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

If you have sold or transferred all your shares in China For You Group Company Limited (the “Company”), you should at once hand this circular and accompanying form of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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中國富佑集團有限公司 China For You Group Company Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 572)

MAJOR AND CONNECTED TRANSACTION: DISPOSAL OF ENTIRE EQUITY INTERESTS OF A SUBSIDIARY AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders

VEDA | CAPITAL
智略資本

A notice convening an extraordinary general meeting of the Company to be held at Room 912, 9/F, New East Ocean Centre, 9 Science Museum Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Wednesday, 23 December 2015 at 11:00 a.m. is set out on pages 37 to 38 of this circular. A form of proxy for use at the extraordinary general meeting is enclosed with this circular, which is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company.

Whether or not you are able to attend the extraordinary general meeting, you are advised to read the notice and to complete and return the form of proxy, in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17 Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time fixed for holding the extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the extraordinary general meeting or any adjournment thereof should you so wish.

8 December 2015

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DEFINITIONS

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

“Agreement”	the conditional sale and purchase agreement dated 3 November 2015 entered into by the Company and the Purchaser in relation to the Disposal by the Company of the Sale Shares
“Announcement”	the announcement of the Company dated 3 November 2015 in relation to the Disposal
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (excluding a Saturday, Sunday or public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	China For You Group Company Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Stock Exchange
“Completion”	completion of the Disposal in accordance with the terms of the Agreement
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of the Sale Shares in accordance with the terms of the Agreement
“EGM”	the extraordinary general meeting of the Company to be convened and held at Room 912, 9/F, New East Ocean Centre, 9 Science Museum Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Wednesday, 23 December 2015 at 11:00 a.m. for the Independent Shareholders to approve the Agreement and the transactions contemplated thereunder

DEFINITIONS

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Board comprising all the independent non-executive Directors to advise the Independent Shareholders on the Agreement and the transactions contemplated thereunder
“Independent Financial Adviser”	Veda Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity as defined under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders on the terms of the Agreement
“Independent Shareholders”	Shareholders other than Mr. Chen and his associates
“Latest Practicable Date”	2 December 2015, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for the inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC Company”	廣州富佑網絡科技有限公司 (Guangzhou For You Internet Technology Company Limited*), a company established in the PRC with limited liability and a wholly owned subsidiary of the Target Company
“Purchaser” or “Mr. Chen”	Mr. Chen Huaide, the former Chairman and a former executive Director of the Company who resigned as Chairman and executive director of the Company with effect from 24 November 2015
“Sale Shares”	the 100 shares in the issued share capital of the Target Company, representing the entire issued share capital of the Target Company

DEFINITIONS

“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of the share(s) of HK\$0.001 each in the share capital of the Company
“Share(s)”	Share(s) of HK\$0.001 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Boway Enterprises (International) Limited, a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of the Company
“Target Group”	together the Target Company and the PRC Company
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent

* *For identification purpose only*

LETTER FROM THE BOARD



中國富佑集團有限公司 China For You Group Company Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 572)

Executive Directors:

Mr. Siu Yun Fat (*Chairman and Chief Executive Officer*)
Mr. Lai Fai Lawrence
Mr. Yang Yang
Mr. Yu Qingrui

Registered office:

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

Independent non-executive Directors:

Mr. Chan Yee Por Simon
Mr. Siu Siu Ling, Robert
Mr. Tam Tak Wah

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

Room 912, 9/F.
New East Ocean Centre
9 Science Museum Road
Tsim Sha Tsui East, Kowloon
Hong Kong

8 December 2015

To the Shareholders

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTION: DISPOSAL OF ENTIRE EQUITY INTERESTS OF A SUBSIDIARY

INTRODUCTION

Reference is made to the Announcement.

The Board announced that after trading hours on 3 November 2015, the Company as seller entered into the Agreement with the Purchaser in relation to the Disposal for a consideration of HK\$3,300,000 in cash.

LETTER FROM THE BOARD

The entering into of the Agreement and the Disposal constitute a major transaction on the part of the Company under Chapter 14 of the Listing Rules and are subject to the announcement and the Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As Mr. Chen is a connected person of the Company, the entering into of the Agreement and the transactions contemplated thereunder constitute a connected transaction on the part of the Company under Chapter 14A of the Listing Rules. As the relevant percentage ratios on an annual basis are more than 5%, the Agreement and the transactions contemplated thereunder are subject to, among others, Independent Shareholders' approval requirements under the Listing Rules.

The purpose of this circular is to provide you with, among other things, (i) further details of the Agreement and the transactions contemplated thereunder; (ii) the recommendation of the Independent Board Committee in respect of the Disposal; (iii) the advice of the Independent Financial Adviser regarding the terms of the Agreement; and (iv) the notice convening the EGM.

THE AGREEMENT

Date: 3 November 2015 (after trading hours)

Parties: (1) Seller: The Company

(2) Purchaser: Mr. Chen

The Purchaser is Mr. Chen, who is the former Chairman and a former executive Director resigned on 24 November 2015. As such, the Purchaser is a connected person of the Company former under Chapter 14A of the Listing Rules.

ASSETS TO BE DISPOSED

Pursuant to the Agreement, the Company has agreed to dispose and the Purchaser has agreed to acquire the Sale Shares, which represents the entire issued share capital of the Target Company.

CONSIDERATION

The consideration for the Disposal is HK\$3,300,000, which shall be wholly satisfied by the Purchaser in cash upon completion of the Agreement.

The consideration for the Disposal was arrived at after arm's length negotiations between the parties to the Agreement after taking into consideration of various factors, in particular, the unaudited consolidated net asset value of the Target Group of approximately HK\$2,782,000 as at 30 September 2015, the historical financial position and net loss before taxation of the Target Group

LETTER FROM THE BOARD

of approximately HK\$1.36 million for the nine months ended 30 September 2015, the net gain of approximately HK\$118,000 on Disposal and the factors set out in the paragraph headed “Reasons and Benefits for the proposed Disposal” below.

After taking into consideration of various factors, the Directors (other than the independent non-executive Directors who will express their opinion after receiving the advice from the Independent Financial Adviser to be appointed) consider the consideration for the Disposal to be fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

CONDITIONS

The Disposal is conditional upon the satisfaction of the following:

- (1) the passing of the necessary resolution(s) by the Independent Shareholders at the EGM of the Company to approve the Agreement and the transactions contemplated thereunder; and
- (2) if necessary, all necessary consents and approvals required to be obtained by the Purchaser in respect of the sale and purchase of the Sale Shares having been obtained.

Each party shall use its best endeavours to satisfy and fulfill the conditions. If the conditions set out above have not been satisfied on or before 29 February 2016, or such other date as the Company and the Purchaser may agree, the Agreement shall cease and terminate and thereafter neither party shall have any obligations and liabilities towards each other, save for any antecedent breaches of the terms of the Agreement

As at the Latest Practicable Date, none of the conditions above have been fulfilled.

COMPLETION

Completion of the Agreement is expected to take place within ten Business Days after the fulfillment of the aforesaid conditions (or such other date as the parties may agree).

Upon completion of the Agreement, the Target Group will cease to be subsidiaries of the Company and the Company will cease to have any interests in the Target Group.

LETTER FROM THE BOARD

INFORMATION OF THE TARGET GROUP

The Target Company is a company incorporated in Hong Kong with limited liability in March 2013 and is principally engaged in investment holding. The Target Company is a wholly owned subsidiary of the Company.

The PRC Company is a company established in Guangzhou, the PRC in November 2014 and is wholly owned by the Target Company. The PRC Company is principally engaged in trading business through the one-stop online shopping platform by using the customers' internet connected mobile devices such as smartphones and tablet PCs. This mobile shopping platform can be accessed through the WeChat Public Platform* (微信公眾平台).

Based on the unaudited consolidated management accounts of the Target Group, it is estimated that upon Completion, the Group will record a net gain of approximately HK\$118,000 upon completion of the Disposal, which is calculated by reference to the excess of the consideration for the Disposal over the net asset value of the Target Group of approximately HK\$2,782,000 as at 30 September 2015 and after deducting the expenses in connection with the Disposal, including legal and accountancy charges, amounting to approximately HK\$400,000, and an increase in the net assets value of the Group by approximately HK\$118,000.

Set out below is the audited financial information of the Target Company for the year ended 31 December 2013 and the unaudited consolidated financial information of the Target Group for the year ended 31 December 2014 and the nine months ended 30 September 2015, which were prepared in accordance with generally accepted accounting principles in Hong Kong:

	For the year ended 31 December 2013 <i>(in HK\$)</i> (audited)	For the year ended 31 December 2014 <i>(in HK\$)</i> (unaudited) <i>(approximately)</i>	For the nine months ended 30 September 2015 <i>(in HK\$)</i> (unaudited) <i>(approximately)</i>
Turnover	–	1,411,000	4,808,000
Profit/(Loss) before tax	(26,450)	525,000	(1,362,000)
Profit/(Loss) after tax	(26,450)	393,000	(1,371,000)
Net asset value/(liability)	(26,350)	314,000	2,782,000

LETTER FROM THE BOARD

For the year ended 31 December 2014, the Target Group recorded turnover from operations of approximately HK\$1.41 million and recorded a net profit before tax of approximately HK\$0.53 million. Such turnover was generated solely from the sales from the one-stop online shopping platform. For the nine months ended 30 September 2015, the Target Group recorded turnover from operations of approximately HK\$4.81 million and recorded a net loss before tax of approximately HK\$1.36 million. The substantial decrease in net profit to a net loss for the nine months ended 30 September 2015 was mainly attributable to (i) the substantial increase in the administrative expenses of approximately HK\$3.37 million as compared to the administrative expenses of approximately HK\$0.26 million for the year ended 31 December 2014 and (ii) decrease in profit margin. The substantial increase in the administrative expenses was due to the increase in the salaries payable to the employees of the Target Group.

The total assets and total liabilities of the Group would be decreased by approximately HK\$3,698,000 and HK\$916,000, respectively, and will record a gain on disposal of the Target Group of approximately HK\$118,000 in the effect of the disposal as at 30 September 2015.

REASONS AND BENEFITS FOR THE PROPOSED DISPOSAL

The Group is now principally engaged in (a) trading and related services; (b) investment in listed securities and property in Hong Kong; and (c) money lending business in Hong Kong. As disclosed in the previous announcements of the Company, the Board, from time to time reviews the existing business and explores other business opportunities with a view to broaden its income stream which shall be in the best interests of the Company and its shareholders as a whole.

The Company considers that the Disposal is an opportunity for the Company to realize its investments in the Target Group. Further, the proceeds from the Disposal can further strengthen the cash flow of the Group and will allow the Group to reallocate its resources for future development.

After deducting expenses relating to the Disposal, there will be net proceeds of approximately HK\$2,900,000 from the Disposal and the Company intends to utilize the net proceeds towards general working capital of the Group.

Taking into consideration of the aforesaid, the Directors (other than the independent non-executive Directors whose views have been set out in this circular after taking the advice from the Independent Financial Adviser) consider that the terms and conditions of the Agreement, though not in the ordinary and usual course of business of the Group, are on normal commercial terms after arm's length negotiation between the parties and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

The entering into of the Agreement and the Disposal constitute a major transaction on the part of the Company under Chapter 14 of the Listing Rules and are subject to the announcement and the Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As Mr. Chen is a connected person of the Company, the entering into of the Agreement and the transactions contemplated thereunder constitute a connected transaction on the part of the Company under Chapter 14A of the Listing Rules. As the relevant percentage ratios on an annual basis are more than 5%, the Agreement and the transactions contemplated thereunder are subject to, among others, Independent Shareholders' approval requirements under the Listing Rules.

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders regarding the Agreement and the transactions contemplated thereunder. The Company has appointed the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the Disposal is in the ordinary and usual course of business of the Group, whether the terms of the Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

EGM

The EGM will be convened and held at Room 912, 9/F, New East Ocean Centre, 9 Science Museum Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Wednesday, 23 December 2015 at 11:00 a.m. for the Independent Shareholders to approve the Agreement and the transactions contemplated thereunder. A notice convening the EGM is set out on pages 37 to 38 of this circular. Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17 Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the EGM if you so wish.

LETTER FROM THE BOARD

Mr. Chen and his associates shall abstain from voting regarding the relevant resolution(s) approving the Agreement and the transactions contemplated thereunder at the EGM. As at the Latest Practicable Date, Mr. Chen is interested in 82,920,000 Shares, representing approximately 1.70% of the issued share capital of the Company. Save as disclosed, to the best knowledge, information and belief of the Directors and having made reasonable enquiries, no other Shareholder is involved in or interested in the Disposal which requires him to abstain from voting on the proposed resolution(s) to approve the Disposal at the EGM.

Mr. Chen has abstained from voting at the board meeting approving the Agreement due to his interests in the Agreement and the Disposal. Save for Mr. Chen, no other Directors have a material interest in the Disposal and no other Directors have abstained from voting on the relevant board resolutions approving the Agreement and the transactions contemplated thereunder.

RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on page 11 of this circular; and (ii) the letter from Veda Capital to the Independent Board Committee and Independent Shareholders in connection with the Agreement and the principal factors and reasons considered by them in arriving such advice set out on pages 13 to 24 of this circular.

The Board (including the independent non-executive Directors whose views have been set out in this circular after being advised by the Independent Financial Adviser) is of the view that the Agreement is on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Agreement and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

By order of the Board
China For You Group Company Limited
Siu Yun Fat
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



中國富佑集團有限公司
China For You Group Company Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 572)

8 December 2015

To the Independent Shareholders

Dear Sir or Madam,

**MAJOR AND CONNECTED TRANSACTION:
DISPOSAL OF ENTIRE EQUITY INTERESTS OF A SUBSIDIARY
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

We refer to the circular of the Company to the Shareholders dated 8 December 2015 (the “**Circular**”), in which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to advise the Independent Shareholders on whether the terms of the Agreement and the transactions contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned. Veda Capital has been appointed to advise us and the Independent Shareholders in this regard.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having taken into account the terms of the Agreement and the advice from Veda Capital, we consider that whilst the Agreement is not in the ordinary and usual course of business of the Group, the terms and conditions of Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Agreement and the transactions contemplated thereunder. The letter from Veda Capital containing its recommendation to us and the principal factors and reasons taken into the account by Veda Capital in arriving at such recommendations is set out on pages 13 to 24 of the Circular.

Yours faithfully,

Independent Board Committee of

China For You Group Company Limited

Mr. Chan Yee Por Simon

Independent non-executive

Director

Mr. Siu Siu Ling, Robert

Independent non-executive

Director

Mr. Tam Tak Wah

Independent non-executive

Director

LETTER FROM VEDA CAPITAL

The following is the text of the letter of advice from Veda Capital to the Independent Board Committee and the Independent Shareholder in respect of the Agreement and the transactions contemplated thereunder which has been prepared for the purpose of incorporation in this circular.

VEDA | CAPITAL
智 略 資 本

Veda Capital Limited
Room 1106, 11/F,
Wing On Centre,
111 Connaught Road Central,
Hong Kong

8 December 2015

*To the Independent Board Committee and the Independent Shareholders of
China For You Group Company Limited*

Dear Sir/Madam,

MAJOR AND CONNECTED TRANSACTION: DISPOSAL OF ENTIRE EQUITY INTERESTS OF A SUBSIDIARY

INTRODUCTION

We refer to our appointment to advise the Independent Board Committee and the Independent Shareholders in respect of the Agreement and the transactions contemplated thereunder, details of the Disposal are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 8 December 2015 (the “**Circular**”) to the Shareholders, of which this letter forms part. Terms used herein have the same meanings as those defined in the Circular unless the context requires otherwise.

On 3 November 2015 (after trading hours), the Company as seller (the “**Seller**”) entered into the conditional Agreement with the Purchaser pursuant to which the Seller has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Shares for a consideration of HK\$3,300,000 (the “**Consideration**”) in cash. The Sale Shares represent the entire issued share capital of the Target Company.

The entering into of the Agreement and the Disposal constitute a major transaction on the part of the Company under Chapter 14 of the Listing Rules and are subject to the announcement and the Shareholders’ approval requirements under Chapter 14 of the Listing Rules.

LETTER FROM VEDA CAPITAL

Mr. Chen, the former chairman of the Company and former executive Director, is interested in 82,920,000 Shares, representing approximately 1.70% of the issued share capital of the Company. As Mr. Chen is a connected person of the Company, the entering into of the Agreement and the transactions contemplated thereunder constitute a connected transaction on the part of the Company under Chapter 14A of the Listing Rules. As the relevant percentage ratios on an annual basis are more than 5%, the Agreement and the transactions contemplated thereunder are subject to, among others, Independent Shareholders' approval requirements under the Listing Rules. Mr. Chen and his associates shall abstain from voting regarding the relevant resolution(s) approving the Agreement and the transactions contemplated thereunder at the EGM.

The Independent Board Committee, comprising Mr. Chan Yee Por, Simon, Mr. Siu Siu Ling, Robert and Mr. Tam Tak Wah, all being the independent non-executive Directors, has been established to advise the Independent Shareholders as to (i) whether the Disposal is in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole; (ii) whether the terms of the Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (iii) their recommendation as to how the Independent Shareholders should vote in respect of the ordinary resolution to be proposed at the EGM to approve the Agreement and the transactions contemplated thereunder. We have been appointed to advise the Independent Board Committee and the Independent Shareholders in these regards.

As at the Latest Practicable Date, we were not aware of any relationships or interest between us and the Company or any other parties that could be reasonably be regarded as hindrance to our independence as defined under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Agreement and the transactions contemplated thereunder. We are not associated with the Company, its subsidiaries, its associates or their respective substantial shareholders or associates, and accordingly, are eligible to give independent advice and recommendations on the terms of the Agreement and the transactions contemplated thereunder. Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, no arrangement exists whereby we will receive any fees from the Company, its subsidiaries, its associates or their respective substantial shareholders or associates.

LETTER FROM VEDA CAPITAL

BASIS OF OUR ADVICE

In formulating our opinion and advice, we have relied upon accuracy of the information and representations contained in the Circular and information provided to us by the Company, the Directors and the management of the Company. We have assumed that all statements, information and representations made or referred to in the Circular and all information and representations which have been provided by the Company, the Directors and the management of the Company, for which they are solely and wholly responsible, were true at the time they were made and continue to be true as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion and intention made by the Directors in the Circular were reasonably made after due and careful enquiry and were based on honestly-held opinions.

The Directors have collectively and individually accepted full responsibility for the accuracy of the information contained in the Circular and have confirmed, 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 statements in the Circular misleading. We have no reason to believe that any information and representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the information provided and the representations made to us untrue, inaccurate or misleading. We have not, however, conducted any independent in-depth investigation into the business affairs, financial position or future prospects of the Group, nor have we carried out any independent verification of the information provided by the Directors and the management of the Company.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In giving our recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Agreement and the transactions contemplated thereunder, we have taken into consideration the following principal factors and reasons:

1. Financial information of the Group

The Group is now principally engaged in (a) trading and related services; (b) investment in listed securities and property in Hong Kong; and (c) money lending business in Hong Kong.

LETTER FROM VEDA CAPITAL

For the six months ended 30 June 2015

As set out in the interim report of the Company for the six months ended 30 June 2015 (the “**IR 2015**”), the Group recorded a turnover of approximately HK\$128,670,000 for the six months ended 30 June 2015, representing an increase of approximately 6.3 times as compared with the turnover of approximately HK\$20,448,000 for the corresponding period of last year. The increase in turnover was resulted from both the increase in trading business and trading of listed securities.

The loss attributable to owners of the Company as at 30 June 2015 amounted to approximately HK\$5,957,000, a reduction of approximately 25.93% when compared to the restated net loss of approximately HK\$8,042,000 for the corresponding period of last year. As advised by the Company, the substantial loss was mainly due to the impairment loss recognised in respect of other receivables amounted to HK\$17,616,000 and share-based payments expenses amounted to HK\$1,521,000. The aggregate result of the abovementioned items was HK\$19,137,000.

For the year ended 31 December 2014

As stated in the annual report of the Company for the year ended 31 December 2014 (the “**AR 2014**”), the Group recorded a turnover of approximately HK\$124,956,000 for the year ended 31 December 2014, representing an increase of approximately 661 times as compared with the turnover of 31 December 2013 of approximately HK\$189,000. The substantial increase in turnover was resulted from both the increase in scale of the trading business and trading of listed securities.

The profit attributable to shareholders for the year ended 31 December 2014 was HK\$2,715,000 compared with a loss of HK\$54,086,000 for the year ended 31 December 2013. As advised by the Company, such turnaround was mainly due to (i) the non-cooperation of the management of the deconsolidated Shanxi Zhanpen Metal Products Co., Ltd. (the “**Zhanpen**”) and Bloxworth Enterprises Limited (the “**Bloxworth**”) (the “**Deconsolidated Subsidiaries**”) from its financial statements since 1 January 2013. Reference is made to the announcement dated 25 March 2014, after all reasonable steps have been taken but to no avail, the Board resolved that the Group no longer had the power to govern the financial and operating policies of the Deconsolidated Subsidiaries and the Group therefore deconsolidated the Deconsolidated Subsidiaries from its financial statements since 1 January 2013. As such, the results of the Deconsolidated Subsidiaries up to 24 March 2014 have not

LETTER FROM VEDA CAPITAL

been included into the consolidated financial statements of the Group for the year ended 31 December 2014. Therefore, there was a substantial loss on deconsolidation of the Deconsolidated Subsidiaries of HK\$39,267,000 for the year ended 31 December 2013; and (ii) the turnover of the Group for the year ended 31 December 2013 recorded only HK\$189,000 while there was HK\$124,956,000 for the year ended 31 December 2014. The tremendous improvement was contributed from a surge of both from trading business and related services and gross proceeds from disposal of investment held for trading.

2. Information of the Target Group

The Target Company is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holdings. The Target Company is a wholly owned subsidiary of the Company.

The PRC Company is a company established in Guangzhou, the PRC in November 2014 and is wholly owned by the Target Company. The PRC Company is principally engaged in trading business through the one-stop online shopping platform by using the customers' internet connected mobile devices such as smartphones and tablet PCs. This mobile shopping platform can be accessed through the WeChat Public Platform* (微信公眾平台).

Set out below is the unaudited consolidated financial information of the Target Group for the years ended 31 December 2014 and the nine months ended 30 September 2015, which was prepared in accordance with generally accepted accounting principles in Hong Kong:

	For the year ended 31 December 2014	For the nine months ended 30 September 2015
	<i>(in HK\$)</i>	<i>(in HK\$)</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
	<i>(approximately)</i>	<i>(approximately)</i>
Turnover	1,411,000	4,808,000
Profit/(Loss) before tax	525,000	(1,362,000)
Net asset value	314,000	2,782,000

LETTER FROM VEDA CAPITAL

For the year ended 31 December 2014, the Target Group recorded turnover from operations of approximately HK\$1.41 million and recorded a net profit before tax of approximately HK\$0.53 million. Such turnover was generated solely from the sales from the one-stop online shopping platform. For the nine months ended 30 September 2015, the Target Group recorded turnover from operations of approximately HK\$4.81 million and recorded a net loss before tax of approximately HK\$1.36 million. The substantial decrease in net profit to a net loss for the nine months ended 30 September 2015 was mainly attributable to (i) the substantial increase in the administrative expenses of approximately HK\$3.37 million as compared to the administrative expenses of approximately HK\$0.26 million for the year ended 31 December 2014 and (ii) decrease in profit margin. The substantial increase in the administrative expenses was due to the increase in the salaries payable to the employees of the Target Group.

The total assets and total liabilities of the Group would be decreased by approximately HK\$3,698,000 and HK\$916,000, respectively, and will record a gain on disposal of the Target Group of approximately HK\$118,000 in the effect of the disposal as at 30 September 2015.

3. Background and reasons for the proposed Disposal

As noted from the Board Letter, the Board, from time to time reviews the existing business and explores other business opportunities with a view to broaden its income stream which shall be in the best interests of the Company and its shareholders as a whole.

According to the management of the Company, the Company has directed its resources on exploring opportunities in trading business and related services and treasury business including securities trading and money lending business so as to create long-term value for its shareholders.

Reference is made to the announcement of the Company dated 17 August 2015, Sky Eagle Global Limited, a wholly owned subsidiary of the Company, entered into the sale and purchase agreement with Great Well Properties Limited, an independent third party, in relation to the acquisition of 10,000 ordinary shares of Metro Victor Limited (the “MVL”) and all obligations, liabilities and debts owing or incurred by MVL by Sky Eagle Global Limited. The main business of MVL is property investment and investment properties amounted to HK\$400,000,000 was held by the MVL. It is the intention of the Company to invest in luxurious properties located in Hong Kong.

LETTER FROM VEDA CAPITAL

Reference is also made to the announcement of the Company dated 25 June 2015. As noted from the announcement of the Company dated 25 June 2015, Central Wealth Securities Investment Limited (the “CWSI”), an associate of the Company, has obtained the Stock Exchange Trading Right from the Stock Exchange and licenses from the Securities and Futures Commission to carry out Type 1 (Dealing in Securities) and Type 4 (Advising on Securities) regulated activities. CWSI commences its business in September 2015. CWSI will initially provide brokerage services to clients for trading in securities listed on the Stock Exchange and margin and IPO financings to its clients and will further expand to other related area in future. As advised by the management of the Company, the Group will continue to explore the trading business in order to diversify the products portfolio. In respect of the securities trading, the Group is optimistic on the economic growth in China and believes that Hong Kong would also be benefited. Therefore, it is expected that the Group will continue to invest in the Hong Kong equity market by enhancing the use of the surplus working capital and seek attractive investment opportunities with the aim of deriving dividend income and/or gain from trading of listed securities.

As further advised by the management of the Company, in respect of the money lending business, due to the mature of Hong Kong financing market, the demand of loan is expected to increase substantially. The Board believes that the money lending business will give the Group an opportunity to obtain a higher return for the fund under the current low interest rate environment and will generate satisfactory revenue for the Group.

Furthermore, it is the intention of the Company to invest in quality and/or blue chip stocks in Hong Kong in general and there is no particular type of industry which the Company will focus on.

As noted from the Board Letter, after deducting expenses relating to the Disposal, there will be net proceeds of approximately HK\$2,900,000 from the Disposal and the Company intends to utilize the net proceeds towards general working capital of the Group. The Company considers that the Disposal is an opportunity for the Company to realize its investments in the Target Group. Further, the proceeds from the Disposal can further strengthen the cash flow of the Group and will allow the Group to reallocate its resources for future development.

LETTER FROM VEDA CAPITAL

Taking into consideration of (i) the Company plans to focus on trading business and related services, securities trading, the investment in luxurious properties and the money lending business; (ii) the net loss recorded by the Target Group for the nine months ended 30 September 2015; (iii) the consideration of the proposed Disposal represents a premium of approximately 18.6% to the net asset value of the Target Group for the nine months ended 30 September 2015; and (iv) the Disposal provides an opportunity for the Company to reallocate the resources and strength the Company's cash position by the net proceeds of the Disposal, we are of the view that the Disposal is in the interests of the Company and the Independent Shareholders as a whole.

4. The Agreement

Asset to be disposed

As disclosed in the Board Letter, pursuant to the Agreement, the Company has agreed to dispose and the Purchaser has agreed to acquire the Sale Shares, which represents the entire issued share capital of the Target Company.

Consideration

The Consideration is HK\$3,300,000, which shall be wholly satisfied by the Purchaser in cash upon completion of the Agreement.

The Consideration was arrived at after arm's length negotiations between the parties to the Agreement after taking into consideration of various factors, in particular, the unaudited consolidated net asset value of the Target Group of approximately HK\$2.78 million as at 30 September 2015, the historical financial position and net loss before taxation of the Target Group of approximately HK\$1.36 million as at 30 September 2015, the net gain of approximately HK\$118,000 on Disposal and the factors set out in the paragraph headed "Reasons and Benefits for the proposed Disposal" in the Board Letter.

After taking into consideration of various factors, the Directors consider the Consideration to be fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

LETTER FROM VEDA CAPITAL

Based on the unaudited consolidated management accounts of the Target Group for the nine months ended 30 September 2015, it is estimated that upon Completion, the Group will record a net gain of approximately HK\$118,000 and an increase in the net assets of the Group by approximately HK\$118,000.

The Consideration of HK\$3,300,000 represents a premium of approximately 18.6% to the net asset value of the Target Group for the nine months ended 30 September 2015.

In assessing the fairness and reasonableness of the Consideration, we have considered some of the most used benchmarks for valuing a company. Given that the Target Group recorded a net loss for the nine months ended 30 September 2015, the price-earnings ratio is not applicable. Also, we considered that the price-to-sales multiples would not yield a meaningful result since the Target Group is principally engaged in trading business and the sales amount is not indicative to the value of the Target Group. Regarding the dividend-yield approach, since the Target Company did not declare any dividend, the dividend yield approach is not applicable.

Having considered the above and taking into account the loss-making position and business nature of the Target Group, we considered that using the price-to-book ratio (the “**P/B Ratio**”) would be the most appropriate and relevant approach. We also consider that using the net asset value of the Target Group as the basis of determination of the Consideration is a fair reference. Based on the Consideration of HK\$3,300,000 and the unaudited consolidated net asset value of the Target Group of approximately HK\$2.78 million as at 30 September 2015, the price-to-book ratio implied by the Consideration is approximately 1.19 times (the “**Implied P/B Ratio**”).

LETTER FROM VEDA CAPITAL

We have attempted to identify the comparable companies which are (i) listed on the Stock Exchange; (ii) principally engaged in similar business as the Target Group i.e. trading business through the one-stop online shopping platform by using the customers' internet connected mobile devices; and (iii) with comparable scale of size with the Target Company. However, based on the aforesaid selection criteria, no comparable company can be identified. Alternatively, we have expand the selection criteria to identify the comparable companies which are listed on the Stock Exchange and principally engaged in e-commerce related business and we have identified three companies (the “**Comparables**”). It should be noted that the operations, prospects and scale of the Target Company are not the same as the Comparables. To the best of our knowledge, effort and endeavour, we consider that the list of the Comparables is an exhaustive list based on the aforesaid selection criteria. Our findings are set out below:

Company (stock code)	Principal business	P/B ratio (times) (Note)
Cogobuy Group (400)	Operation of the transaction-based e-commerce platform for IC and other electronic components in China	5.08
Tian Ge Interactive Holdings Limited (1980)	Operating of live social video platforms, mobile and online games and advertising and other services in the PRC	1.85
DX.com Holdings Limited (8086)	Provision of professional information technology contract and maintenance services and E-commerce and provision of online sales platform	0.12
	Maximum	5.08
	Minimum	0.12
	Mean	2.35
	Median	1.85
Implied P/B Ratio		1.19

LETTER FROM VEDA CAPITAL

Note:

P/B ratios of the Comparables are calculated by dividing respective closing share prices of the Comparables as quoted on Stock Exchange as at the date of the Sale and Purchase Agreement by respective net asset values per share calculated based on the information as disclosed in their respective latest published annual/interim reports or annual/interim results announcements.

As noted from the table above, the Implied P/B Ratio lies within the range of the P/B Ratios of the Comparables and closes to the median of the P/B Ratios of the Comparables. Despite the fact that the Implied P/B Ratio is below the average of the P/B Ratios of the Comparables, having considered that the scale and size of the Comparables are much larger than that of the Target Group, we are of the view that the Implied P/B Ratio is on normal commercial term.

Having further considered that, (i) the Target Group recorded a net loss for the nine months ended 30 September 2015; (ii) the Consideration of HK\$3,300,000 represents a premium of approximately 18.6% to the net asset value of the Target Group for the nine months ended 30 September 2015; (iii) the Group will record a net gain of approximately HK\$118,000, we consider that the Consideration is fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

5. Financial effects of the Disposal

Effects on earnings

Upon Completion, the Target Group will no longer be subsidiaries of the Group and the results of the Target Group will cease to be consolidated into the Group's consolidated financial statements. The Target Group recorded a loss of HK\$1,362,000 for the nine month ended 30 September 2015. After the Disposal, the Target Group will no longer be consolidated to the Group's account, it is expected that the results of the remaining Group will improve accordingly.

As noted in the Board Letter, the Disposal is expected to generate a net gain amounted to approximately HK\$118,000 upon Completion. However, Shareholders should note that the actual amount of gain or loss on the Disposals would be calculated based on the relevant figures as at the date of the Completion and the actual transaction cost and expenses incurred in respect of the Disposal and therefore should the Target Group continue to be loss making until Completion, the gain on disposal be expected to increase (taking into account the actual amount of transaction cost) being the difference between the net asset value of the Target Group, the actual transaction cost and the Consideration.

LETTER FROM VEDA CAPITAL

Effect on net assets

Upon Completion, the Group's net assets will be (i) increased by the amount of the net proceeds from the Disposal; and (ii) offset by the decrease in the unaudited net assets of the Target Group as at the date of Completion, as the Group will no longer consolidated the financial position of the Target Group to the Group's consolidated accounts.

Effect on the working capital

Upon Completion, it is expected that there will be an increase in the cash position of the Group by the net proceeds of the Disposal.

RECOMMENDATION

Notwithstanding that the Disposal is not in the ordinary and usual course of business of the Company, having considered the above principal factors and reasons, we are of the view that (i) the Disposal is in the interests of the Company and the Independent Shareholders as a whole; and (ii) the terms of the Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders and advise the Independent Board Committee to recommend the Independent Shareholders, to vote in favour of the resolution to be proposed at the EGM to approve the Agreement and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of
Veda Capital Limited
Julisa Fong
Managing Director

Note:

Ms. Julisa Fong is a licensed person under the SFO to engage in Type 6 (advising on corporate finance) regulated activity and has over 19 years of experience in investment banking and corporate finance.

I. FINANCIAL SUMMARY

The financial information of the Group for (i) the year ended 31 December 2012 is disclosed in the annual report of the Company for the year ended 31 December 2012 published on 29 April 2013, from pages 24 to 91; (ii) for the year ended 31 December 2013 is disclosed in the annual report of the Company for the year ended 31 December 2013 published on 29 April 2014, from pages 24 to 87; (iii) the year ended 31 December 2014 is disclosed in the annual report of the Company for the year ended 31 December 2014 published on 27 April 2015, from page 26 to 91, and (iv) the six months ended 30 June 2015 is disclosed in the interim report of the Company for the six months ended 30 June 2015 published on 23 September 2015, from page 14 to 36, all of which have been published on the website of the Stock Exchange (www.hkex.com.hk) and the website of the Company (<http://www.chinaforyou.com.hk>).

II. INDEBTEDNESS

As at the close of business on 31 October 2015, being the latest practicable date for the purpose this indebtedness statement, the indebtedness of the Group was as follows:

Security and guarantees

At the close of business on 31 October 2015, there were no charges against the Group's assets.

Bank and other borrowings

At the close of business on 31 October 2015, the Group had no bank and other borrowings against the Group's assets.

Commitments

At the close of business on 31 October 2015, the Group had no finance lease commitments against the Group's assets.

Contingent liabilities***Litigation***

Details of the litigation are set out under the section headed “Litigation” in Appendix II to this circular.

Save as aforesaid or as otherwise mentioned herein, and apart from intra-group liabilities, the Group did not have any outstanding borrowings, mortgages, charges, debentures, loan capital and overdraft, debt securities or other similar indebtedness, finance leases or hire purchase commitment, liabilities under acceptances or acceptance credits or any guarantees or other material contingent liabilities as at the close of business on 31 October 2015, being the latest practicable date for the purpose of this statement of indebtedness prior to printing of this circular.

Save as aforesaid, the Directors are not aware of any material changes in the indebtedness, contingent liabilities and commitments of the Group since 31 October 2015, the date to which the indebtedness statement is made and up to the Latest Practicable Date.

III. WORKING CAPITAL

As at the Latest Practicable Date, the Directors are of the opinion that, in the absence of unforeseeable circumstances and after taking into account the Group’s financial resources, including internally generated funds and presently available credit facilities, the Group has sufficient working capital for its present requirements for the next twelve months from the date of this circular.

IV. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2014, the date to which the latest audited financial statements of the Group were made up.

V. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Subject to the completion of the Disposal, the Group will focus its resources on trading business and related services and treasury business including securities trading and money lending business so as to create long-term value for its Shareholders. Upon the completion of the acquisition (the “**Acquisition**”) as disclosed in the announcement and circular of the Company dated 17 August 2015 and 23 October 2015 respectively, the Group will also be engaged in property investment in Hong Kong. The Board believes that the business performance of the Group will be further improved.

In respect of the trading business, the Group will continue to explore its trading business by diversifying its products portfolio. As at the Latest Practicable Date, the Group has no specific business plan to diversify its products portfolio and there are no specific products to be diversified but the Board will continue to explore various trading opportunities which will benefit the Group and the Shareholders.

In respect of the securities trading, the Group is optimistic on the economic growth in China and believes that Hong Kong would also be benefited. Therefore, it is expected that the Group will continue to invest in the Hong Kong equity market by enhancing the use of the surplus working capital and will continue to seek attractive investment opportunities with the aim of deriving dividend income and/or gain from trading of listed securities.

In respect of the money lending business, due to the mature of Hong Kong financing market, the demand of loan is expected to increase substantially. The Board believes that the money lending business will give the Group an opportunity to obtain a higher return for the fund under the current low interest rate environment and will generate satisfactory revenue for the Group.

The Group is optimistic that the trading business and treasury business (i.e. trading of listed securities and money lending) will have positive gross profit and will generate positive cash flow from operations.

The Directors have always been proactive in seeking opportunities for diversifying of the scope of business of the Group and are optimistic to the future of Hong Kong property market. The Directors considered that the Acquisition represents an investment opportunity to participate in Hong Kong property investment market and the tenancy agreement will provide stable income for the Group while at the same time the Group will have the benefits from the long term appreciation of the price in luxurious properties in Hong Kong.

The Directors are optimistic to the property market in Hong Kong. It is noted that under the Acquisition Agreement, the Group need not pay the entire consideration sum in cash at completion and this will allow the Group to have cash reserves for its future business development.

Other than the existing business as named hereinabove which is on an on-going basis, the management will explore other business opportunities to diversify its trading business portfolio with a view to broaden its income stream which shall be in the best interests of the Company and its shareholders as a whole.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

(a) Directors' and chief executives' interests and short positions in Shares, underlying shares and debentures

As at the Latest Practicable Date, the interests and short positions of the Directors in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which: (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange, were as follows:

Name of Director	Capacity	Number of Shares or underlying Shares held	Approximate percentage of the issued share capital of the Company (%)
Mr. Siu Yun Fat (<i>Note</i>)	Beneficial Owner	67,800,000 (L)	1.39%
Mr. Yang Yang (<i>Note</i>)	Beneficial Owner	35,000,000 (L)	0.71%
Mr. Yu Qingrui (<i>Note</i>)	Beneficial Owner	67,800,000 (L)	1.39%
Mr. Lau Fai Lawrence	Beneficial Owner	600,000 (L)	0.01%

“L” stands for long position

Note: The interest disclosed represents the underlying Shares to be issued and allotted upon the exercise of the options granted to the relevant directors.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had any interests or short positions in the Share, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which: (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange.

(b) Interests and short positions in shares, underlying shares and debentures of companies in which any Director or proposed Director is a director or an employee

As at the Latest Practicable Date, none of the companies in which any Director or proposed Director is director or employee had an interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(c) Substantial Shareholders' and other persons' interests in Shares and underlying shares

Name of Substantial Shareholder	Capacity	Number of Shares or underlying Shares held	Approximate percentage of the issued share capital of the Company (%)
Gold Access Development Limited (<i>Note 1</i>)	Beneficial owner	274,820,000 (L)	5.63%
Chinese Top Holdings Limited (<i>Note 2</i>)	Beneficial owner	565,892,000 (L)	11.60%
Chen Yibao (<i>Note 2</i>)	Interest in controlled corporation	565,892,000 (L)	11.60%
Huang Zhiwen (<i>Note 2</i>)	Interest in controlled corporation	565,892,000 (L)	11.60%
Lin Guoyan (<i>Note 2</i>)	Interest in controlled corporation	565,892,000 (L)	11.60%

“L” stands for long position

Notes:

1. In accordance with the disclosure form filed by Gold Access Development Limited, Gold Access Development Limited is wholly controlled by Qin Aijun.
2. In accordance with the disclosure forms filed, Chinese Top Holdings Limited is controlled as to 20% by Chen Yibao, as to 40% by Hunag Zhiwen and as to 40% by Lin Guoyan respectively.

As at the Latest Practicable Date, save as disclosed above, the Directors and the chief executive of the Company were not aware of any other persons other than a Director or chief executive of the Company, who had interests or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any member of the Group.

3. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by members of the Group within the two years immediately preceding the date of this circular and are or may be material:

- (i) the loan agreement dated 10 February 2014 entered into between the Company as borrower and Lucky Shine Corporation Limited as lender in relation to a loan facility of HK\$3 million;
- (ii) the supplemental agreement dated 14 March 2014 supplement to the loan agreement dated 10 February 2014 entered into between the Company as borrower and Lucky Shine Corporation Limited as lender to increase the loan facility to HK\$20 million;
- (iii) the placing agreement dated 14 March 2014 entered into between the Company as issuer and Get Nice Securities Limited as the placing agent in relation to the placing of up to 169,000,000 placing shares at a placing price of HK\$0.103 per placing share;
- (iv) the supplemental agreement dated 17 March 2014 supplement to the placing agreement dated 14 March 2014 entered into between the Company as issuer and Get Nice Securities Limited as the placing agent to amend the placing price to HK\$0.105 per placing share;

- (v) the underwriting agreement dated 22 April 2014 entered into between the Company as issuer and Get Nice Securities Limited as the underwriter in relation to the open offer of 1,095,162,666 offer shares at the subscription price of HK\$0.04 per offer shares on the basis of one (1) offer shares for every two then existing shares;
- (vi) the conditional placing agreement dated 19 May 2015 (as supplemented and amended by the supplemental agreement dated 8 June 2015 and the extension letter dated 15 July 2015) and entered into between the Company and Skyway Securities Investment Limited as placing agent in relation to the placing of up to 657,000,000 non-listed warrants at the warrant placing price of HK\$0.1 per warrant;
- (vii) the deed of termination dated 4 August 2015 and entered into between the Company and Skyway Securities Investment Limited as placing agent in relation to the termination of the placing of up to 657,000,000 non-listed warrants;
- (viii) the placing agreement dated 26 June 2015 and entered into between the Company and Skyway Securities Investment Limited as placing agent in relation to the placing of up to 656,000,000 placing shares at the placing price of HK\$0.26 per share;
- (ix) the sale and purchase agreement dated 17 August 2015 and entered into between the Great Well Properties Limited and Sky Eagle Global Limited (a wholly owned subsidiary of the Company) for the sale and purchase of the entire issued share capital of and the shareholder's loan in Metro Victor Limited at a consideration of HK\$210,000,000;
- (x) the two placing agreements both dated 22 September 2015 and entered into between the Company and Skyway Securities Investment Limited as placing agent in relation to the placing of up to 700,000,000 placing shares and up to 900,000,000 placing shares respectively at the placing price of HK\$0.135 per share;
- (xi) the loan agreement dated 30 September 2015 (as supplemented by the supplemental loan agreement dated 27 October 2015) and entered into between Globally Finance Limited as lender and Instant Achieve Limited as borrower in relation to the provision of loan facility up to HK\$90 million to Instant Achieve Limited; and
- (xii) the Agreement.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group, excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation).

5. LITIGATION

As at the Latest Practicable Date, save as disclosed below, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened against any member of the Group.

The Alleged Guarantee and the claim

In December 2013, the Board received demand letter from alleged creditors of two companies, requesting the Company, being the alleged guarantor of debts in the total sum of approximately RMB842 million owed by two companies (the “**Alleged Creditors**”) unknown to the Company (the “**Alleged Guarantees**”), to settle the alleged debts on or before 11 December 2013, and forewarning that, failing which, the Alleged Creditors would take legal action against the Company.

On 14 January 2014, the Company received a writ of summons and statement of claim issued by 廣東省金屬回收公司 (Guangdong Metal Recycling Corporation*) (“**GMRC**”), one of the two Alleged Creditors in relation to the Alleged Guarantees, against: (i) Able Success as 1st defendant; (ii) Mr. He as the 2nd defendant; and (iii) the Company as the 3rd defendant, claiming an aggregate sum of approximately RMB644 million (the “**Claim**”).

In response to the Claim, the Company submitted the defence (the “**Alleged Guarantee Defence**”), which avers, inter alia, that:

- (a) neither the Board nor the shareholders of the Company had approved or authorised the execution of the purported guarantees or any other documents in favour of GMRC on behalf of the Company;
- (b) GMRC had actual, alternatively imputed, knowledge or notice of the lack of authority and/or capacity of Mr. He to execute the purported guarantees, and did not deal with the Company in good faith;

- (c) the purported guarantees were executed by Mr. He ultra vires and void for want of authority and/or capacity;
- (d) further or alternatively, the making of the purported guarantees was without any benefit whatsoever to the Company as it was given without any consideration provided by GMRC and was neither in the commercial interests of, nor authorised by, the Company, and constituted a purported disposal of its capital without receiving a benefit in return; and
- (e) the Company denies that GMRC is entitled to any of its claims and/or interest as alleged in the Claim.

The Company states that it did not approve and did not authorise any person to enter into the Alleged Guarantees on behalf of the Company and was not aware of the existence of the same beforehand.

After taking legal advice from the legal adviser, the Board is of the view that the Alleged Guarantees and the Claim are void and unenforceable and the Company has valid grounds to defend. The Company will take all necessary steps to resist the Alleged Guarantees and Claim. Accordingly, there should not be any material impact on the financial position of the Company and the Group.

6. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or substantial Shareholder or any of their respective associates has any interest in business which competes with or may compete with the business of the Group or has any other conflict of interests which any person has or may have with the Group.

7. EXPERTS

The following are the qualifications of the experts who have given an opinion or advice contained in this circular:

Name	Qualification
Veda Capital Limited	Independent Financial Adviser, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity as defined under the SFO

As at the Latest Practicable Date, Veda Capital did not have any interests, either direct or indirect, in any assets which have been acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2014, the date to which the latest published audited consolidated financial statements of the Group were made up.

As at the Latest Practicable Date, Veda Capital was not interested beneficially or non-beneficially in any Shares in the Company or any of its subsidiaries or any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Veda Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and/or report and/or reference to its name in the form and context in which it respectively appears.

8. MISCELLANEOUS

- (a) The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the head office and principal place of business in Hong Kong is at Room 912, 9/F., New East Ocean Centre, 9 Science Museum Road, Tsim Sha Tsui East, Kowloon, Hong Kong.
- (b) The branch share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- (c) The company secretary of the Company is Mr. Lau Cheuk Pun, who is a member of the Hong Kong Institute of Certified Public Accountants.
- (d) As at the Latest Practicable Date, no Directors had any direct or indirect interest in any assets which had been acquired, disposed of by or leased to, or which were proposed to be acquired, disposed of by or leased to, any member of the Group since 31 December 2014, the date to which the latest published audited consolidated financial statements of the Group were made up.
- (e) As the Latest Practicable Date, none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date and which is significant in relation to the business of the Group.
- (f) The English text of this circular shall prevail over the Chinese text in case of any inconsistency.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company in Hong Kong at Room 912, 9/F., New East Ocean Centre, 9 Science Museum Road, Tsim Sha Tsui East, Kowloon, Hong Kong during normal business hours on any Business Day from the date of this circular up to and including the date of the EGM:

- (a) the memorandum and articles of association of the Company;
- (b) the material contracts referred to in the paragraph headed “Material contracts” in this Appendix;
- (c) the written consent of Veda Capital referred to in the paragraph headed “Experts” in this Appendix;
- (d) the annual reports of the Company for each of the two financial years ended 31 December 2013 and 31 December 2014;
- (e) the letter from the Independent Board Committee, the text of which is set out in this circular;
- (f) the letter from Veda Capital, the text of which is set out in this circular; and
- (g) this circular.

NOTICE OF EGM



中國富佑集團有限公司 China For You Group Company Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 572)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of China For You Group Company Limited (the “**Company**”) will be held at Room 912, 9/F, New East Ocean Centre, 9 Science Museum Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Wednesday, 23 December 2015 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution of the Company:

ORDINARY RESOLUTION

“THAT

- (a) the conditional sale and purchase agreement dated 3 November 2015 (the “**Agreement**”) and entered into between Mr. Chen Huaide as purchaser (the “**Purchaser**”) and the Company as vendor, pursuant to which, among other things, the Company shall dispose and the Purchaser shall acquire the entire issued share capital of Boway Enterprises (International) Limited (a copy of which has been produced to the Meeting marked “A” and initialed by the Chairman of the Meeting for the purpose of identification) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;

NOTICE OF EGM

- (b) any of the director of the Company (the “**Director**”) be and is hereby authorised to do all such further acts and things, negotiate, approve, agree, sign, initial, ratify and/or execute such further documents, instruments and agreements (whether under common seal or not) and to take all steps and to do all such acts or things deemed by him/her to be incidental to, ancillary to or in connection with the matters contemplated in the Agreement and the transactions contemplated thereunder as he/she may in his/her absolute discretion consider necessary, desirable or expedient to give effect to the Agreement and the implementation of all transactions contemplated thereunder and to agree with such variation, amendment or waiver as, in the opinion of the Directors, in the interest of the Company and its shareholders as a whole.”

By order of the Board
China For You Group Company Limited
Siu Yun Fat
Chairman

Hong Kong, 8 December 2015

Registered office:

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

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

Room 912, 9/F.
New East Ocean Centre
9 Science Museum Road
Tsim Sha Tsui East, Kowloon
Hong Kong

Notes:

1. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his/her stead. A proxy needs not be a member of the Company.
2. In order to be valid, the form of proxy must be duly lodged at the Company’s branch registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17 Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong together with a power of attorney or other authority, if any, under which it is duly signed or a certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or any adjourned meeting.
3. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the above meeting or any adjournment thereof, should he so wish, and in such event, the form of proxy shall be deemed to be revoked.
4. As of the Latest Practicable Date, the Board comprises (i) four executive Directors, namely, Mr. Lau Fai Lawrence, Mr. Siu Yun Fat, Mr. Yang Yang, Mr. Yu Qingrui; and (ii) three independent non-executive Directors, namely Mr. Chan Yee Por, Simon, Mr. Siu Siu Ling, Robert and Mr. Tam Tak Wah.