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

If you have sold or transferred all your securities in Yuxing InfoTech Investment Holdings Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

**YUXING INFOTECH INVESTMENT HOLDINGS LIMITED****裕興科技投資控股有限公司****(incorporated in Bermuda with limited liability)***(Stock Code: 8005)****PROPOSED ADOPTION OF SHARE OPTION SCHEME
AND
NOTICE OF SPECIAL GENERAL MEETING**

A notice convening the SGM to be held at Units 2107-08, 21/F, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong on Wednesday, 14th January 2015 at 11:00 a.m. is set out on pages SGM-1 to SGM-3 of this circular.

A form of proxy for the SGM is enclosed with this circular. If you do not propose to attend the SGM, you are requested to complete the proxy form and return the same at the office of the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the SGM or any adjourned meeting. Completion and delivery of the proxy form will not preclude you from attending and voting at the SGM or any adjourned meeting if you so wish.

This circular will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.yuxing.com.cn.

* *For identification purpose only*

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“Adoption Date”	the date on which the Share Option Scheme is adopted by an ordinary resolution to be passed by the Shareholders at the SGM
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of the Directors
“business day”	a day upon which the Stock Exchange is open for securities trading
“Bye-law(s)”	the bye-laws of the Company
“Companies Act”	the Companies Act 1981 of Bermuda (as amended)
“Company”	Yuxing InfoTech Investment Holdings Limited, a company incorporated in Bermuda with limited liability and whose Shares are listed on GEM
“controlling shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Person(s)”	means: (i) (a) any director or proposed director (whether executive or non-executive, including any independent non-executive director), employee or proposed employee (whether full time or part time) of, or (b) any individual for the time being seconded to work for, any member of the Group or any substantial shareholder or any company controlled by a substantial shareholder (a “ Category A Eligible Person ”); or

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(ii) any person or entity that provides research, development or other technological support or any advisory, consultancy, professional or other services to any member of the Group (a “**Category B Eligible Person**”);

and, for the purposes of the Share Option Scheme, shall include any company controlled by one or more persons belonging to any of the above classes of participants

“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM as amended from time to time
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	23 December 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“PRC”	the People’s Republic of China, which for the purpose of this circular shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“required standard of dealings”	the required standard against which the Company and the Directors must measure their conduct regarding transactions in securities of the Company as set out in the Rules 5.48 to 5.67 of the GEM Listing Rules
“Scheme Period”	the period commencing on the Adoption Date and expiring at the close of business on the day immediately preceding the tenth anniversary thereof
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the SGM to be convened and held at Units 2107-08, 21/F, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong, on Wednesday, 14th January 2015 at 11:00 a.m. or at any adjournment thereof (as the case may be) to consider and, if thought fit, approve, inter alia, the proposed adoption of the Share Option Scheme

DEFINITIONS

“Share(s)”	share(s) of nominal value of HK\$0.025 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Share Option(s)”	share option(s) granted or to be granted to the entitled persons or the Eligible Person(s) to subscribe for Share(s) under the Share Option Scheme and any other share option scheme(s) of the Company
“Share Option Scheme”	the Share Option Scheme to be adopted by an ordinary resolution to be passed by the Shareholders at the SGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	a subsidiary(ies) for the time being of the Company within the meaning of the Companies Ordinance, Chapter 622 of the laws of Hong Kong, whether incorporated in Hong Kong or elsewhere
“substantial shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



YUXING INFOTECH INVESTMENT HOLDINGS LIMITED

裕興科技投資控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8005)

Executive Directors:

Zhu Wei Sha (*Chairman*)
Chen Fu Rong (*Deputy Chairman*)
Shi Guang Rong
Wang An Zhong
Zhu Jiang

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent non-executive Directors:

Wu Jia Jun
Zhong Peng Rong
Shen Yan

Principal place of business

in Hong Kong:
Units 2107-08, 21/F
Exchange Tower
33 Wang Chiu Road
Kowloon Bay
Kowloon
Hong Kong

29th December 2014

To the Shareholders

Dear Sir or Madam,

**PROPOSED ADOPTION OF SHARE OPTION SCHEME
AND
NOTICE OF SGM**

INTRODUCTION

The purpose of this circular is to provide you with information and to seek your approval, inter alia, on the proposed adoption of the Share Option Scheme. A notice of the SGM containing the resolutions to be proposed at the SGM is set out on pages SGM-1 to SGM-3 of this circular.

* *For identification purpose only*

LETTER FROM THE BOARD

PROPOSED ADOPTION OF THE SHARE OPTION SCHEME

Adoption of the Share Option Scheme

As the original share option scheme of the Company had already expired on 17 May 2013, the Board proposes the adoption of the Share Option Scheme, which will be valid for 10 years from the Adoption Date. As at the Latest Practicable Date, there was no Share Option outstanding under the original share option scheme of the Company.

The purpose of the Share Option Scheme is to enable the Company to grant Share Options to the selected Eligible Persons as incentives or rewards for their contribution or potential contribution to the growth and development of the Group.

The Board considers that the Share Option Scheme will motivate more persons to make contribution to the Group, facilitate the retention and the recruitment of high-calibre staff of the Group and that it is the interests of the Group as a whole for a broad category of Eligible Persons to be given incentives to participate in the growth of, and make contribution to, the Group in the form of Share Options to subscribe for Shares. Furthermore, the Board considers that the Eligible Persons will share common interests and objectives with the Group upon their exercise of the Share Options, which is beneficial to the long-term development of the Group. In addition, the adoption of the Share Option Scheme is in line with modern commercial practice that full-time or part-time employees, directors, management, advisers, consultants and shareholders of the Group and its affiliates be given incentives to work towards enhancing the value and attaining the long-term objectives of the Company and for the benefit of the Group as a whole. As such, the Directors consider that the adoption of the Share Option Scheme is in the interest of the Company and the Shareholders as a whole. The provisions of the Share Option Scheme will comply with the requirements of Chapter 23 of the GEM Listing Rules.

The rules of the Share Option Scheme provide that the Board may specify the Eligible Persons to whom Share Options shall be granted, the number of Shares subject to each Share Option and the date on which the Share Options shall be granted. The basis for determining the subscription price is also specified precisely in the rules of the Share Option Scheme. There is no performance target specified in the Share Option Scheme. The Directors consider that the aforesaid criteria and rules will serve to preserve the value of the Company and encourage Eligible Persons to acquire proprietary interests in the Company. The Company does not at present intend to appoint a trustee to the Share Option Scheme.

As at the Latest Practicable Date, there were 1,792,116,800 Shares in issue. Assuming that no further Share will be allotted, issued or repurchased prior to the SGM, the total number of Shares that may fall to be allotted and issued under the Share Option Scheme after the resolution regarding the proposed adoption of the Share Option Scheme is passed at the SGM would be 179,211,680 Shares, representing 10% of the total number of Shares in issue.

LETTER FROM THE BOARD

The Directors consider that it is not appropriate to state the value of the Share Options which may be granted under the Share Option Scheme as if they had been granted as at the Latest Practicable Date. The Directors believe that any statement regarding the value of the Share Options as at the Latest Practicable Date will not be meaningful to the Shareholders, since the Share Options to be granted shall not be assignable, and no holder of the Share Options shall in any way sell, transfer, charge, mortgage or create any interest (legal or beneficial) in favour of any third party over or in relation to any Share Option.

In addition, any such valuation would have to be made on the basis of certain option pricing model or other methodology, which depends on various assumptions, including the subscription price, the exercise period, lock-up period (if any), interest rate, expected volatility and other variables. As no Share Options had been granted as at the Latest Practicable Date under the Share Option Scheme, certain variables are not available for calculating the value of the Share Options thereunder, the Directors believe that any calculation of the value of the Share Options under the Share Option Scheme as at the Latest Practicable Date based on a great number of speculative assumptions would not be meaningful and may be misleading to the Shareholders and the investors of the Company.

None of the Directors is a trustee of the Share Option Scheme nor has a direct or indirect interest in the trustees of the Share Option Scheme (if any).

Conditions precedent of the Share Option Scheme

The adoption of the Share Option Scheme is conditional upon:

- (i) the passing of ordinary resolution(s) by the Shareholders at the SGM to (1) approve and adopt the Share Option Scheme; (2) authorise the Board to grant Share Options under the Share Option Scheme; and (3) authorise the Board to allot and issue Shares pursuant to the exercise of any Share Options to be granted pursuant to the Share Option Scheme; and
- (ii) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, any Share on the Stock Exchange which may fall to be allotted and issued by the Company pursuant to the exercise of the Share Options in accordance with the terms and conditions of the Share Option Scheme.

Subject to the obtaining of the Shareholders' approval with respect to the adoption of the Share Option Scheme at the SGM, the total number of Shares which may be issued upon the exercise of all Share Options to be granted under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the total issued share capital of the Company as at the date on which the Share Option Scheme is adopted unless the Company obtains a fresh approval from Shareholders to renew the 10% limit on the basis that the maximum number of Shares in respect of which Share Options may be granted under the Share Option Scheme together with any Share Options outstanding and yet to be exercised under the Share Option Scheme and any other share option schemes shall not exceed 30% of the issued share capital of the Company from time to time.

LETTER FROM THE BOARD

A summary of the principal rules of the Share Option Scheme is set out in the Appendix to this circular. A copy of the Share Option Scheme is available for inspection at the Company's principal place of business in Hong Kong at Unites 2107-08, 21/F, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong during normal business hours from the date hereof up to the date of the SGM.

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of the Share Options granted under the Share Option Scheme.

As at the Latest Practicable Date, no Shareholder had a material interest in the adoption of the Share Option Scheme. As such, no Shareholder is required to abstain from voting on the resolution in relation thereto at the SGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 or this circular misleading.

COMPETING INTERESTS

To the best knowledge of the Directors, as at the Latest Practicable Date, none of the Directors or their respective associates had any interests in a business, which competes or is likely to compete either directly or indirectly with the business of the Group which would be required to be disclosed under rule 11.04 of the GEM Listing Rules, as if the Directors were Controlling Shareholders (as defined under GEM Listing Rules).

SGM

A notice of the SGM, which is convened for the purpose of considering and, if thought fit, approving, among other things, the proposed adoption of the Share Option Scheme, is set out on pages SGM-1 to SGM-3 of this circular.

The Directors are not aware of any Shareholder who is required to abstain from voting at the SGM. Pursuant to Rule 17.47(4) of the GEM Listing Rules and/or the Bye-laws, the voting on all proposed resolutions set out in the notice of the SGM will be taken by way of a poll and an announcement on the poll results will be published by the Company on the websites of the Stock Exchange and the Company in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules after the SGM.

LETTER FROM THE BOARD

A form of proxy for the SGM is enclosed with this circular. If you do not propose to attend the SGM, you are requested to complete the proxy form and return the same at the office of the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the SGM or any adjourned meeting. Completion and delivery of the proxy form will not preclude you from attending and voting at the SGM or any adjourned meeting if you so wish.

RECOMMENDATION

The Directors are of the opinion that the proposed adoption of the Share Option Scheme is in the interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of the resolution set out in the notice of the SGM contained herein.

Yours faithfully,
On behalf of the Board
Yuxing InfoTech Investment Holdings Limited
Zhu Wei Sha
Chairman

The following is a summary of the principal rules of the Share Option Scheme but does not form part of, nor was it intended to be, part of the Share Option Scheme nor should it be taken as affecting the interpretation of the Share Option Scheme:

1. PURPOSE OF THE SHARE OPTION SCHEME

The purpose of the Share Option Scheme is to enable the Board to grant Share Options to selected Eligible Persons as incentives or rewards for their contribution or potential contribution to the growth and development of the Group.

2. WHO MAY JOIN AND BASIS OF ELIGIBILITY

The Board may, at its absolute discretion and on such terms as it may think fit, grant Share Options to any Eligible Person to subscribe at a price calculated in accordance with paragraph 3 below for such number of Shares as it may determine in accordance with the terms of the Share Option Scheme.

The basis of eligibility of any of the Eligible Persons to the grant of Share Options shall be determined by the Board from time to time on the basis of his contribution or potential contribution to the development and growth of the Group.

3. OPTION PRICE FOR SUBSCRIPTION OF SHARES

The option price per Share payable on the exercise of a Share Option is to be determined by the Board provided always that it shall be at least the higher of:

- (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of offer of grant (which is deemed to be the date of grant if the offer for the grant of a Share Option is accepted by the Eligible Person), which must be a business day; and
- (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five (5) business days immediately preceding the date of offer of grant, (as subsequently adjusted pursuant to the terms of the Share Option Scheme, if relevant),

provided that the option price per Share shall in no event be less than the nominal amount of the Share.

4. ACCEPTANCE OF OFFERS

An offer for the grant of Share Options must be accepted within thirty (30) days inclusive of the day on which such offer was made. The amount payable by the grantee of a Share Option to the Company on acceptance of the offer for the grant of a Share Option is HK\$1.00.

5. MAXIMUM NUMBER OF SHARES

- (A) Subject to sub-paragraphs (B) and (C) below, the maximum number of Shares issuable upon the exercise of all Share Options to be granted under the Share Option Scheme and any other share option schemes of the Company as from the commencement of the Scheme Period (excluding, for this purpose, Share Options which have lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) must not in aggregate exceed 10% of the Shares in issue as at the Adoption Date (the “**Scheme Mandate**”). The Shares underlying any Share Options granted under the Share Option Scheme or any other share option schemes of the Company which have been cancelled (but not Share Options which have lapsed) will be counted for the purpose of the Scheme Mandate.
- (B) The Scheme Mandate may be refreshed at any time by obtaining approval of the Shareholders in general meeting provided that the new limit under the refreshed Scheme Mandate must not exceed 10% of the Shares in issue at the date of the Shareholders’ approval of such refreshed Scheme Mandate. Share Options previously granted under the Share Option Scheme or any other share option schemes of the Company (including those exercised, outstanding, cancelled or lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) will not be counted for the purpose of calculating the total number of Shares subject to the refreshed Scheme Mandate.
- (C) The Company may also, by obtaining separate approval of the Shareholders in general meeting, grant Share Options beyond the Scheme Mandate provided the Share Options in excess of the Scheme Mandate are granted only to Eligible Persons specifically identified by the Company before such approval is sought.
- (D) The aggregate number of Shares which may be issued upon exercise of all outstanding Share Options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the Shares in issue from time to time. No Share Options may be granted under the Share Option Scheme of the Company if this will result in the limit being exceeded.

6. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PERSON

The maximum number of Shares issued and to be issued upon the exercise of the Share Options granted under the Share Option Scheme and any other share option schemes of the Company to any Eligible Person(s) (including cancelled, exercised and outstanding Share Options), in any 12-month period up to the date of grant shall not exceed 1% of the number of Shares in issue, unless (i) a circular is despatched to the Shareholders; (ii) the Shareholders approve the grant of the Share Options in excess of the 1% limit referred to in this paragraph; and (iii) the relevant Eligible Person and his associates shall abstain from voting. The number and terms (including the exercise price) of Share Options to be granted to such Eligible Person(s) must be fixed before Shareholders’ approval.

7. GRANT OF SHARE OPTIONS TO CERTAIN CORE CONNECTED PERSONS

- (A) Any grant of a Share Option to a Director, chief executive of the Company or substantial shareholder (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 of the Share Options).
- (B) Where any grant of Share Options to a substantial shareholder or an independent non-executive Director (or any of their respective associates) will result in the total number of Shares issued and to be issued upon the exercise of the Share Options already granted and to be granted to such person under the Share Option Scheme and any other share option schemes of the Company (including Share Options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant:
- (i) representing in aggregate over 0.1% of the Shares in issue; and
 - (ii) having an aggregate value, based on the closing price of the Shares at each date of grant, in excess of HK\$5 million,

such further grant of Share Options is required to be approved by Shareholders in general meeting in accordance with the GEM Listing Rules. Any change in the terms of a Share Option granted to a substantial shareholder or an independent non-executive Director or any of their respective associates is also required to be approved by Shareholders.

8. TIME OF GRANT AND EXERCISE OF SHARE OPTIONS

The Company may not grant any Share Options after inside information has come to its knowledge until such it has announced the information. In particular, no Share Options may be granted during the period commencing one (1) month immediately preceding the earlier of (a) the date of the Board meeting for the approval of the Company's results for any year, half-year or quarter-year period or any other interim period (whether or not required under the GEM Listing Rules); and (b) the deadline for the Company to publish its results announcement for any year, half-year or quarter-year period or any other interim period (whether or not required under the GEM Listing Rules), and ending on the date of actual publication of the results announcement.

No Share Options may be granted to an Eligible Person who is subject to the required standard of dealing during the periods or times in which such Eligible Person is prohibited from dealing in Shares pursuant to the required standard of dealing.

A Share Option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period commencing on such date on or after the date on which the Share Option is granted as the Board may determine in granting the Share Options and expiring at the close of business on such date as the Board may determine in granting the Share Options but in any event shall not exceed ten (10) years from the date of grant (which is the date of offer of grant if the offer for the grant of the Share Options is accepted).

9. PERFORMANCE TARGETS

Save as determined by the Board and provided in the offer of the grant of the relevant Share Options, there is no performance target which must be achieved before any of the Share Options can be exercised.

10. RANKING OF SHARES

If under the terms of a resolution passed or an announcement made by the Company prior to the date of exercise of a Share Option, a dividend is to be or is proposed to be paid, or Shares are to be issued or proposed to be issued by way of the capitalisation of profits or reserves or by way of rights under an offer made pro rata, to Shareholders on the register of members of the Company on a date prior to such date of exercise, the Shares to be issued upon such exercise will not rank for such dividend or such Shares. Subject as aforesaid, Shares allotted upon the exercise of an outstanding Share Option will be subject to all the provisions of the Bye-laws for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of such exercise. Shares allotted upon the exercise of a Share Option for the time being outstanding shall not carry voting rights until completion of the registration of the holder of Share Option (or any other person) as the holder thereof.

11. RIGHTS ARE PERSONAL TO GRANTEE

A Share Option is personal to the grantee and the grantee may not in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Share Option or attempt to do so.

12. RIGHTS OF EXERCISE FOR GRANTEES WHO WERE CATEGORY A ELIGIBLE PERSONS

If a grantee of a Share Option who at the time of grant of a Share Option to him qualified as an Eligible Person because he was a Category A Eligible Person ceases to be such a Category A Eligible Person:

- (i) by reason of ill-health or injury or disability or death, then he or (as the case may be) his personal representative(s) may exercise his outstanding Share Option within six (6) months or up to the expiration of the relevant option period, whichever is earlier, failing which the Share Option will lapse; or
- (ii) because the relevant member of the Group or the relevant substantial shareholder or the relevant company controlled by the relevant substantial shareholder by reason of his employment or engagement with, or secondment to, which he qualified as a Category A Eligible Person at the time the Share Option was granted ceases to be a member of the Group or a substantial shareholder or a company controlled by the relevant substantial shareholder (as the case may be), then he may exercise his outstanding Share Option within six (6) months or up to the expiration of the relevant option period, whichever is earlier, failing which the Share Option will lapse; or

- (iii) by reason of retirement in accordance with his contract of employment or service, then he may exercise his outstanding Share Option within six (6) months after he so ceases or, if the Board in its absolute discretion determine, within six (6) months following the date of his sixtieth (60th) birthday where the retirement takes effect prior to such date, failing which the Share Option will lapse; or
- (iv) by reason of voluntary resignation or dismissal, or upon expiration of his term of directorship (unless immediately renewed upon expiration), or by termination of his employment or service in accordance with the termination provisions of his contract of employment or service by the relevant company otherwise than by reason of redundancy, then his outstanding Share Options shall lapse on the date he so ceases; or
- (v) on the grounds that he has committed any act of bankruptcy or has become insolvent or has made any arrangements or composition with his creditors generally or has committed any serious misconduct or has been convicted of any criminal offence (other than an offence which in the opinion of the Board does not bring the grantee or the Group or the relevant substantial shareholder or the relevant company controlled by the relevant substantial shareholder into disrepute), then his outstanding Share Options shall lapse automatically on the date of his ceasing to be an Eligible Person; or
- (vi) for any other reason, any Share Options exercisable at the date he so ceases may be exercised within three (3) months of the date he so ceases, failing which the Share Option will lapse,

provided always that in each case the Board in its absolute discretion may decide that such Share Options or any part thereof shall not so lapse or determine subject to such conditions or limitations as it may decide.

13. RIGHTS OF EXERCISE FOR GRANTEES WHO WERE CATEGORY B ELIGIBLE PERSONS

If a grantee of a Share Option who at the time of grant of a Share Option to him qualified as an Eligible Person because he was a Category B Eligible Person:

- (i) has, in the absolute determination of the Board, committed any breach of contract entered into between such Eligible Person and the relevant member of the Group; or
- (ii) has committed any act of bankruptcy or become insolvent or made any arrangements or composition with his creditors generally or committed any serious misconduct or been convicted of any criminal offence (other than an offence which in the opinion of the Board does not bring the grantee or the Group into disrepute),

then his outstanding Share Option shall lapse and determine automatically on the date of the Board's determination referred to in (i) above or, as the case may be, the date of the relevant court order, resolution, misconduct or conviction or the effective date of the relevant arrangements or composition (as the case may be) for the relevant event referred to in (ii) above; or

- (iii) if the grantee (if he is an individual) dies, then his personal representative(s) may exercise his outstanding Share Option within six (6) months after his death or up to the expiration of the option period, whichever is earlier, failing which the Share Option will lapse,

provided always that in each case the Board in its absolute discretion may decide that such Share Option or any part thereof shall not so lapse or determine subject to such conditions or limitations as it may decide.

14. RIGHTS ON EXERCISE FOR GRANTEES WHICH WERE COMPANIES CONTROLLED BY ANY OF THE ELIGIBLE PERSONS

In respect of any Share Option granted to a company which qualified as an Eligible Person because it was a company controlled by a person (“**Such Person**”) who was a Category A Eligible Person or Category B Eligible Person:

- (i) the relevant provisions set out in paragraph 12 or 13 (as the case may be) would apply to its outstanding Share Option as if the Share Option had been granted to Such Person; and
- (ii) its outstanding Share Option shall lapse on the date it ceases to be a company controlled by Such Person,

provided always that in each case the Board in its absolute discretion may decide that such Share Options or any part thereof shall not so lapse or determine subject to such conditions or limitations as it may decide.

15. FAILURE TO MEET CONTINUING ELIGIBILITY CRITERIA

If the Board in the offer granting the relevant Share Option has specified that the grantee has to meet certain continuing eligibility criteria and that the failure of the grantee to meet any such continuing eligibility criterion would entitle the Company to cancel the Share Option then outstanding (or part thereof), then upon the failure of the grantee to meet any such continuing eligibility criterion, his outstanding Share Option shall lapse and determine on the date the Board exercises the Company’s right to cancel the Share Option on the ground of such failure.

16. RIGHTS ON A GENERAL OFFER

If a general offer by way of takeover is made to all the Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror, the grantee of a Share Option shall, subject to paragraph 8 above, be entitled to exercise at any time within a period of fourteen (14) days after such control has been obtained by the offeror any Share Option in whole or in part to the extent not already exercised (and notwithstanding any restrictions which would otherwise have prevented such Share Option from being exercisable at that time). For the avoidance of doubt, a Share Option not so exercised shall remain valid in accordance with its terms and subject to such restrictions as applied to it before the general offer.

17. RIGHTS ON WINDING-UP

If notice is given by the Company to Shareholders of a general meeting at which a resolution will be proposed for the voluntary winding-up of the Company, the Company shall forthwith give notice to all grantees of Share Options and each grantee shall be entitled, at any time no later than two (2) business days prior to the proposed general meeting of the Company to exercise any of his outstanding Share Options in whole or in part to the extent not already exercised (and notwithstanding any restrictions which would otherwise have prevented such Share Options from being exercisable at that time). If such resolution is duly passed, all Share Options shall, to the extent that they have not been exercised, thereupon lapse and determine on the commencement of the winding-up.

18. RIGHTS ON COMPROMISE OR ARRANGEMENT

In the event of a compromise or arrangement between the Company and Shareholders or the Company's creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Company pursuant to the Companies Act, notice of the relevant meeting shall be given to the grantees of Share Options on the same day notice is given to the Shareholders and the Company's creditors, and thereupon each grantee (or where permitted his personal representative(s)) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of the date falling two (2) calendar months thereafter and the date on which such compromise or arrangement is sanctioned by the Supreme Court of Bermuda be entitled to exercise his Share Option, but such exercise of a Share Option shall be conditional upon such compromise or arrangement being sanctioned by the Supreme Court of Bermuda and becoming effective. Failing such exercise, all Share Options will lapse.

19. LAPSE OF SHARE OPTIONS

A Share Option shall lapse automatically on the earliest of:

- (i) the expiry of the period referred to in paragraph 8 above;
- (ii) the date on which the grantee commits a breach of paragraph 11 above, if the Board shall exercise the Company's right to cancel the Share Option;
- (iii) the expiry of the relevant period or the occurrence of the relevant event referred to in paragraph 12, 13, 14 or 15 above; and
- (iv) the expiry of any of the relevant periods referred to in paragraph 17 or 18 above.

20. CANCELLATION OF SHARE OPTIONS GRANTED BUT NOT YET EXERCISED

Following the cancellation of any Share Options granted under the Share Option Scheme but not exercised, new Share Options may only be granted to the same grantee under the Share Option Scheme with available unissued Share Options (excluding the cancelled Share Options) within the limit of the Scheme Mandate then available to the Board.

21. EFFECTS OF ALTERATIONS TO CAPITAL

In the event of any alteration in the capital structure of the Company by way of capitalisation issue, rights issue, sub-division or consolidation of Shares or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction while any Share Option remains exercisable), such corresponding alterations (if any) will be made in (i) the number of Shares subject to any outstanding Share Options and/or (ii) the subscription price per Share as the independent financial adviser or the auditors for the time being of the Company shall at the request of the Company or any grantee certify in writing to be in their opinion fair and reasonable, provided that any such alterations shall be made on the basis that the grantee shall have the same proportion of the issued share capital of the Company to which he was entitled before such alteration and the aggregate subscription price payable by the grantee on the full exercise of any Share Options shall remain as nearly as possible the same as (but not greater than) it was before such event, but so that no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. Save in the case of a capitalisation issue, an independent financial adviser or the auditors for the time being of the Company must confirm to the Directors in writing that such adjustment(s) satisfy the aforesaid requirements and/or such other requirement prescribed under the GEM Listing Rules from time to time.

22. PERIOD OF THE SHARE OPTION SCHEME

The Share Option Scheme will remain in force for a period of ten (10) years commencing on the date on which the Share Option Scheme is adopted by Shareholders in general meeting and shall expire at the close of business on the day immediately preceding the tenth anniversary thereof unless terminated earlier by Shareholders in general meeting.

23. ALTERATION TO THE SHARE OPTION SCHEME

The Share Option Scheme may be altered in any respect by resolution of the Board except that:

- (i) any alteration to the advantage of the grantees or the Eligible Persons (as the case may be) in respect of the matters contained in Rule 23.03 of the GEM Listing Rules;
- (ii) any change to the authority of the Board or scheme administrators in relation to any alteration to the terms of the Share Option Scheme; or
- (iii) any material alteration to the terms and conditions of the Share Option Scheme or any change to the terms of Share Options granted (except any alterations which take effect automatically under the terms of the Share Option Scheme),

shall first be approved by the Shareholders in general meeting provided that if the proposed alteration shall adversely affect a Share Option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the grantees' approval in accordance with the terms of the Share Option Scheme.

The amended terms of the Share Option Scheme shall still comply with Chapter 23 of the GEM Listing Rules.

24. TERMINATION TO THE SHARE OPTION SCHEME

The Company may by resolution in general meeting or the Board may at any time terminate the Share Option Scheme and in such event no further Share Option shall be offered but the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Share Option granted prior to the termination or otherwise as may be required in accordance with the provisions of the Share Option Scheme.

Share Options granted prior to such termination at the time of termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

25. CONDITIONS OF THE SHARE OPTION SCHEME

The Share Option Scheme is conditional on (1) the passing by the Shareholders of an ordinary resolution at the SGM to approve the adoption of the Share Option Scheme; and (2) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any Share Options which may be granted under the Share Option Scheme.

NOTICE OF THE SGM



YUXING INFOTECH INVESTMENT HOLDINGS LIMITED

裕興科技投資控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8005)

NOTICE OF SGM

NOTICE IS HEREBY GIVEN that a SGM (the “**SGM**”) of Yuxing InfoTech Investment Holdings Limited (the “**Company**”) will be held at Units 2107-08, 21/F, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong on Wednesday, 14th January 2015 at 11:00 a.m. for the purpose of considering and, if thought fit, passing the following resolution:

ORDINARY RESOLUTION

1 “**THAT:**

subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the approval for the listing of, and the permission to deal in, the shares of HK\$0.025 each in the share capital of the Company (or such nominal amount as shall result from a capitalisation issue, rights issue, sub-division, consolidation, re-classification, reconstruction or reduction of share capital of the Company from time to time) (the “**Share(s)**”) to be issued pursuant to the exercise of the share options granted which may be granted under the Share Option Scheme (the “**Share Option Scheme**”), a copy of which is tabled at the meeting and marked “A” and initialed by the chairman of the meeting for identification purpose, the Share Option Scheme be and is hereby approved and adopted; and the Directors be and are hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Share Option Scheme, including but without limitation to:

- (i) administer the Share Option Scheme under which share options will be granted to the Eligible Persons (as defined in the Share Option Scheme) eligible under the Share Option Scheme to subscribe for Shares, including but not limited to determining and granting the share options in accordance with the terms of the Share Option Scheme;
- (ii) modify and/or amend the Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Share Option Scheme relating to the modification and/or amendment and subject to Chapter 23 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the “**GEM Listing Rules**”);

* *For identification purpose only*

NOTICE OF THE SGM

- (iii) allot and issue from time to time such number of Shares in the share capital of the Company as may be required to be allotted and issued pursuant to the exercise of the share options under the Share Option Scheme and subject to the GEM Listing Rules;
- (iv) make application at appropriate time or times to the Stock Exchange; and any other stock exchanges upon which the issued Shares may for the time being be listed, for listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued pursuant to the exercise of the share options under the 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 Share Option Scheme.”

By Order of the Board
Yuxing InfoTech Investment Holdings Limited
Zhu Wei Sha
Chairman

Hong Kong, 29th December 2014

Principal place of business in Hong Kong:

Units 2107-08, 21/F
Exchange Tower
33 Wang Chiu Road
Kowloon Bay
Kowloon Hong Kong

NOTICE OF THE SGM

Notes:

1. Any registered holder of the Shares (the “Member”) entitled to attend and vote at the SGM convened by the above notice is entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the SGM. A proxy need not be a Member.
2. In order to be valid, 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, must be delivered to the office of the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the SGM or adjourned meeting at which the person named in the instrument proposes to vote.
3. Delivery of an instrument appointing a proxy will not preclude a Member from attending and voting in person at the SGM convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, all resolutions proposed at the SGM should be voted by poll.