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**If you have sold or transferred** all your shares in Champion Technology Holdings Limited you should at once hand this circular and the 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.

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 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.



**CHAMPION TECHNOLOGY HOLDINGS LIMITED**

*(Continued in Bermuda with limited liability)*

**(Stock Code: 92)**

*Directors:*

Cheng Yang (*Chairman*)  
Liu Ka Lim  
Shirley Ha Suk Ling\*  
Terry John Miller\*\*  
Frank Bleackley\*\*  
Lee Chi Wah\*\*

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

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

Room 2506, 25th Floor  
China Resources Building  
No. 26 Harbour Road  
Wanchai  
Hong Kong

\* *Non-executive director*

\*\* *Independent non-executive directors*

31 October 2016

*To the shareholders*

Dear Sir or Madam,

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

## INTRODUCTION

At the annual general meeting of Champion Technology Holdings Limited (the “**Company**”) for the year ended 30 June 2016, resolutions will be proposed to grant to the directors of the Company (the “**Directors**”) general mandates to issue and repurchase shares of HK\$0.10 each of the Company (“**Shares**”).

The purpose of this circular is to provide you with the notice of the annual general meeting of the Company for the year ended 30 June 2016 (the “**AGM**”) and information relating to the abovementioned proposals and the re-election of Directors. In compliance with the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), this circular also contains the explanatory statement and gives all the information reasonably necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the general mandate to repurchase Shares, together with particulars of the directors proposed to be re-elected and elected respectively at the AGM.

## GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed to grant a general mandate to the Directors to allot, issue and deal with additional Shares not exceeding 20% of the share capital of the Company in issue on the date of the resolution to provide flexibility to the Company to raise fund by issue of Shares efficiently. On 27 October 2016 (the “**Latest Practicable Date**”), being the latest practicable date prior to printing of this circular, there were in issue an aggregate of 6,331,788,651 Shares. On the assumption that no Share will be issued or repurchased prior to the AGM, exercise in full of the mandate could result in up to 1,266,357,730 Shares being issued by the Company. The mandate allows the Company to allot, issue and deal with additional Shares during the period from the passing of the resolution until the earliest of (i) the date of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by law; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the shareholders in a general meeting of the Company.

## GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will also be proposed that the Directors be given a general mandate to exercise all powers of the Company to repurchase issued and fully paid Shares. Under such mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the share capital of the Company in issue on the date of the resolution. The Company’s authority to make repurchase of Shares is restricted by the Listing Rules. Based on 6,331,788,651 Shares in issue as at the Latest Practicable Date and on the assumption that no Share will be issued or repurchased prior to the AGM, exercise in full of the mandate could result in up to 633,178,865 Shares being repurchased by the Company. The mandate allows the Company to make or agree to make repurchases of Shares only during the period from the passing of the resolution until the earliest of (i) the date of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by law; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the shareholders in a general meeting of the Company.

The Directors have no present intention to repurchase any Shares but consider that the mandate will provide the Company the flexibility to make such repurchase when appropriate and beneficial to the Company. Such repurchases may enhance the net value of the Company and/or earnings per Share. As compared with the financial position of the Company as at 30 June 2016 (being the date of its latest audited accounts), the Directors consider that there might be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchase of Shares were to be carried out in full during the proposed repurchase period. No purchase would be made in circumstances that would have a material adverse impact on the working capital or gearing ratio of the Company.

The Company is empowered by its Memorandum of Continuance and Bye-laws to repurchase its Shares. Bermuda law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or funds of the Company that would otherwise be available for dividend or distribution or the proceeds of a new issue of shares made for such purpose. The amount of premium payable on repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the share premium or contributed surplus accounts of the Company.

The Directors intend to apply the capital paid up on the relevant Shares or the profit that would otherwise be available for distribution by way of dividend for any purchase of its Shares.

#### **Directors, their close associates and core connected persons**

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of the close associates (as defined in the Listing Rules) of any of the Directors has any present intention, in the event that the proposal is approved by shareholders, to sell Shares to the Company.

No core connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make purchases of Shares.

#### **Undertaking of the directors**

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of Bermuda, and in accordance with the regulations set out in the Memorandum of Continuance and Bye-laws of the Company.

#### **Effect of Takeovers Code**

A repurchase of Shares by the Company may result in an increase in the proportionate interest of a substantial shareholder of the Company in the voting rights of the Company, which could give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Hong Kong Code on Takeovers and Mergers (the “Code”).

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Advanced City Investments Limited (“**Advanced City**”), who held approximately 27.90% of the issued share capital of the Company, was the only substantial shareholder holding more than 10% of the issued share capital of the Company. In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the resolution, the shareholding of such shareholder in the Company would be increased to approximately 31.01% of the issued share capital of the Company and such increase would give rise to an obligation on it to make a mandatory offer under Rule 26 of the Code. The Company has no present intention to exercise the repurchase mandate to the extent that such obligation of Advanced City will be triggered.

### **Stock Exchange Rules for repurchases of shares**

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) *Shareholders’ approval*

The Listing Rules provide that all shares repurchases on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, which may be by way of general mandate, or by special resolution in relation to specific transactions.

(b) *Source of funds*

Repurchases must be funded out of funds legally available for the purpose.

### **General**

During the six months preceding the Latest Practicable Date, no Share had been repurchased by the Company.

During each of the previous 12 months before the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

<b>Month</b>	<b>Per Share</b>	
	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2015</b>		
October	0.162	0.124
November	0.151	0.128
December	0.135	0.118
<b>2016</b>		
January	0.130	0.098
February	0.117	0.096
March	0.120	0.107
April	0.118	0.106
May	0.115	0.100
June	0.110	0.098
July	0.114	0.102
August	0.130	0.104
September	0.147	0.114
October (up to the Latest Practicable Date)	0.204	0.148

## **ANNUAL GENERAL MEETING**

You will find on pages 9 to 12 of this circular a notice of the AGM to be held at 12:00 noon on 13 December 2016 at Rooms 2501-05, 25th Floor, China Resources Building, No. 26 Harbour Road, Wanchai, Hong Kong. Voting at the AGM will be taken by poll.

Resolution no. 4A will be proposed as an ordinary resolution to give a general mandate to the Directors to allot, issue and deal with Shares not exceeding 20% of the total number of Shares in issue as at the date of the resolution.

Resolution no. 4B will be proposed as an ordinary resolution to give a general mandate to the Directors to make on-market repurchases of Shares not exceeding 10% of the total number of Shares in issue as at the date of the resolution.

Resolution no. 4C will be proposed as an ordinary resolution to extend resolution no. 4A to include the total number of Shares which are repurchased by the Company under the authority granted to the Directors pursuant to resolution no. 4B.

There is enclosed a form of proxy for use at the AGM. You are requested to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the meeting, whether or not you intend to be present at the meeting. The completion and return of the form of proxy will not prevent you from attending and voting in person should you so wish.

## RE-ELECTION AND ELECTION OF DIRECTORS

Ms. Shirley HA Suk Ling and Mr. LEE Chi Wah will retire by rotation at the AGM pursuant to Bye-law 87 of the Bye-laws of the Company and will not offer themselves for re-election. In accordance with Bye-law 86(2) of the Bye-laws of the Company, Mr. CHENG Yang and Mr. LIU Ka Lim will retire at the AGM. Being eligible, they offer themselves for re-election. Their particulars are as follows:

**CHENG Yang** (“**Mr. Cheng**”), aged 52, has been an executive director and the Chairman of the Company since 3 October 2016. He has experience in entertainment and media business. He is the founder and a director of Cheng Films & Video Production Limited, a company incorporated in Hong Kong. Mr. Cheng is currently an executive director, the chairman and the chief executive officer of Culture Landmark Investment Limited, a company listed on the Main Board of the Stock Exchange and an executive director and the chairman of Kantone Holdings Limited (“**Kantone**”). During September 2011 to March 2014, Mr. Cheng was an executive director of Lajin Entertainment Network Group Limited (formerly known as China Media and Films Holdings Limited), a company listed on the Growth Enterprise Market of the Stock Exchange.

Pursuant to a letter of appointment letter signed by the Company and Mr. Cheng, Mr. Cheng’s term of services with the Company is fixed for a period of 3 years commencing on the date of his appointment and subject to retirement by rotation of directors in annual general meeting of the Company in accordance with the Bye-laws of the Company and the Listing Rules. Mr. Cheng shall be entitled to a director’s fee in such sum as the human resources and remuneration committee of the Company may from time to time determine, which had not been determined as at the Latest Practicable Date.

**LIU Ka Lim** (“**Mr. Liu**”), aged 60, has been an executive director of the Company since 3 October 2016. He has over 29 years of professional experience in the field of finance and accounting. He is a fellow of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. He is also a member of the Hong Kong Securities and Investment Institute. Mr. Liu is currently an executive director of Kantone. During March 2004 to August 2006, Mr. Liu was the Chairman of Galileo Capital Group Limited, a company listed on the GEM Board of the Stock Exchange. During October 2003 to March 2006, Mr. Liu was the Chairman of Wonderful World Holdings Limited, a company listed on the Main Board of the Stock Exchange. During January 2011 to June 2013, Mr. Liu was a non-executive director of United Pacific Industries Limited, a company listed on the Main Board of the Stock Exchange.

Pursuant to a letter of appointment letter signed by the Company and Mr. Liu, Mr. Liu’s term of services with the Company is fixed for a period of 3 years commencing on the date of his appointment and subject to retirement by rotation of directors in annual general meeting of the Company in accordance with the Bye-laws of the Company and the Listing Rules. Mr. Liu shall be entitled to a director’s fee in such sum as the human resources and remuneration committee of the Company may from time to time determine, which had not been determined as at the Latest Practicable Date.

In accordance with Bye-law 86(1) of the Bye-laws of the Company, the Directors propose to elect Mr. ZHANG Jingzhi as an independent non-executive director of the Company. His particulars are as follows:

**ZHANG Jingzhi (“Mr. Zhang”)**, aged 53, has experience in finance, audit and tax. Mr. Zhang graduated from 復旦大學 (Fudan University\*) in 1992 with a bachelor degree in corporate management, and obtained a master degree in business administration from Asia International Open University (Macau) in 2003. He is a Certified Tax Agent in the People’s Republic of China. Currently he is a director and the deputy head of 青島振青會計師事務所有限公司 (Qingdao Zhenqing Certified Public Accountants Co., Ltd.\*) and a director and general manager of 青島振青稅務師事務所有限責任公司 (Qingdao Zhenqing Registered Tax Agents Co., Ltd.\*) and 尤尼泰 (山東) 稅務師事務所有限公司 (Ynitax (Shandong) Certified Tax Agent Co., Ltd.\*).

Mr. Zhang will enter into a service contract with the Company for a term of 12 months commencing from the date of the AGM at a remuneration of HK\$200,000 per annum, which is determined with reference to the prevailing range of fees for independent non-executive directors of listed companies in Hong Kong.

As at the Latest Practicable Date, the interests of Mr. Cheng, Mr. Liu and Mr. Zhang in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance were as follows:

- (a) Mr. Cheng was interested in 1,766,860,957 Shares through Advanced City, a company wholly owned by Mr. Cheng; and
- (b) Mr. Liu and Mr. Zhang had no interest in Shares.

Save as disclosed above, Mr. Cheng, Mr. Liu and Mr. Zhang confirm:

- (a) they did not have any directorship in other listed public companies in the last three years;
- (b) they do not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company; and
- (c) there is no information relating to their re-election or election required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matters that need to be brought to the attention of shareholders of the Company.

*The English translation of names in Chinese which are marked with “\*” is for identification purpose only.*

## **RECOMMENDATION**

The Directors consider that the above proposals are in the interest of the Company and shareholders as a whole and so recommend you to vote in favour of the relevant resolutions at the AGM. The Directors will vote all their shareholdings in favour of such resolutions.

Yours faithfully,  
By order of the Board  
**CHENG Yang**  
*Chairman*



## NOTICE OF ANNUAL GENERAL MEETING



# CHAMPION TECHNOLOGY HOLDINGS LIMITED

*(Continued in Bermuda with limited liability)*

**(Stock Code: 92)**

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting of the abovenamed company (the “**Company**”) will be held at 12:00 noon on 13 December 2016 at Rooms 2501-05, 25th Floor, China Resources Building, No. 26 Harbour Road, Wanchai, Hong Kong for the following purposes:

1. To receive and adopt the audited consolidated financial statements and the reports of the directors and independent auditor of the Company for the year ended 30 June 2016.
2.
  - (i) To re-elect Mr. CHENG Yang as an executive director of the Company;
  - (ii) To re-elect Mr. LIU Ka Lim as an executive director of the Company;
  - (iii) To elect Mr. ZHANG Jingzhi as an independent non-executive director of the Company; and
  - (iv) To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
3. To re-appoint Moore Stephens CPA Limited as the auditor of the Company and to authorise the board of directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

### ORDINARY RESOLUTIONS

A. “**THAT:**

- (a) subject to paragraph (c), the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the total number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to a Rights Issue or scrip dividend scheme or similar arrangement of the Company or the exercise of the subscription rights under the share option scheme of the Company shall not exceed 20% of the total number of shares of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion 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 recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

**B. “THAT:**

- (a) the exercise by the directors of the Company during the Relevant Period of all powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;

(b) the total number of shares of the Company purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10% of the total number of shares of the Company in issue as at the date of this resolution and the said approval 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 earlier of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law to be held; and

(iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

C. “**THAT** conditional upon resolutions no. 4A and 4B above being passed, the total number of shares of the Company which are repurchased by the Company under the authority granted to the directors as mentioned in resolution no. 4B above shall be added to the total number of shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution no. 4A above.”

By Order of the Board  
**CHENG Yang**  
*Chairman*

Hong Kong, 31 October 2016

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

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

Room 2506, 25th Floor  
China Resources Building  
No. 26 Harbour Road  
Wanchai  
Hong Kong

*Note:* A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint proxies to attend and vote in his stead. A proxy need not be a member of the Company. In order to be valid, the form of proxy must be deposited at the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting.

*As at the date of this notice, the executive directors of the Company are Mr. Cheng Yang and Mr. Liu Ka Lim; the non-executive director is Ms. Shirley Ha Suk Ling; and the independent non-executive directors are Mr. Terry John Miller, Mr. Frank Bleackley and Mr. Lee Chi Wah.*