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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold** all your shares in **HARMONY ASSET LIMITED**, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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**HARMONY ASSET LIMITED**

**亨亞有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

(HKEX Stock Code: 428)

**PROPOSALS INVOLVING  
GENERAL MANDATES TO REPURCHASE SHARES  
AND TO ISSUE NEW SHARES OF THE COMPANY,  
RE-ELECTION OF RETIRING DIRECTORS,  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of Harmony Asset Limited to be held at Suite 2806, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Monday, 30th June, 2014, at 9:00 a.m. is set out on pages 12 to 15 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to Computershare Hong Kong Investor Services Limited, the branch share registrar of the Company in Hong Kong at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 24 hours before the time appointed for holding of the meeting or any adjournment thereof.

\* For identification purpose only

This circular and the accompanying proxy form, in both English and Chinese versions, are available on the Company's website at [www.harmonyasset.com.hk](http://www.harmonyasset.com.hk) (the "Company Website").

Shareholders who have chosen or have been deemed consented to receive the corporate communications of the Company (the "Corporate Communications") via the Company Website and who for any reason have difficulty in receiving or gaining access to the circular and the proxy form posted on the Company Website will promptly upon request be sent the circular and the proxy form in printed form free of charge.

Shareholders may at any time change their choice of the means of receipt (either in printed form or via the Company Website) and/or language(s) (either English only or Chinese only or both languages) of Corporate Communications.

Shareholders may send their request to receive the circular and the proxy form in printed form, and/or to change their choice of the means of receipt and/or language(s) of Corporate Communications by notice in writing to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or by sending an email to the branch share registrar of the Company in Hong Kong at [harmony.ecom@computershare.com.hk](mailto:harmony.ecom@computershare.com.hk).

Shareholders who have chosen to receive printed copy of the Corporate Communications in either English or Chinese version will receive both English and Chinese versions of this circular and the accompanying proxy form since both languages are bound together into one booklet respectively.

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## DEFINITIONS

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

|                           |  |
|---------------------------|--|
| “Annual General Meeting”  | the annual general meeting of the Company to be held at Suite 2806, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Monday, 30th June, 2014 at 9:00 a.m. notice of which is set out on pages 12 to 15 of this circular  |
| “Articles of Association” | the Articles of Association of the Company as may be amended from time to time   |
| “Board”                   | the board of Directors   |
| “CG Code”                 | Corporate Governance Code and Corporate Governance Report set out in Appendix 14 of the Listing Rules  |
| “Companies Law”           | the Companies Law of the Cayman Islands for the time being in force  |
| “Company”                 | Harmony Asset Limited, a company incorporated in the Cayman Islands with limited liability, with its Shares listed on the Stock Exchange   |
| “Director(s)”             | the director(s) of the Company   |
| “Group”                   | the Company and its subsidiaries   |
| “Hong Kong”               | Hong Kong Special Administrative Region of the People’s Republic of China  |
| “HK\$”                    | Hong Kong dollars, the lawful currency of Hong Kong  |
| “Latest Practicable Date” | 20th May, 2014, being the latest practicable date prior to the printing of this circular   |
| “Listing Rules”           | the Rules Governing the Listing of Securities on the Stock Exchange  |
| “Repurchase Proposal”     | the proposal to give a general mandate to the Directors to exercise the powers of the Company to repurchase during the period as set out in the Repurchase Resolution Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the Repurchase Resolution |
| “Repurchase Resolution”   | the proposed ordinary resolution as referred to in resolution no.4 of the notice of the Annual General Meeting   |

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## DEFINITIONS

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|----------------------------|--|
| “SFO”                      | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)  |
| “Share(s)”                 | ordinary share(s) in the share capital of the Company with a nominal value of HK\$1.00 per Share   |
| “Shareholder(s)”           | holder(s) of Share(s)  |
| “Share Repurchase Rules”   | the relevant rules set out in the Listing Rules to regulate the repurchase by companies, with primary listing on the Stock Exchange, of their own securities on the Stock Exchange |
| “Stock Exchange” or “HKEX” | The Stock Exchange of Hong Kong Limited  |
| “Takeovers Code”           | The Codes on Takeovers and Mergers and Share Buy-backs   |

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## LETTER FROM THE CHAIRMAN

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### HARMONY ASSET LIMITED

亨亞有限公司\*

(Incorporated in the Cayman Islands with limited liability)

(HKEX Stock Code: 428)

*Executive Directors:*

Mr. Lee Fong Lit David (*Chairman*)

Dr. Chow Pok Yu, Augustine (*Chief Executive Officer*)

Mr. Chan Shuen Chuen, Joseph

Mr. Cheng Ming Shun (*Chief Financial Officer*)

*Registered office:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Independent Non-Executive Directors:*

Mr. Ho Man Kai, Anthony

Mr. Tong Kim Weng, Kelly

Dr. Wong Yun Kuen

*Principal place of business:*

Suite 2806,

Bank of America Tower,

12 Harcourt Road, Central,

Hong Kong

Hong Kong, 26th May, 2014

*To Shareholders,*

Dear Sir or Madam,

**PROPOSALS INVOLVING  
GENERAL MANDATES TO REPURCHASE SHARES  
AND TO ISSUE NEW SHARES OF THE COMPANY,  
RE-ELECTION OF RETIRING DIRECTORS,  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. GENERAL MANDATE TO REPURCHASE SHARES**

At the annual general meeting of the Company held on 31st May, 2013, a general mandate was given to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. It is therefore proposed to seek your approval of an ordinary resolution to be proposed at the Annual General Meeting to give a fresh general mandate to the Directors to exercise the powers of the Company to repurchase Shares. An explanatory statement as required under the Share Repurchase Rules to provide the requisite information of the Repurchase Proposal is set out in the Appendix I hereto.

\* For identification purpose only

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## LETTER FROM THE CHAIRMAN

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### 2. GENERAL MANDATE TO ISSUE NEW SHARES

It will also be proposed at the Annual General Meeting two ordinary resolutions for granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing the resolution, representing 7,811,722 Shares at the Latest Practicable Date, and adding to such general mandate so granted to the Directors any Shares representing the aggregate nominal amount of the Shares repurchased by the Company after the granting of the general mandate to repurchase Shares up to 10% of the issued share capital of the Company as at the date of the Repurchase Resolution.

### 3. RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of seven Directors, namely Mr. Lee Fong Lit David (Chairman), Dr. Chow Pok Yu, Augustine (Chief Executive Officer), Mr. Chan Shuen Chuen, Joseph, Mr. Cheng Ming Shun (Chief Financial Officer), Mr. Ho Man Kai, Anthony, Mr. Tong Kim Weng, Kelly and Dr. Wong Yun Kuen.

Pursuant to the Articles of Association, Mr. Lee Fong Lit David, Mr. Ho Man Kai, Anthony and Dr. Wong Yun Kuen, being the longest in office, shall retire by rotation at the Annual General Meeting. All of the above Directors, being eligible, shall offer themselves for re-election at the Annual General Meeting.

As at the Latest Practicable Date, Mr. Ho Man Kai, Anthony and Dr. Wong Yun Kuen have served as independent non-executive Directors for more than nine years since 2004. Pursuant to the code provision A.4.3 of the CG Code, (a) having served the company for more than nine years could be relevant to the determination of an independent non-executive director's independence and (b) if an independent non-executive director has served more than nine years, his further appointment should be subject to a separate resolution to be approved by shareholders.

The Company has received from Mr. Ho Man Kai, Anthony and Dr. Wong Yun Kuen a confirmation of independence pursuant to Rule 3.13 of the Listing Rules respectively. Mr. Ho Man Kai, Anthony and Dr. Wong Yun Kuen have not engaged in any executive management of the Group. Taking into consideration of their independent scope of works in the past years, the Directors consider Mr. Ho Man Kai, Anthony and Dr. Wong Yun Kuen to be independent under the Listing Rules despite the fact that they have served the Company for more than nine years. Accordingly, each of Mr. Ho Man Kai, Anthony and Dr. Wong Yun Kuen shall be subject to retirement by rotation and re-election by way of a separate resolution to be approved by the Shareholders at the Annual General Meeting.

Details of the above retiring Directors proposed for re-election at the Annual General Meeting are set out in the Appendix II of this circular.

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## LETTER FROM THE CHAIRMAN

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### 4. ANNUAL GENERAL MEETING

The notice of the Annual General Meeting, which contains, inter alia, ordinary resolutions to approve, among other things, the Repurchase Resolution, general mandate for Directors to issue new Shares, extension of general mandate to issue new shares and re-election of retiring Directors, is set out on pages 12 to 15 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to Computershare Hong Kong Investor Services Limited, the branch share registrar of the Company in Hong Kong at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 24 hours before the time appointed for the holding of the meeting or any adjournment thereof.

### 5. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the shareholders at the annual general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the meeting will therefore demand a poll for every resolution put to the vote at the Annual General Meeting pursuant to article 52 of the Articles of Association and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### 6. RECOMMENDATION

The Directors believe that the proposals referred to in this circular are in the best interest of the Company and the Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
**Harmony Asset Limited**  
**LEE Fong Lit David**  
*Chairman*

This is the explanatory statement as required to be sent to the Shareholders under the Share Repurchase Rules to provide requisite information to you for your consideration of the Repurchase Proposal.

### **SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 39,058,614 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Proposal to repurchase a maximum of 3,905,861 Shares.

### **REASON FOR REPURCHASE**

The Directors believe that the Repurchase Proposal is in the best interests of the Company and its Shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders.

### **FUNDING OF REPURCHASE**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association of the Company and Articles of Association and the Companies Law. The Companies Law provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of shares made for the purposes of the repurchase or out of capital subject to and in accordance with section 37(5) of the Companies Law. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Shares are repurchased in the manner provided for in section 37(5) of the Companies Law.

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited financial statements contained in the annual report for the year ended 31st December, 2013 in the event that the power to repurchase Shares pursuant to the Repurchase Proposal were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the power to repurchase Shares pursuant to the Repurchase Proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.



**SHARE PRICES**

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

|   | Shares                 |                       |
|---|------------------------|-----------------------|
|   | Highest<br><i>HK\$</i> | Lowest<br><i>HK\$</i> |
| <b>2013</b>                             |                        |                       |
| May                                     | 3.30                   | 3.25                  |
| June                                    | 3.35                   | 3.35                  |
| July                                    | 3.40                   | 3.40                  |
| August                                  | 3.50                   | 3.50                  |
| September                               | 3.60                   | 3.50                  |
| October                                 | 3.80                   | 3.62                  |
| November                                | 3.75                   | 3.60                  |
| December                                | 3.60                   | 3.60                  |
| <b>2014</b>                             |                        |                       |
| January                                 | 3.75                   | 3.50                  |
| February                                | 3.60                   | 2.61                  |
| March                                   | 3.76                   | 3.35                  |
| April                                   | 3.81                   | 3.45                  |
| May (up to the Latest Practicable Date) | 3.60                   | 2.95                  |

**UNDERTAKING**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Resolution and in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Proposal if such is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Proposal is approved by the Shareholders.

**TAKEOVERS CODE**

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Proposal, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Sino Path Consultants Limited, held on a beneficial basis 7,200,315 Shares, representing approximately 18.43% of the issued share capital of the Company. In the event the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Resolution, then (if the present shareholdings remain the same), the shareholdings of Sino Path Consultants Limited will be increased to approximately 20.48% of the issued share capital of the Company.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase proposal. In addition, the Company will not repurchase Shares to such extent as to result in the amount of Shares held by the public being reduced to less than 25%.

**SHARE REPURCHASE MADE BY THE COMPANY**

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

The details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out as follow:

**Executive Director****1. Mr. Lee Fong Lit David (“Mr. Lee”)**

Mr. Lee, aged 67, is an executive director and Chairman of the Board since February 1998. He is also a member of investment committee and chairman of nomination committee of the Company. Mr. Lee obtained his BSc degree from McGill University in Montreal and his MBA degree from Columbia University, New York. Mr. Lee has over 29 years experience in the international finance and investment management industry. He is involved in investing in equity markets of Singapore, Malaysia and Hong Kong. Mr. Lee is also a director of Harmony Asset Management Limited which is the investment manager of the Company since June 1998. He is a director and a shareholder of Sino Path Consultants Limited, a substantial Shareholder.

Mr. Lee has not held any directorships in other listed public companies in the past three years. Save as disclosed herein, he does not hold any other position with the Company and other members of the Group and does not have any other relationships with any other Directors, senior management of the Company, substantial Shareholders or controlling Shareholders. As at the Latest Practicable Date, Mr. Lee has corporate interest in 7,200,315 Shares within the meaning of Part XV of the SFO.

The Company has entered into a letter of appointment with Mr. Lee as an executive Director. His term of service is subject to retirement by rotation and re-election in accordance with the Articles of Association. There is no agreement as to the director’s fee of Mr. Lee and his director’s fee will be determined by the Board with reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market situation and subject to the Shareholders’ approval at the annual general meeting. For the year ended 31st December, 2013, the Company has not paid any remuneration to Mr. Lee.

Save as disclosed above, Mr. Lee has confirmed that there is no other matter that needs to be brought to the attention of the Shareholders in relation to his re-election and there is no other information that should be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

**Independent Non-executive Directors****2. Mr. Ho Man Kai Anthony (“Mr. Ho”)**

Mr. Ho, aged 62, is an independent non-executive Director sine September 2004. He is also the chairman of the audit committee and remuneration committee and a member of disclosure committee and nomination committee of the Company. He graduated from The Chinese University of Hong Kong with a BBA degree, a MBA degree from the University of East Asia, Macau and a Master of Professional Accounting Degree from The Hong Kong Polytechnic University. Mr. Ho has over 30 years’ experience in management accounting, corporate administration and financial management. He held management positions before with Gammon-Swire Joint Venture, Drageges et Travaux Publics, Mass Transit Railway Corporation and The Hong Kong Jockey Club. He is a Fellow Member of the Institute of Public Accountants in Australia and a Fellow Member of The Hong Kong Taxation Institute. He was a director of MBMI Resources Inc, a listed public company for the period from July to October 2012.

Save as disclosed above, Mr. Ho has not held any directorship in other public listed company in the past three years and does not hold any other position with the Company and other members of the Group. He does not have any other relationships with any other Directors, senior management of the Company, substantial Shareholders or controlling Shareholders. As at the Latest Practicable Date, Mr. Ho has personal interest in 60,000 Shares within the meaning of Part XV of the SFO.

The Company has entered into a letter of appointment with Mr. Ho as an independent non-executive Director. Mr. Ho is appointed for a term of one year from 1st January, 2014 and is subject to retirement and re-election provisions set out in the Articles of Association. There is no agreement as to the directors’ fee payable to Mr. Ho. His directors’ fee is to be determined by the Board with reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market situation and subject to the Shareholders’ approval at the annual general meeting. For the year ended 31st December, 2013, Mr. Ho was entitled to a directors’ fee amounting to HK\$87,500 per annum.

Save as disclosed above, Mr. Ho has confirmed that he meets the independence criteria as set out in Rule 3.13 and there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

**3. Dr. Wong Yun Kuen (“Dr. Wong”)**

Dr. Wong, aged 56, is an independent non-executive Director since September 2004. He is also a member of the audit committee, nomination committee and remuneration committee of the Company. He received a Ph.D. degree from Harvard University, and was a “Distinguished Visiting Scholar” in finance at Wharton School of the University of Pennsylvania. Dr. Wong has worked in financial industries in the United States and Hong Kong for many years, and has considerable experience in corporate finance, investment and derivative products. He is a member of Hong Kong Securities Institute. Dr. Wong is an executive director of UBA Investments Limited. He is the independent non-executive director of Bauhaus International (Holdings) Limited, China Sandi Holdings Limited, Climax International Company Limited, Kingston Financial Group Limited, Hua Yi Copper Holdings Limited, Kaisun Energy Group Limited, Kong Sun Holdings Limited, China Yunnan Tin Minerals Group Company Limited, New Island Printing Holdings Limited and Sincere Watch (Hong Kong) Limited. Dr. Wong was as an independent non-executive director of ZMAY Holdings Limited until September 2012, All the companies mentioned above are listed companies in Hong Kong.

Save as disclosed above, Dr. Wong has not held any directorship in other public listed company in the past three years and does not hold any other position with the Company and other members of the Group. He does not have any other relationships with any other Directors, senior management of the Company, substantial Shareholders or controlling Shareholders. As at the Latest Practicable Date, Dr. Wong does not have any interest in Shares within the meaning of Part XV of the SFO.

The Company has entered into a letter of appointment with Dr. Wong as an independent non-executive Director. Dr. Wong is appointed for a term of one year from 1st January, 2014 and is subject to retirement and re-election provisions set out in the Articles of Association. There is no agreement as to the directors’ fee payable to Dr. Wong. His directors’ fee is to be determined by the Board with reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market situation and subject to the Shareholders’ approval at the annual general meeting. For the year ended 31st December, 2013, Dr. Wong was entitled to a directors’ fee amounting to HK\$87,500 per annum.

Save as disclosed above, Dr. Wong has confirmed that he meets the independence criteria as set out in Rule 3.13 and there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

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## NOTICE OF ANNUAL GENERAL MEETING

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### HARMONY ASSET LIMITED

亨亞有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

(HKEX Stock Code: 428)

**NOTICE IS HEREBY GIVEN** that the annual general meeting of the Company will be held at Suite 2806, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Monday, 30th day of June, 2014 at 9:00 a.m. for the following purposes:–

1. To receive and consider the audited consolidated financial statements and the report of the directors and independent auditor's report for the year ended 31st December, 2013.
2.
  - (a) To re-elect Mr. Lee Fong Lit David as executive director of the Company.
  - (b) To re-elect Mr. Ho Man Kai Anthony (who has served as an independent non-executive director for more than 9 years) as independent non-executive director of the Company.
  - (c) To re-elect Dr. Wong Yun Kuen (who has served as an independent non-executive director for more than 9 years) as independent non-executive director of the Company.
  - (d) To authorize the board of directors of the Company to fix the remuneration of directors of the Company for the year ending 31st December, 2014.
3. To re-appoint BDO Limited as auditor of the Company and to authorize the board of directors to fix the remuneration of auditor.
4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:–

**“THAT:–**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$1.00 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) or on any other stock exchange on which the Shares of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements

\* For identification purpose only

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## NOTICE OF ANNUAL GENERAL MEETING

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of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate nominal amount of shares of the Company which the Company is authorized to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution; and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution,

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

5. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:-

**“THAT:-**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$1.00 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares of the Company under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; (iii) an issue of shares as scrip dividends pursuant to the articles of association of the Company from time to time; (iv) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution,

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to the holders of shares of the Company on the register on fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”



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## NOTICE OF ANNUAL GENERAL MEETING

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6. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:–

“**THAT** subject to the passing of Ordinary Resolutions in items 4 and 5 of the notice convening the meeting, the general mandate granted to the directors of the Company to allot, issue and deal with additional shares pursuant to Ordinary Resolution in item 5 of the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution in item 4 of the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Ordinary Resolution.”

By Order of the Board  
**Harmony Asset Limited**  
**Chow Pok Yu Augustine**  
*Executive Director and Chief Executive Officer*

Dated this 26th day of May, 2014.

*Notes:*

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint another person as proxy to attend and vote in his stead. A proxy need not be a member of the Company.
2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited with the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than 24 hours before the time appointed for holding the meeting or any adjournment thereof.
3. With regard to the resolutions in item no.2 in this notice, details of the retiring directors of the Company are set out in Appendix II to the Company’s circular to shareholders dated 26th May, 2014.
4. An explanatory statement as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in connection with the proposed repurchase mandate under ordinary resolution in item 4 above is set out in Appendix I to the Company’s circular to shareholders dated 26th May, 2014.
5. As at the date of this notice, the board of directors of the Company comprises four executive directors, namely, Mr. Lee Fong Lit David, Dr. Chow Pok Yu Augustine, Mr. Chan Shuen Chuen Joseph and Mr. Cheng Ming Shun; and three independent non-executive directors, namely, Mr. Tong Kim Weng Kelly, Mr. Ho Man Kai Anthony and Dr. Wong Yun Kuen.