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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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

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

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YGM TRADING LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 00375)

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

A notice convening the AGM of the Company to be held at Yau Yat Chuen Garden City Club, 7 Cassia Road, Yau Yat Chuen, Kowloon, Hong Kong on Wednesday, 16 September 2015 at 12:15 p.m. is set out on pages 10 to 12 of this circular. A form of proxy for use at the AGM is also enclosed.

Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the registered office of the Company at 22 Tai Yau Street, San Po Kong, Kowloon, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so wish.

28 July 2015

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DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at Yau Yat Chuen Garden City Club, 7 Cassia Road, Yau Yat Chuen, Kowloon, Hong Kong on Wednesday, 16 September 2015 at 12:15 p.m., notice of which is set out on pages 10 to 12 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association of the Company as amended from time to time;
“Board”	the board of Directors of the Company;
“Buy-back Mandate”	as defined in the second paragraph in the section headed “General Mandates to Issue and Buy Back Shares” in the Letter from the Board on page 3 of this circular;
“close associates”	has the meaning ascribed to it under the Listing Rules;
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended from time to time;
“Company”	YGM Trading Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange;
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“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;
“Issue Mandates”	as defined in the second paragraph in the section headed “General Mandates to Issue and Buy Back Shares” in the Letter from the Board on page 3 of this circular;
“Latest Practicable Date”	23 July 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange;
“Retiring Directors”	the Directors who will retire from the Board by rotation at the AGM, namely, Mr. Chan Wing Fui, Peter, Mr. Fu Sing Yam, William, Mr. Lin Keping and Mr. Sze Cho Cheung, Michael;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Share(s)”	ordinary share(s) in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

LETTER FROM THE BOARD

YGM TRADING LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 00375)

Executive Directors:

Chan Wing Fui, Peter (*Chairman*)
Chan Wing Sun, Samuel (*Vice Chairman*)
Chan Suk Ling, Shirley (*Chief Executive Officer*)
Fu Sing Yam, William (*Managing Director*)
Chan Wing Kee
Chan Wing To
Andrew Chan

*Registered Office
and principal place
of business:*
22 Tai Yau Street
San Po Kong
Kowloon
Hong Kong

Independent Non-executive Directors:

Leung Hok Lim
Lin Keping
Sze Cho Cheung, Michael
Choi Ting Ki

28 July 2015

To the Shareholders

Dear Sir or Madam,

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

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM, including (i) the ordinary resolutions in respect of the re-election of the Directors; and (ii) the ordinary resolutions in respect of the grant of the Issue Mandates and the Buy-back Mandate, and to give you notice of the AGM at which these resolutions as set out in the notice of the AGM will be proposed.

RE-ELECTION OF DIRECTORS

Pursuant to Article 105 of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation. Mr. Chan Wing Fui, Peter, Mr. Fu Sing Yam, William, Mr. Lin Keping and Mr. Sze Cho Cheung, Michael will retire from the Board by rotation and, being eligible, will offer themselves for re-election at the AGM.

Among the Retiring Directors, Mr. Lin Keping has served as an independent non-executive Director since July 2004. Notwithstanding his length of tenure, Mr. Lin continues to demonstrate the attributes of being independent in character and judgment on the Company's affairs and fulfils the independence guidelines set out in Rule 3.13 of the Listing Rules as an independent non-executive Director. There is no evidence that his tenure has had any impact on his independence. The Board believes that his external experience and his thorough knowledge of the Group's business will continue to benefit the Company. The Board, therefore, is of the view that Mr. Lin is still independent and recommends him for re-election at the AGM.

LETTER FROM THE BOARD

The re-election of each of the Retiring Directors will be individually voted on by the Shareholders. Information of the Directors to be re-elected which are required to be disclosed under Listing Rules are set out in Appendix II to this circular.

If a valid notice from a Shareholder to propose a person to stand for election as a Director at the AGM is received after the printing of this circular, the Company will issue an announcement or a supplementary circular to inform the Shareholders of the details of such additional candidate proposed. If such notice is received less than 10 business days (as defined in the Listing Rules) prior to date scheduled for the AGM, the Company will need to consider the adjournment of such meeting in order to allow shareholders 10 business days' notice of the nomination.

GENERAL MANDATES TO ISSUE AND BUY BACK SHARES

At the last annual general meeting of the Company held on 17 September 2014, ordinary resolutions were passed to grant the general mandates to the Directors to issue and buy back Shares. These general mandates will lapse at the conclusion of the AGM.

The Directors believe that renewal of such mandates is in the interest of the Company and the Shareholders. Accordingly, ordinary resolutions will be proposed at the AGM to grant to the Directors general mandates to (i) allot, issue and deal with Shares not exceeding 20% of the total number of Shares in issue as at the date of the passing of the relevant resolution; (ii) allot, issue and deal with the additional Shares bought back by the Company under the Buy-back Mandate (as defined hereinunder) (the mandates referred to in (i) and (ii) are collectively referred to as the "**Issue Mandates**"); and (iii) buy back, *inter alia*, Shares on the Stock Exchange, the aggregate number of which does not exceed 10% of the total number of Shares in issue as at the date of the passing of the relevant resolution (the "**Buy-back Mandate**"), at any time during the period ending on the earlier of (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by law or the Articles of Association to be held; or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting. With reference to the Issue Mandates and the Buy-back Mandate, the Directors wish to state that they have no immediate plan to issue any new Shares or to buy back any Shares pursuant to the Issue Mandates and the Buy-back Mandate, respectively.

As at the Latest Practicable Date, the number of Shares in issue was 165,863,792 Shares. On the basis of such figure (and assuming no further Shares are issued or bought back after the Latest Practicable Date and up to the date of passing such resolutions), the Directors would be authorised to allot, issue and deal with up to 33,172,758 Shares and buy back up to 16,586,379 Shares.

An explanatory statement containing the particulars required by Chapter 10 of the Listing Rules to provide Shareholders with all the information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution for approving the Buy-back Mandate, which also constitutes the memorandum required under section 239(2) of the Companies Ordinance, is set out in Appendix I to this circular.

ANNUAL GENERAL MEETING

The notice of the AGM is set out on pages 10 to 12 of this circular. Ordinary resolutions in respect of the re-election of the Directors, the Issue Mandates and the Buy-back Mandate will be proposed at the AGM. A form of proxy for use at the AGM is enclosed herewith. Whether or not you are able to attend the AGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the accompanying form of proxy in accordance with the instruction printed thereon and return the same to the registered office of the Company at 22 Tai Yau Street, San Po Kong, Kowloon, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so wish.

Shareholders are advised to read the notice and to complete and return the accompanying form of proxy for use at the AGM in accordance with the instructions printed thereon.

LETTER FROM THE BOARD

Pursuant to Rule 13.39(4) of the Listing Rules and Article 75 of the Articles of Association, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the poll results in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors consider that the proposed resolutions for (i) the re-election of the Directors; and (ii) the grant of the Issue Mandates and Buy-back Mandate are in the best interests of the Company and the Shareholders as a whole and, accordingly, recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

GENERAL

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

Yours faithfully,
By Order of the Board
YGM Trading Limited
Chan Wing Fui, Peter
Chairman

The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the Buy-back Mandate and also constitutes the memorandum required under section 239(2) of the Companies Ordinance:

- (i) It is proposed that up to 10% of the Shares in issue as at the date of the passing of the resolution to approve the Buy-back Mandate may be bought back. As at the Latest Practicable Date, the number of Shares in issue was 165,863,792 Shares. On the basis of such figure (and assuming no further Shares are issued or bought back after the Latest Practicable Date and up to the date of passing such resolution), the Directors would be authorised to buy back up to 16,586,379 Shares.
- (ii) The Directors believe that it may be to the benefit of the Company and the Shareholders to buy back the Shares in certain circumstances. For example, depending on market conditions and funding arrangements at the time, such buy-backs may enhance the net assets and/or earnings per Share. Therefore, the Directors are seeking the grant of the Buy-back Mandate to give the Company the flexibility to do so if and when appropriate.
- (iii) The Companies Ordinance provides that the Company may only make a payment in respect of a buy-back of the Shares out of the distributable profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of the buy-back. In any event, the Company will and may only apply funds legally available for such purpose in accordance with its Articles of Association and the Laws of Hong Kong.
- (iv) As compared with the position disclosed in the audited consolidated financial statements contained in the annual report for the year ended 31 March 2015, the Directors do not consider that the exercise in full of the Buy-back Mandate would have a material adverse impact on the working capital or gearing position of the Company. In any event, the Directors do not propose to exercise the power to make buy-backs pursuant to the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the Company's working capital requirements or gearing levels.
- (v) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, have any present intention, in the event that the Buy-back Mandate is approved by the Shareholders at the AGM, to sell Shares to the Company under the Buy-back Mandate.
- (vi) The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make buy-backs pursuant to the Buy-back Mandate in accordance with the Listing Rules, the Articles of Association and the Laws of Hong Kong so far as the same may be applicable.
- (vii) As at the Latest Practicable Date and according to the records kept by the Company, Mr. Chan Wing Fui, Peter, Mr. Chan Wing Sun, Samuel, Mr. Chan Wing Kee, Mr. Chan Wing To, Madam Chan Suk Ling, Shirley and Mr. Andrew Chan and their close associates (collectively, the "**Chan Family**") are together interested in approximately 59.22% of the issued Shares. Assuming that the shareholding interests of the Chan Family remain unchanged, upon the exercise in full of the Buy-back Mandate to buy back Shares by the Directors, the Chan Family will be interested in approximately 65.80% of the issued Shares. The Directors are not aware of any consequences which would arise under the Hong Kong Code on Takeovers and Mergers as a consequence of any buy-back made pursuant to the Buy-back Mandate.
- (viii) No buy-back has been made by the Company of the Shares in the six months prior to the date of this circular.
- (ix) None of the core connected persons of the Company have notified it of a present intention to sell Shares to the Company or have undertaken not to sell any Shares held by them to the Company in the event that the Buy-back Mandate is granted by the Shareholders.

- (x) The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve months prior to the Latest Practicable Date are as follows:

	Highest per Share <i>HK\$</i>	Lowest per Share <i>HK\$</i>
2014		
July	17.58	16.80
August	18.00	17.00
September	18.20	16.52
October	17.44	16.38
November	16.70	15.10
December	15.00	13.90
2015		
January	14.48	13.44
February	13.76	13.52
March	13.90	12.48
April	12.38	10.70
May	11.46	10.90
June	11.34	10.08
July (up to the Latest Practicable Date)	10.12	8.83

The following sets out the details of Directors who, being eligible, will offer themselves for re-election at the AGM pursuant to the Articles of Association:

Chan Wing Fui, Peter, MA, aged 69, received a Master's degree in Administrative Science from Yale University, USA in 1969 and joined Yangtzekiang Garment Limited in the same year. He was appointed as the director and managing director of Yangtzekiang Garment Limited (stock code: 294), whose shares are listed on the Stock Exchange, in 1971 and 1980 respectively and Vice Chairman of the board of directors of both the Company and Yangtzekiang Garment Limited in 1987. He has been the Chairman of the Board since 2010. Mr. Chan is also a director of various subsidiaries of the Company. Mr. Chan has been actively involved in garment manufacturing and marketing in the Far East and the USA for over 30 years.

Mr. Chan is an executive director of Yangtzekiang Garment Limited. Save as disclosed herein, Mr. Chan did not hold any directorship in any other Hong Kong or overseas listed public companies in the last three years.

Mr. Chan is the father of Mr. Andrew Chan (an executive Director). He is the brother of Mr. Chan Wing Sun, Samuel and Madam Chan Suk Ling, Shirley (all of whom are executive Directors). He is also the cousin of Mr. Chan Wing Kee, Mr. Chan Wing To and Mr. Fu Sing Yam, William (all of whom are executive Directors). Save as disclosed herein, Mr. Chan does not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

Information relating to Mr. Chan's interest in Shares within the meaning of Part XV of the SFO and details of his compensation and length of services as a Director is set out below in this appendix.

Save as disclosed above, there are no other matters concerning Mr. Chan that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Fu Sing Yam, William, aged 53, received a Bachelor's degree from the University of Western Ontario, Canada in 1984 and joined the Group in 1985. Mr. Fu has been an executive Director of the Company since 1995 and was the Deputy Managing Director of the Company from 2006 to 2010. He has been the Managing Director of the Company since 2010. He is also a director of various subsidiaries of the Company. Mr. Fu has extensive experience in fashion retailing, wholesaling, marketing and merchandising. He is a Committee Member of the Heilongjiang Provincial Committee of the Chinese People's Political Consultative Conference.

Mr. Fu did not hold any directorship in any other Hong Kong or overseas listed public companies in the last three years.

Mr. Fu is the cousin of Mr. Chan Wing Fui, Peter, Mr. Chan Wing Sun, Samuel, Madam Chan Suk Ling, Shirley, Mr. Chan Wing Kee and Mr. Chan Wing To and is the uncle of Mr. Andrew Chan (all of whom are executive Directors). Save as disclosed herein, Mr. Fu does not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

Information relating to Mr. Fu's interest in Shares within the meaning of Part XV of the SFO and details of his compensation and length of services as a Director is set out below in this appendix.

Save as disclosed above, there are no other matters concerning Mr. Fu that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Lin Keping, aged 76, has been an Independent Non-executive Director of the Company since July 2004. Mr. Lin is an engineer, graduated from Beijing University of Posts and Telecommunications in 1963. He is a Member of the 8th National Committee of the Chinese People's Political Consultative Conference and an executive member of the 8th All-China Federation of Industry and Commerce. He has served in postal and telecommunication research institutes, the Ministry of Posts and Telecommunications, and other organizations for years and was an executive vice president of China Minsheng Bank Corp Limited.

Mr. Lin is an independent non-executive director of Yangtzekiang Garment Limited (stock code: 294), whose shares are listed on the Stock Exchange. Save as disclosed herein, Mr. Lin did not hold any directorship in any other Hong Kong or overseas listed public companies in the last three years and did not hold any other position with the Company or other members of the Group. Mr. Lin does not have any other relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

If Mr. Lin shall be re-elected as independent non-executive Director at the AGM, he will continue to act as a member of each of the Remuneration Committee, Audit Committee and Nomination Committee of the Company.

Information relating to Mr. Lin's interest in Shares within the meaning of Part XV of the SFO and details of his compensation and length of services as a Director is set out below in this appendix.

Save as disclosed above, there are no other matters concerning Mr. Lin that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Sze Cho Cheung, Michael, *GBS, CBE, ISO, JP*, aged 70, has been an Independent Non-executive Director of the Company since March 2010. He was a former executive director of the Hong Kong Trade Development Council, a position he held for eight years prior to his retirement on 1 May 2004. Before that, he worked for 25 years in various capacities in the Hong Kong Government.

Mr. Sze is an independent non-executive director of Swire Pacific Limited (stock code: 87) and Yangtzekiang Garment Limited (stock code: 294), both issued shares are listed on the Stock Exchange. Mr. Sze resigned as a non-executive director of Lee Kum Kee Company Limited in June 2010 and currently acts as consultant to the board of Lee Kum Kee Company Limited. Save as disclosed herein, Mr. Sze did not hold directorship in any other Hong Kong or overseas listed public companies in the last three years and did not hold any other position with the Company or other members of the Group. Mr. Sze does not have any relationships with any other Directors, senior management, substantial or controlling Shareholders of the Company.

If Mr. Sze shall be re-elected as independent non-executive Director at the AGM, he will continue to act as Chairman of Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee of the Company.

Information relating to Mr. Sze's interest in Shares within the meaning of Part XV of the SFO and details of his compensation and length of services as a Director are set out below in this appendix.

Save as disclosed above, there are no other matters concerning Mr. Sze that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Retiring Directors' Interests in Shares

As at the Latest Practicable Date, interests in the Shares of the Retiring Directors which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, the Model Code for Securities Transactions by Directors of Listed Issuers and which were entered in the register kept by the Company under section 352 of the SFO were as follows:

<u>Name of Director</u>	<u>Number of Shares</u>			<u>Other interests</u>
	<u>Personal interests (i)</u>	<u>Family interests</u>	<u>Corporate interests</u>	
Chan Wing Fui, Peter	24,068	12,230,051	–	(ii)& (iii)
Fu Sing Yam, William	2,075,462	–	–	(ii)
Lin Keping	25,000	–	–	–
Sze Cho Cheung, Michael	–	–	–	–

Save as disclosed herein and as at the Latest Practicable Date, none of the Retiring Directors had any interests in the Shares within the meaning of Part XV of the SFO.

Notes:

- (i) *The Shares are registered under the names of the Directors who are the beneficial owners.*
- (ii) *36,723,700 Shares were held by Chan Family Investment Corporation Limited (which is owned by Mr. Chan Wing Fui, Peter, Mr. Chan Wing Sun, Samuel, Mr. Chan Wing Kee, Mr. Chan Wing To, Mr. Fu Sing Yam, William, Madam Chan Suk Ling, Shirley and other members of the Chan Family) and its subsidiaries.*
- (iii) *120,400 Shares were held by Hearty Development Limited which is indirectly owned by Mr. Chan Wing Fui, Peter, Mr. Chan Wing Sun, Samuel, Mr. Chan Wing Kee, Mr. Chan Wing To, Madam Chan Suk Ling, Shirley and other members of the Chan Family.*

Directors' Service Contracts

As at the Latest Practicable Date, the Retiring Directors had not entered into any service contract in writing with the Company and not appointed for specific term, but they are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. All the Retiring Directors will receive a director's fees to be fixed by the Board as may be authorised by the Shareholders at the AGM.

The total emoluments for the year ended 31 March 2015 received by Mr. Chan Wing Fui, Peter, Mr. Fu Sing Yam, William, Mr. Lin Keping and Mr. Sze Cho Cheung, Michael were HK\$1,330,000, HK\$4,714,000, HK\$80,000 and HK\$120,000 respectively (as disclosed in note 7 to the audited consolidated financial statements of the Company for the year ended 31 March 2015).

NOTICE OF ANNUAL GENERAL MEETING

YGM TRADING LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 00375)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the members of YGM Trading Limited (the “**Company**”) will be held at Yau Yat Chuen Garden City Club, 7 Cassia Road, Yau Yat Chuen, Kowloon, Hong Kong on Wednesday, 16 September 2015 at 12:15 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements, the directors’ report and the independent auditor’s report for the year ended 31 March 2015;
2. To approve and declare a final dividend for the year ended 31 March 2015;
3. To re-elect the directors of the Company named below (each as a separate resolution):
 - (a) Mr. Chan Wing Fui, Peter as an executive director of the Company;
 - (b) Mr. Fu Sing Yam, William as an executive director of the Company;
 - (c) Mr. Lin Keping as an independent non-executive director of the Company; and
 - (d) Mr. Sze Cho Cheung, Michael as an independent non-executive director of the Company;

and to authorise the board of directors (the “**Directors**”) to fix the remuneration of the Directors and any committees of Directors;

4. To re-appoint KPMG as the auditors of the Company and to authorise the board of Directors to fix their remuneration; and
5. To consider as special business and, if thought fit, pass with and without modification, the following resolutions as ordinary resolutions of the Company:

(A) “THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined hereinbelow) of all the powers of the Company to allot, issue and otherwise deal with the unissued Shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined hereinbelow), (ii) the exercise of rights of subscription or conversion under the terms any warrants issued by the Company or any securities which are convertible into Shares, (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to such eligible participants recognised by the Company of shares or rights to acquire Shares, or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company, shall not exceed the aggregate of: (aa) 20% of the total number of Shares in issue as at the date of passing this Resolution plus (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of Shares bought back by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10% of the total number of Shares in issue as at the date of passing this Resolution), and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purposes of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting;

“**Right Issue**” means the allotment, issue or grant of shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”;

(B) “THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined hereinbelow) of all the powers of the Company to buy back shares in the capital of the Company (the “**Shares**”) be and is hereby generally and unconditionally approved;
- (b) the total number of Shares which may be bought back on The Stock Exchange of Hong Kong Limited or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited under the Hong Kong Code on Share Buy-backs pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of Shares in issue as at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.”; and

NOTICE OF ANNUAL GENERAL MEETING

- (C) “**THAT** conditional upon the passing of resolutions set out in paragraphs (A) and (B) above, the Directors be and they are hereby authorised to exercise the powers of the Company referred to in paragraph (a) of the resolution set out in paragraph (A) above in the notice of this meeting in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph 5(A)(c) of such resolution.”

By Order of the Board
YGM Trading Limited
Leung Wing Fat
Company Secretary

Hong Kong, 28 July 2015

As at the date of this notice, the Board comprises seven executive Directors, namely Mr. Chan Wing Fui, Peter, Mr. Chan Wing Sun, Samuel, Madam Chan Suk Ling, Shirley, Mr. Fu Sing Yam, William, Mr. Chan Wing Kee, Mr. Chan Wing To and Mr. Andrew Chan, and four independent non-executive Directors, namely Mr. Leung Hok Lim, Mr. Lin Keping, Mr. Sze Cho Cheung, Michael and Mr. Choi Ting Ki.

Notes:

- (a) *For the purpose of ascertaining the entitlement of the shareholders to attend and vote at the AGM, the register of members of the Company will be closed from 10 September 2015 to 16 September 2015, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for the right to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 4:30pm on 9 September 2015.*
- (b) *A member entitled to attend and vote at the above meeting may appoint more than one proxy to attend and to vote in his stead. A proxy need not be a member of the Company.*
- (c) *In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be deposited at the registered office of the Company at 22 Tai Yau Street, San Po Kong, Kowloon, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.*
- (d) *The register of members of the Company will be closed from 22 September 2015 to 24 September 2015, both days inclusive, during which period no transfer of Shares will be effected for the purpose of ascertaining the entitlement of the shareholders to the proposed final dividend, if approved by shareholders at the AGM. In order to qualify for the final dividend payable on or around 5 October 2015 to be approved at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 4:30pm on 21 September 2015.*
- (e) *With regard to paragraph 5 of the above notice, attention is drawn to the circular regarding the General Mandate to Issue and Buy Back Shares which will be sent to shareholders of the Company in due course.*