公司) as Chief Macro-economy Analyst and Assistant to President, and worked in Research Center of City Development and Environment of Chinese Academy of Social Sciences (中國社會科學院城市發展與環境研究中心). Ms. Wang had served the planning department of Chinergy Nuclear Technical Co. Ltd. (中核能源科技有限公司) (jointly owned by China Nuclear Engineering Group Corporation (中國核工業建設集團公司) and Tsinghua University (清華大學)) as Manager and Assistant to President. During 2007 to 2010, Ms. Wang was seconded to China Atomic Energy Authority (原國防科工委系統二司) and National Energy Administration (國家能源局電力司). Ms. Wang had also served the Operating and Planning Department of CNNC (中國核工業集團公司規劃發展部) as director. Ms. Wang is currently the Secretary of China Nuclear Exploration and Design Association (中國核工業勘察設計協會). Ms. Wang graduated from Beijing Agricultural University with a bachelor degree in Agricultural Planning and Statistic in 1994. She obtained a doctor degree in Economic Management from China Agricultural University in 1999. She also obtained a post doctorate degree in Economy from Peking University in 2003. She was qualified as a senior economist.

Ms. Wang was appointed as Executive Director and Executive Vice President on 1st April, 2013. She had entered into a service contract with the Company for a term of three years commencing 1st April, 2013 which shall continue thereafter until terminated by either party giving to the other party not less than three months prior written notice. Ms. Wang is subject to the provisions of retirement by rotation and re-election under the Articles. Her director's fee and emoluments are to be determined by the Board with reference to her duties and responsibilities in the Company, the Company's performance and prevailing market situation and to be authorized by the Shareholders at annual general meeting. Her director's fee and emolument before discretionary bonus for the nine months ending 31st December, 2013 is proposed to be HK\$436,500. Save as disclosed above and as a director of a number of companies within the Company's group, Ms. Wang does not hold any directorships in other listed public companies in the last three years preceding the Latest Practicable Date and she has not held any other position with the Company or any other member of the Company's group.

Save as disclosed above, Ms. Wang does not have any relationship with any other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Company and at the Latest Practicable Date, she did not have interests or deemed to be interested in any shares of the Company within the meaning of Part XV of the SFO.

**APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

INDEPENDENT NON EXECUTIVE DIRECTOR

Mr. Cheong Ying Chew Henry, aged 65, currently serves as an Executive Director & Deputy Chairman of Worldsec Limited, a company listed on the London Stock Exchange. Mr. Cheong also serves as an independent non-executive director of Cheung Kong (Holdings) Limited (stock code: 0001), Hutchison Telecommunications Hong Kong Holdings Limited (stock code: 215), New World Department Store China Limited (stock code: 825), SPG Land (Holdings) Limited (stock code: 337), Cheung Kong Infrastructure Holdings Limited (stock code: 1038), TOM Group Limited (stock code: 2383), all being companies listed on the Main Board of the Stock Exchange. He is also an independent non-executive director of Creative Energy Solutions Holdings Limited (stock code: 8109), and was an independent non-executive director of Excel Technology International Holdings Limited (stock code: 8048), all being companies listed on the GEM Board of the Stock Exchange. He is an independent non-executive director of BTS Group Holdings Public Company Limited, a Company listed on The Stock Exchange of Thailand. Mr. Cheong has over 30 years of experience in securities industry. He is also a member of the Securities and Futures Appeals Tribunal, a member of the Advisory Committee of the Securities and Futures Commission and a member of the Disciplinary Panel A of Hong Kong Institute of Certified Public Accountants. Mr. Cheong holds a Bachelor of Science (mathematics) degree from Chelsea College, University of London and a Master of Science (Operational Research and Management) degree from Imperial College, University of London.

Mr. Cheong was initially appointed as Independent Non-executive Director on 5th November, 2008. He had entered into a service contract with the Company for a term of three years commencing 12th November, 2011 which shall continue thereafter until terminated by either party giving to the other party not less than three months prior written notice. He is subject to the provisions of retirement by rotation and re-election under the Articles. His director's fee is to be determined by the Board with reference to his duties and responsibilities in the Company, the Company's performance and prevailing market situation and to be authorized by the Shareholders at annual general meeting. For the year ended 31st December, 2012, a director's fee of HK\$200,000 is payable to Mr. Cheong. His director's fee for the year ending 31st December, 2013 is proposed to be HK\$200,000. Save as disclosed above and as the chairman of the Audit Committee, a member of the Remuneration Committee and Nomination Committee of the Company, Mr. Cheong does not hold any directorships in other listed public companies in the last three years preceding the Latest Practicable Date and he has not held any other position with the Company or any other member of the Company's group.

Save as disclosed above, Mr. Cheong does not have any relationship with any other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Company and at the Latest Practicable Date, he did not have interests or deemed to be interested in any shares of the Company within the meaning of Part XV of the SFO.

**APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

INDEPENDENT NON EXECUTIVE DIRECTOR

Mr. Cui Ligu**o**, aged 43, is currently a partner of Guantao Law Firm, a law firm in Beijing, PRC. He has been practising law since 1993. Mr. Cui founded Guantos Law Firm in 1994. He has over 18 years of experience in legal sector. Mr. Cui is also an independent non-executive director of APT Satellite Holdings Limited (stock code: 01045), a company listed on the Main Board of the Stock Exchange, independent director of SDIC Xinji Energy Co., Ltd (國投新集能源股份有限公司) (stock code: 6019189) and China National Software & Service Co., Ltd. (中國軟件及技術服務股份有限公司) (Stock code: 600536), both companies listed on the Shanghai Stock Exchange and an independent director of SUFA Technology Industry Co., Ltd. CNNC (中核蘇閩科技實業股份有限公司) (stock code: 000777), and Beijing NavInfo Co., Ltd. (北京四維圖新科技股份有限公司) (Stock code: 002405), both companies being listed on the Shenzhen Stock Exchange. He is also a member of the Finance & Securities Committee of All China Lawyers Association; a vice general secretary of the Chamber of Financial Street; and the legal counselor in the internal control group of securities issuing of Guodu Securities Limited, Bohai Securities Co., Ltd. and China Investment Securities Co., Ltd. Mr. Cui was an independent director of UBS SDIC Fund Management Co., Ltd. (國投瑞銀基金管理有限公司). Mr. Cui graduated from the China University of Political Science and Law with a bachelor degree in laws in 1991. He also holds a master degree in laws from the same university.

Mr. Cui was initially appointed as Independent Non-executive Director on 5th November, 2008. He had entered into a service contract with the Company for a term of three years commencing 12th November, 2011 which shall continue thereafter until terminated by either party giving to the other party not less than three months prior written notice. He is subject to the provisions of retirement by rotation and re-election under the Articles. His director's fee is to be determined by the Board with reference to his duties and responsibilities in the Company, the Company's performance and prevailing market situation and to be authorized by the Shareholders at annual general meeting. For the year ended 31st December, 2012, a director's fee of HK\$200,000 is payable to Mr. Cui. His director's fee for the year ending 31st December, 2013 is proposed to be HK\$200,000. Save as disclosed above and as the chairman of the Remuneration Committee, a member of the Audit Committee and Nomination Committee of the Company, Mr. Cui does not hold any directorships in other listed public companies in the last three years preceding the Latest Practicable Date and he has not held any other position with the Company or any other member of the Company's group.

Save as disclosed above, Mr. Cui does not have any relationship with any other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Company and at the Latest Practicable Date, he did not have interests or deemed to be interested in any shares of the Company within the meaning of Part XV of the SFO.

1. DEFINITIONS

1.1 In this Scheme the following expressions shall have the following meanings:

“Adoption Date”	the date on which this Scheme is adopted upon fulfillment of the condition set out in paragraph 2.1;
“associate”	shall bear the meaning as defined in the Listing Rules;
“Auditors”	the auditors for the time being of the Company;
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities;
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands;
“Company”	CNNC International Limited, a company incorporated in the Cayman Islands under the Companies Law as an exempted company;
“Directors”	the directors of the Company for the time being or a duly authorized committee thereof;
“Eligible Employee”	any employee (whether full time or part time, including any executive director but excluding any non-executive director) of the Company, any Subsidiary or any Invested Entity;
“Eligible Participant(s)”	the person(s) who may be invited by the Directors to take up Options as referred to in paragraph 4.1, and “Eligible Participant” shall be construed accordingly;
“Exercise Price”	the price per Share at which a Grantee may subscribe for the Shares on the exercise of an Option pursuant to paragraph 6;
“General Scheme Limit”	the total number of Shares which may be issued upon exercise of all Options to be granted under this Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the Shares in issue as at the day of the passing of the relevant ordinary resolution approving this Scheme;
“Grantee”	any Eligible Participant who accepts the Offer in accordance with the terms of this Scheme or (where the context so permits and as referred to in paragraph 6.4(a)) his Personal Representative;
“Group”	the Company and the Subsidiaries;

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Invested Entity”	any entity in which any member of the Group holds any equity interest;
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange;
“Offer”	an offer for the grant of an Option made in accordance with paragraph 4.4;
“Offer Date”	the date, which must be a Business Day, on which an Offer is made to an Eligible Participant;
“Option”	an option to subscribe for the Shares granted pursuant to this Scheme;
“Option Period”	in respect of any particular Option, a period (which may not expire later than 10 years from the Offer Date of that Option) to be determined and notified by the Directors to the Grantee thereof and, in the absence of such determination, from the date of acceptance of the Offer of such Option to the earlier of the date on which such Option lapses under the provisions of paragraph 7 or 10 years from the Offer Date of that Option;
“Personal Representative(s)”	the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee (being an individual), is or are entitled to exercise the Option granted to such Grantee (to the extent not already exercised);
“Scheme”	this Share Option Scheme in its present form or as may be amended in accordance with paragraph 13;
“Shares”	shares of \$0.01 each of the Company, or, if there has been a sub-division, consolidation, re-classification or re-construction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company of such other nominal amount as shall result from any such sub-division, consolidation, reclassification or re-construction;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited or other principal stock exchange in Hong Kong for the time being or such other stock exchange which is the principal stock exchange (as determined by the Directors) on which the Shares are for the time being listed or traded;

“Subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance (Cap.32 of the Laws of Hong Kong)) of the Company, whether incorporated in Hong Kong, the Cayman Islands or elsewhere;
“Termination Date”	close of business of the Company on the date which falls ten (10) years after the Adoption Date;
“\$”	Hong Kong dollars; and
“%”	per cent.

1.2 In this Scheme:

- (a) paragraph headings are for ease of reference only and shall be ignored in construing this Scheme;
- (b) references to paragraphs or sub-paragraphs are references to paragraphs or sub-paragraphs hereof;
- (c) words importing the singular include the plural and vice versa;
- (d) words importing one gender include both genders and the neuter and vice versa;
- (e) references to persons include bodies corporate and unincorporated;
- (f) references to any statutory provisions or rules prescribed by any statutory bodies shall include the same as from time to time amended, consolidated and re-enacted; and
- (g) references to any statutory body shall include the successor thereof and any body established to replace or assume the functions of the same.

2. CONDITIONS

2.1 This Scheme is conditional upon:

- (a) the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in any Shares representing the General Scheme Limit to be allotted and issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of this Scheme; and
- (b) the passing of the necessary resolution to approve and adopt this Scheme in general meeting or by way of written resolution of the shareholder(s) of the Company.

- 2.2 If the conditions referred to in paragraph 2.1 are not satisfied on or before the date falling 60 days after the date of this circular in connection with its application for listing of the Shares on the Stock Exchange, this Scheme shall forthwith determine and no person shall be entitled to any rights or benefits or be under any obligations under or in respect of this Scheme.
- 2.3 Reference in paragraph 2.1 to the Listing Committee of the Stock Exchange formally granting the listing and permission referred to therein shall include any such listing and permission which are granted subject to the fulfillment of any condition precedent.
- 2.4 A certificate of a director of the Company that the conditions set out in paragraph 2.1 have been satisfied and the date on which such conditions were satisfied or that such conditions have not been satisfied as of any particular date and the exact date of the “Adoption Date” shall be conclusive evidence of the matters certified.

3. PURPOSE AND ADMINISTRATION

- 3.1 The purpose of this Scheme is to enable the Group to grant Options to the Eligible Participants as incentives or rewards for their contribution to the Group.
- 3.2 This Scheme shall be subject to the administration of the Directors whose decision on all matters arising in relation to this Scheme or their interpretation or effect shall (save for the grant of Options referred to in paragraph 4.2 which shall be approved in the manner referred to therein and save as otherwise provided herein) be final and binding on all persons who may be affected thereby and any Options granted prior thereto but not yet exercised shall continue to be valid and exercisable in accordance with this Scheme.
- 3.3 Subject to paragraphs 2 and 14, this Scheme shall be valid and effective until the Termination Date, after which period no further Options may be issued but the provisions of this Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options granted or exercised prior thereto or otherwise as may be required in accordance with the provisions of this Scheme.
- 3.4 A Grantee shall ensure that the acceptance of an Offer, the holding and exercise of his Option in accordance with this Scheme, the allotment and issue of Shares to him upon the exercise of his Option and the holding of such Shares are valid and comply with all laws, legislation and regulations including all applicable exchange control, fiscal and other laws to which he is subject. The Directors may, as a condition precedent of making an Offer and allotting and issuing Shares upon an exercise of an Option, require an Eligible Participant to produce such evidence as it may reasonably require for such purpose.

4. GRANT OF OPTIONS

4.1 Subject to paragraph 4.2, the Directors shall, in accordance with the provisions of this Scheme, be entitled but shall not be bound at any time within a period of ten (10) years commencing from the Adoption Date to make an Offer to any person belonging to the following classes of participants to subscribe, and no person other than the Eligible Participant named in such Offer may subscribe for such number of Shares (being a board lot for dealings in the Shares on the Stock Exchange or an integral multiple thereof) at such Exercise Price as the Directors shall, subject to paragraph 9, determine:

- (a) any Eligible Employee;
- (b) any non-executive directors (including independent non-executive directors) of the Company, any Subsidiary or any Invested Entity;
- (c) any supplier of goods or services to any member of the Group or any Invested Entity;
- (d) any customer of the Group or any Invested Entity;
- (e) any person or entity that provides or will provide research, development or other technological support to the Group or any Invested Entity;
- (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; and
- (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity. and, for the purposes of this Scheme, the Offer may be made to any company wholly owned by one or more Eligible Participants. For the avoidance of doubt, the grant of any options by the Company for the subscription of Shares or other securities of the Group to any person who falls within any of the above classes of Eligible Participants shall not, by itself, unless the Directors otherwise determined, be construed as a grant of Option under this Scheme.

4.2 The making of an Offer to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors (excluding any non-executive Director who or whose associate is the proposed Grantee of an Option).

4.3 The eligibility of any of the Eligible Participants to an Offer shall be determined by the Directors from time to time on the basis of their contribution to the development and growth of the Group.

- 4.4 An Offer shall be made to an Eligible Participant in writing (and unless so made shall be invalid) in such form as the Directors may from time to time determine, either generally or on a case-by-case basis, specifying the number of Shares and the Option Period in respect of which the Offer is made and further requiring the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of this Scheme and shall remain open for acceptance by the Eligible Participant concerned (and by no other person) for a period of up to 21 days from the Offer Date.
- 4.5 An Offer shall state, in addition to the matters specified in paragraph 4.4, the following:
- (a) the name, address and position of the Eligible Participant;
 - (b) the number of Shares in respect of which the Offer is made and the Exercise Price for such Shares;
 - (c) the Option Period in respect of which the Offer is made or, as the case may be, the Option Period in respect of separate parcels of Shares comprised in the Offer;
 - (d) the last date by which the Offer must be accepted (which may not be later than 21 days from the Offer Date);
 - (e) the procedure for acceptance;
 - (f) the performance target(s) (if any) that must be attained by the Eligible Participant before any Option can be exercised;
 - (g) such other terms and conditions of the Offer as may be imposed by the Directors which in their opinion are fair and reasonable and as are not inconsistent with this Scheme; and
 - (h) a statement requiring the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of this Scheme including, without limitation, the conditions specified in paragraphs 3.4, 6.1, 15.8 to 15.11, inclusive.
- 4.6 An Offer shall have been accepted by an Eligible Participant in respect of all Shares which are offered to such Eligible Participant when the duplicate letter comprising acceptance of the Offer duly signed by the Eligible Participant together with a remittance in favour of the Company of \$1.00 by way of consideration for the grant thereof is received by the Company within such time as may be specified in the Offer (which shall not be later than 21 days from the Offer Date). Such remittance shall in no circumstances be refundable.

- 4.7 Any Offer may be accepted by an Eligible Participant in respect of less than the number of Shares which are offered provided that it is accepted in respect of a board lot for dealing in the Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate letter comprising acceptance of the Offer duly signed by such Eligible Participant and received by the Company together with a remittance in favour of the Company of \$1.00 by way of consideration for the grant thereof within such time as may be specified in the Offer (which may not be later than 21 days from the Offer Date). Such remittance shall in no circumstances be refundable.
- 4.8 Upon an Offer being accepted by an Eligible Participant in whole or in part in accordance with paragraphs 4.6 or 4.7, an Option in respect of the number of Shares in respect of which the Offer was so accepted will be deemed to have been granted by the Company to such Eligible Participant on the date of such acceptance. To the extent that the Offer is not accepted within the time specified in the Offer in the manner indicated in paragraph 4.6 or 4.7, it will be deemed to have been irrevocably declined.
- 4.9 The Option Period of an Option may not end later than ten (10) years after the Offer Date of that Option.
- 4.10 Options will not be listed or dealt in on the Stock Exchange.
- 4.11 For so long as the Shares are listed on the Stock Exchange:
- (a) an Offer may not be made by the Company after an inside information has come to its knowledge until such inside information has been announced in accordance with the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of:
 - (i) the date of the board meeting (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, quarter or any other interim period (whether or not required under the Listing Rules);
 - (ii) the deadline for the Company to publish an announcement of its results of any year, half-year, quarter or any other interim period (whether or not required under the Listing Rules), and ending on the actual date of the publication of results announcement, no Offer may be made;
 - (b) the Directors may not make any Offer to an Eligible Participant who is a Director during the periods or times in which the Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Companies prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

5. EXERCISE PRICE

- 5.1 The Exercise Price in respect of any Option shall, subject to any adjustments made pursuant to paragraph 9, be at the discretion of the Directors, provided that it shall be not less than the highest of:
- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date;
 - (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the Offer Date; or
 - (c) the nominal value of a Share on the Offer Date.

6. EXERCISE OF OPTIONS

- 6.1 An Option shall be personal to the Grantee and shall not be transferable or assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest whatsoever in favour of any third party over or in relation to any Option or enter into any agreement so to do. Any breach of the foregoing by a Grantee shall entitle the Company to cancel any Option granted to such Grantee to the extent not already exercised.
- 6.2 Unless otherwise determined by the Directors and stated in the Offer to a Grantee, a Grantee is not required to achieve any performance targets before the exercise of an Option granted to him.
- 6.3 Subject to paragraphs 3.4 and 15.8 and the fulfillment of all terms and conditions set out in the Offer, including the attainment of any performance targets stated therein, an Option shall be exercisable in whole or in part in the circumstances and in the manner as set out in paragraphs 6.4 and 6.5 by giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is so exercised (which, except where the number of Shares in respect of which the Option remains unexercised is less than one board lot or where the Option is exercised in full, must be for a board lot for dealings in Shares on the Stock Exchange or an integral multiple thereof). Each such notice must be accompanied by a remittance for the full amount of the Exercise Price for Shares in respect of which the notice is given. Within 21 days (7 days in the case of an exercise pursuant to paragraph 6.4(c)) after receipt of the notice and, where appropriate, receipt of the certificate of the Auditors or the independent financial advisers pursuant to paragraph 9, the Company shall accordingly allot and issue the relevant number of Shares to the Grantee (or, in the event of an exercise of Option by a Personal Representative pursuant to paragraph 6.4(a), to the estate of the Grantee) fully paid and issue to the Grantee (or his estate in the event of any

exercise by his Personal Representative as aforesaid) a share certificate for every board lot of Shares so allotted and issued and a share certificate for the balance (if any) of the Shares so allotted which do not constitute a board lot.

6.4 Subject as hereinafter provided, an Option may only be exercised by the Grantee at any time or times during the Option Period provided that:

- (a) if the Grantee is an Eligible Employee and in the event of his ceasing to be an Eligible Employee by reason of his death, ill-health or retirement in accordance with his contract of employment before exercising the Option in full, his Personal Representative(s) or, as appropriate, the Grantee may exercise the Option (to the extent not already exercised) in whole or in part in accordance with the provisions of paragraph 6.3 within a period of 12 months following the date of cessation of employment which date shall be the last day on which the Grantee was at work with the Company or the relevant Subsidiary or the Invested Entity whether salary is paid in lieu of notice or not, or such longer period as the Directors may determine or, if any of the events referred to in paragraph 6.4(c) or 6.4(d) occur during such period, exercise the Option pursuant to paragraph 6.4(c) or 6.4(d) respectively;
- (b) If the Grantee is an Eligible Employee and in the event of his ceasing to be an Eligible Employee for any reason other than his death, ill-health or retirement in accordance with his contract of employment or the termination of his employment on one or more of the grounds specified in paragraph 7.1(d) before exercising the Option in full, the Option (to the extent not already exercised) shall lapse on the date of cessation or termination and not be exercisable unless the Directors otherwise determine in which event the Grantee may exercise the Option (to the extent not already exercised) in whole or in part in accordance with the provisions of paragraph 6.3 within such period as the directors may determine following the date of such cessation or termination or, if any of the events referred to in sub-paragraph 6.4(c) or 6.4(d) occur during such period, exercise the Option pursuant to paragraph 6.4(c) or 6.4(d) respectively. The date of cessation or termination as aforesaid shall be the last day on which the Grantee was actually at work with the Company or the relevant Subsidiary or the Invested Entity whether salary is paid in lieu of notice or not;
- (c) if a general or partial offer, whether by way of take-over offer, share repurchase offer, or scheme of arrangement or statutory merger or otherwise in like manner is made to all the holders of the Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the Grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Options granted to them, shareholders

of the Company. If such offer becomes or is declared unconditional or such scheme of arrangement or statutory merger is formally proposed to shareholders in the Company, the Grantee shall, notwithstanding any other terms on which his Options were granted, be entitled to exercise the Option (to the extent not already exercised) to its full extent or to the extent specified in the Grantee's notice to the Company in accordance with the provisions of paragraph 6.3 at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under scheme of arrangement, as the case may be;

- (d) in the event of a resolution being proposed for the voluntary winding-up of the Company during the Option Period, the Grantee may subject to the provisions of all applicable laws, by notice in writing to the Company at any time not less than two (2) Business Days prior to the date on which such resolution is to be considered and/or passed, exercise his Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of paragraph 6.3 and the Company shall allot and issue to the Grantee the Shares in respect of which such Grantee has exercised his Option not less than one (1) day before the date on which such resolution is to be considered and/or passed whereupon he shall accordingly be entitled, in respect of the Shares falling to be allotted and issued upon the exercise of his Option, to participate in the distribution of the assets of the Company available in liquidation *pari passu* with the holders of the Shares in issue on the day prior to the date of such resolution. Subject thereto, all Option then outstanding shall lapse and determine on the commencement of the winding up; and

- 6.5 Shares to be allotted and issued upon the exercise of an Option will be subject to all the provisions of the articles of association of the Company for the time being in force and will rank *pari passu* in all respects with the then existing fully paid Shares in issue on the date on which the Option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members ("Exercise Date") and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefore shall be before the Exercise Date. A Share allotted and issued upon the exercise of an Option shall not carry voting rights until the name of the Grantee has been duly entered on the register of members of the Company as the holder thereof.
- 6.6 There is no minimum period for which an Option must be held before an Option can be exercised.

7. EARLY TERMINATION OF OPTION PERIOD

7.1 The Option Period in respect of any Option shall automatically terminate and that Option (to the extent not already exercised) shall lapse on the earliest of:

- (a) the expiry of the Option Period;
- (b) the expiry of any of the periods referred to in paragraph 6.4;
- (c) the date of commencement of the winding-up of the Company;
- (d) in respect of a Grantee who is Eligible Employee, the date on which the Grantee ceases to be an Eligible Employee by reason of a termination of his employment on the grounds that he has been guilty of persistent or serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Grantee or the Group into disrepute);
- (e) in respect of a Grantee other than an Eligible Employee, the date on which the Directors shall at their absolute discretion determine that (i) the Grantee or his associate has committed any breach of any contract entered into between the Grantee or his associate on the one part and the Group or any Invested Entity on the other part or that the Grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; and (ii) the Option shall lapse; and
- (f) the date on which the Directors shall exercise the Company's right to cancel the Option by reason of a breach of paragraph 6.1 by the Grantee in respect of that or any other Option.

7.2 A resolution of the Directors to the effect that the employment of a Grantee has or has not been terminated on one or more of the grounds specified in paragraph 7.1(d) or that any event referred to in paragraph 7.1(e)(i) has occurred shall be conclusive and binding on all persons who may be affected thereby.

8. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

8.1 The maximum number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under this Scheme and any other share option schemes adopted by the Group shall not exceed 30% of the share capital of the Company in issue from time to time. No options may be granted under this Scheme or any other share option scheme adopted by the Group if the grant of such option will result in the limit referred to in this paragraph 8.1 being exceeded.

- 8.2 The total number of Shares which may be allotted and issued upon exercise of all Options (excluding, for this purpose, Options which have lapsed in accordance with the terms of this Scheme and any other share option scheme of the Group) to be granted under this Scheme and any other share option scheme of the Group must not in aggregate exceed the General Scheme Limit provided that:
- (a) subject to paragraph 8.1 and without prejudice to paragraph 8.2(b), the Company may seek approval of its shareholders in general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be issued upon exercise of all Options to be granted under this Scheme and any other share option scheme of the Group must not exceed 10% of the Shares in issue as at the date of approval of the limit and for the purpose of calculating the limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with this Scheme and any other share option scheme of the Group) previously granted under this Scheme and any other share option scheme of the Group will not be counted; and
 - (b) subject to paragraph 8.1 and without prejudice to paragraph 8.2(a), the Company may seek separate shareholders' approval in general meeting to grant Options under this Scheme beyond the General Scheme Limit or, if applicable, the extended limit referred to in paragraph 8.2(a) to Eligible Participants specifically identified by the Company before such approval is sought.
- 8.3 Subject to paragraph 8.4, the total number of Shares issued and which may fall to be issued upon exercise of the Options and the options granted under any other share option scheme of the Group (including both exercised or outstanding options) to each Grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Where any further grant of Options to a Grantee under this Scheme would result in the Shares issued and to be issued upon exercise of all Options granted and proposed to be granted to such person (including exercised, cancelled and outstanding options) under this Scheme and any other share option schemes of the Group in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant must be separately approved by shareholders of the Company in general meeting with such Grantee and his associates abstaining from voting and the number and terms (including the Exercise Price) of Options to be granted to such person must be fixed prior to the approval by the shareholders of the Company.
- 8.4 Any grant of options under this Scheme to a Director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the Grantee). Where any grant of Options to a substantial shareholder or an independent non-executive Director 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 and outstanding) to such person in the 12-month period up to and including the date of such grant:

- (a) representing in aggregate over 0.1% of the Shares in issue; and
- (b) having an aggregate value, based on the closing price of the Shares at the Offer Date of each Offer, in excess of \$5 million;

such further grant of options must be approved by shareholders of the Company in general meeting. The Company shall send a circular to the Shareholders containing all information as required under the Listing Rules in this regard. All connected persons (as defined in the Listing Rules) of the Company shall abstain from voting (except where any connected person intends to vote against the proposed grant and his/her intention to do so has been stated in the aforesaid circular).

8.5 For the purpose of seeking the approval of the shareholders of the Company under paragraphs 8.2, 8.3 and 8.4, the Company must send a circular to the shareholders containing the information required under the Listing Rules and where the Listing Rules shall so require, the vote at the shareholders' meeting convened to obtain the requisite approval shall be taken on a poll with those persons required under the Listing Rules abstaining from voting.

8.6 Any change in the terms of options granted to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates must be approved by the shareholders of the Company in general meeting.

9. ADJUSTMENTS TO THE EXERCISE PRICE

9.1 In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable or this Scheme remains in effect, and such event arises from a capitalization of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital of the Company then, in any such case the Company shall instruct the Auditors or an independent financial adviser to certify in writing the adjustment, if any, that ought in their opinion fairly and reasonably to be made either generally or as regards any particular Grantee, to:

- (a) the number or nominal amount of Shares to which this Scheme or any Option(s) relates (insofar as it is/they are unexercised); and/or
- (b) the Exercise Price of any Option; and/or

- (c) (unless the relevant Grantee elects to waive such adjustment) the number of Shares comprised in an Option or which remain comprised in an Option, and an adjustments as so certified by the Auditors or such independent financial adviser shall be made, provided that:
- (a) any such adjustment shall give the Grantee the same proportion of the issued share capital of the Company for which such Grantee would have been entitled to subscribe had he exercised all the Options held by him immediately prior to such adjustment;
 - (b) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value;
 - (c) the issue of Shares or other securities of the Group as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment.

In respect of any adjustment referred to in this paragraph 9.1, other than any adjustment made on a capitalization issue, the Auditors or such independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules.

- 9.2 If there has been any alteration in the capital structure of the Company as referred to in paragraph 9.1, the Company shall, upon receipt of a notice from a Grantee in accordance with paragraph 6.3, inform the Grantee of such alteration and shall either inform the Grantee of the adjustment to be made in accordance with the certificate of the Auditors or the independent financial adviser obtained by the Company for such purpose or, if no such certificate has yet been obtained, inform the Grantee of such fact and instruct the Auditors or the independent financial adviser as soon as practicable thereafter to issue a certificate in that regard in accordance with paragraph 9.1.
- 9.3 (a) In giving any certificate under this paragraph 9, the Auditors or the independent financial adviser appointed under paragraph 9.1 shall be deemed to be acting as experts and not as arbitrators and their certificate shall, in the absence of manifest error, be final, conclusive and binding on the Company and all persons who may be affected thereby.
- (b) Where the Company cancels any Option granted to a Grantee but not exercised and issues new Option(s) to the same Grantee, the issue of such new Option(s) may only be made with available unissued Options (excluding, for this purpose, the Options so cancelled) within the General Scheme Limit or the limits approved by the Shareholders pursuant to paragraph 8.2(a) or 8.2(b).

10. CANCELLATION OF OPTIONS

Subject to paragraph 6.1 and Chapter 17 of the Listing Rules, any Option granted but not exercised may not be cancelled except with the prior written consent of the relevant grantee and the approval of the Directors.

11. SHARE CAPITAL

The exercise of any Option shall be subject to the members of the Company in general meeting approving any necessary increase in the authorized share capital of the Company. Subject thereto, the Directors shall make available sufficient authorized but unissued share capital of the Company to allot and issue the Shares on the exercise of any Option.

12. DISPUTES

Any dispute arising in connection with the number of Shares the subject of an Option, or any adjustment under paragraph 9.1 shall be referred to the decision of the Auditors who shall act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final, conclusive and binding on all persons who may be affected thereby.

13. ALTERATION OF THIS SCHEME

13.1 Subject to paragraphs 13.2 and 13.4 this Scheme may be altered in any respect by a resolution of the Directors except that:

- (a) the provisions of this Scheme as to the definitions of “Eligible Participants”, “Grantee”, “Option Period” and “Termination Date” in paragraph 1.1;
- (b) the provisions of this Scheme relating to the matters governed by Rule 17.03 of the Listing Rules;

shall not be altered to the advantage of Grantees or prospective Grantees except with the prior sanction of a resolution of the Company in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the holders of the Shares under the articles of association for the time being of the Company for a variation of the rights attached to the Shares.

13.2 Subject to paragraph 13.3, any alterations to the terms and conditions of this Scheme which are of a material nature shall be approved by the shareholders of the Company except where the alterations take effect automatically under the existing terms of this Scheme.

13.3 Any change to the authority of the Directors or the administrators of this Scheme in relation to any alteration to the terms of this Scheme must be approved by the shareholders of the Company in general meeting.

13.4 The terms of this Scheme and/or any Options amended pursuant to this paragraph 13 must comply with the applicable requirements of the Listing Rules.

14. TERMINATION

The Company by resolution in general meeting may at any time terminate the operation of this Scheme and in such event no further Options will be offered but in all other respects the provisions of this Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options (to the extent not already exercised) granted prior thereto or otherwise as may be required in accordance with the provisions of this Scheme and Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with this Scheme.

15. MISCELLANEOUS

15.1 This Scheme shall not form part of any contract of employment between the Company, any Subsidiary or any Invested Entity and any Eligible Employee and the rights and obligations of any Eligible Employee under the terms of his office or employment shall not be affected by his participation in this Scheme or any right which he may have to participate in it and this Scheme shall afford such an Eligible Employee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.

15.2 This Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company.

15.3 The Company shall bear the costs of establishing and administering this Scheme, including any costs of the Auditors or any independent financial adviser in relation to the preparation of any certificate by them or provision of any other service in relation to this Scheme.

15.4 A Grantee shall be entitled to receive copies of all notices and other documents sent by the Company to holders of the Shares at the same time or within a reasonable time of any such notices or documents being sent to holders of Shares.

15.5 Any notice or other communication between the Company and a Grantee may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its principal place of business in Hong Kong and, in the case of the Grantee, his address in Hong Kong as notified to the Company from time to time or, if none or incorrect or out of date, his last place of employment with the Company or the Company's principal place of business in Hong Kong from time to time.

15.6 Any notice or other communication if sent by the Grantee shall be irrevocable and shall not be effective until actually received by the Company.

- 15.7 Any notice or other communication if sent to the Grantee shall be deemed to be given or made:
- (a) one (1) day after the date of posting, if sent by mail; and
 - (b) when delivered, if delivered by hand.
- 15.8 A Grantee shall, before accepting an Offer or exercising his Option, obtain all necessary consents that may be required to enable him to accept the Offer or to exercise the Option and the Company to allot and issue to him in accordance with the provisions of this Scheme the Shares falling to be allotted and issued upon the exercise of his Option. By accepting an Offer or exercising his Option, the Grantee thereof is deemed to have represented to the Company that he has obtained all such consents. Compliance with this paragraph shall be a condition precedent to an acceptance of an Offer by a Grantee and an exercise by a Grantee of his Options.
- 15.9 A Grantee shall pay all tax and discharge all other liabilities to which he may become subject as a result of his participation in this Scheme or the exercise of any Option.
- 15.10 By accepting an Offer, an Eligible Participant shall be deemed irrevocably to have waived any entitlement, by way of compensation for loss of office or otherwise howsoever, to any sum or other benefit to compensate him for loss of any rights under this Scheme.
- 15.11 This Scheme and all Options granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong.

**CNNC INTERNATIONAL LIMITED****中核國際有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2302)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of CNNC International Limited (the “Company”) will be held at Boardroom 6, Mezzanine Floor, Renaissance Hong Kong Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong on Friday, 31st May, 2013 at 2:30 p.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements of the Company and the Reports of the Directors and the Auditors for the year ended 31st December, 2012;
2. To re-elect the retiring directors and authorize the Board of Directors to fix the directors’ remuneration;
3. To re-appoint the Auditors and to authorize the Board of Directors to fix their remuneration;
4. To consider and, if thought fit, pass with or without amendments the following resolutions as Ordinary Resolutions:

4A. “THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase issued shares of the Company of HK\$0.01 each on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time (the “Listing Rules”) be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) shall be in addition to any other authorizations given to the Directors and shall authorize the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its shares at a price determined by the Directors;
- (c) the aggregate nominal amount of the shares of the Company to be repurchased by the Directors of the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- i. the conclusion of the next annual general meeting of the Company; or
- ii. the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of the Company to be held; or
- iii. the date upon which the authority set out in this resolution is revoked or varied by way of an ordinary resolution of the shareholders of the Company in general meeting.”

4B. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and otherwise deal with additional ordinary shares of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above, shall be in addition to any other authorizations given to the Directors of the Company and shall authorize the Directors during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversation 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, issued or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below); or (ii) the exercise of any options granted under the share option scheme or similar arrangement for the time being adopted or to be adopted for the grant or issue to officers and/or employees of the Company and/or its subsidiaries, of options to subscribe for, or rights to acquire shares of the Company approved by the Stock Exchange; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- i. the conclusion of the next general meeting of the Company; or
- ii. the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of the Company to be held; or
- iii. the date upon which the authority set out in this resolution is revoked or varied by way of an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means the allotment, issue or grant of shares open for a period fixed by the Directors to holders of the shares or any class of shares thereof on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

4C. “THAT:

Conditional upon the passing of Resolutions Nos. 4A and 4B, the general mandate granted to the Directors of the Company pursuant to Resolution No. 4B be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company as stated in Resolution No. 4A above provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

5. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to and conditional upon the Listing Committee of The Stock Exchange granting the approval for the listing of, and permission to deal in, the shares of the Company to be issued and allotted pursuant to the exercise of options granted under the new share option scheme of the Company (the “New Share Option Scheme”), the rules of which are contained in the document marked “A” produced to the meeting and for the purposes of identification signed by the chairman thereof, the New Share Option Scheme be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to do all acts and to enter into all such transactions, arrangements and agreements, which are limited to amendments that are ancillary to the New Share Option Scheme and of administrative nature, as may be necessary or expedient in order to give full effect to the New Share Option Scheme, including but without limitation:
- (i) to administer the New Share Option Scheme under which options will be granted to participants eligible under the New Share Option Scheme to subscribe for the shares of the Company, including but not limited to determining and granting the options in accordance with the terms of the New Share Option Scheme;
- (ii) to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to the modification and/or amendment and subject to Chapter 17 of the Listing Rules;
- (iii) to allot and issue from time to time such number of shares of the Company as may be required to be allotted and issued pursuant to the exercise of the options under the New Share Option Scheme and subject to the Listing Rules;

- (iv) to make application at appropriate time or times to the Stock Exchange and any other stock exchanges upon which the issued shares of the Company may for the time being be listed, for listing of and permission to deal in, any shares of the Company which may hereafter from time to time be allotted and issued pursuant to the exercise of options under the New Share Option Scheme; and
- (v) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme.”

By order of the Board
CNNC International Limited
中核國際有限公司
Li Philip Sau Yan
Company Secretary

Hong Kong, 30th April, 2013

Notes:

1. Any member entitled to attend and vote at the meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A member may appoint a proxy in respect of part only of his holding of shares in the Company. A proxy need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorized 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 authorized 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 of directors of the Company) 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 Unit 2809, 28th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong not less than forty-eight (48) hours before the time appointed for holding the meeting 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 the meeting or adjourned meeting, not less than forty-eight (48) 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 member 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 the 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 of members of the Company in respect of the joint holding.

6. As at the date hereof, the Board of Directors comprises Chairman and Non-executive Director, namely, Mr. Cai Xifu, two executive Directors, namely, Mr. Zhang Hongqing and Ms. Wang Ying, one non-executive Director, namely Mr. Xu Shouyi and three independent non-executive Directors, namely, Mr. Cheong Ying Chew Henry, Mr. Cui Liguu and Mr. Zhang Lei.
7. A form of proxy for the use at the annual general meeting is enclosed herewith.