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

**CHIHO-TIANDE GROUP LIMITED****齊合天地集團有限公司***(Incorporated in the Cayman Islands with limited liability)***(Stock code: 976)**

**PROPOSED GRANT OF SHARE OPTIONS
TO SUBSTANTIAL SHAREHOLDERS
AND
PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT
UNDER THE POST-IPO SHARE OPTION SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

All capitalised terms used in this circular shall have the meanings set out in the section headed "Definitions" of this circular.

A letter from the Board is set out on pages 4 to 13 of this circular.

The notice convening the EGM to be held at Level 2, 48 Wang Lok Street, Yuen Long Industrial Estate, Hong Kong on Thursday, 23 May 2013 at 3:30 p.m. (or so soon thereafter as the annual general meeting of the Company convened on the same date and at the same place at 3:00 p.m. shall have been concluded) is set out on pages 14 to 16 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to Computershare Hong Kong Investor Services Limited, the Company's Hong Kong branch share registrar and transfer office, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the EGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so desire.

19 April 2013

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 22 March 2013 in relation to the Proposed Grant;
“associate(s)”	has the meaning ascribed to it in the Listing Rules;
“Board”	the board of Directors;
“Business Day”	a day (other than a Saturday or Sunday) on which banks in Hong Kong are open for business;
“BVI”	British Virgin Islands;
“Company”	Chiho-Tiande Group Limited, a company incorporated in the Cayman Islands and whose Shares are listed on the Main Board of the Stock Exchange (Stock Code: 976);
“connected person”	has the meaning ascribed to it in the Listing Rules;
“controlling shareholder”	has the meaning ascribed to it in the Listing Rules;
“Date of Grant”	22 March 2013;
“Delco”	Delco Participation B.V., a company incorporated in the Netherlands and a substantial shareholder of the Company holding approximately 22.08% of the issued share capital of the Company as at the Latest Practicable Date;
“Directors”	the directors of the Company;
“EGM”	the extraordinary general meeting of the Company to be held at Level 2, 48 Wang Lok Street, Yuen Long Industrial Estate, Hong Kong on Thursday, 23 May 2013 at 3:30 p.m. (or so soon thereafter as the annual general meeting of the Company convened on the same date and at the same place at 3:00 p.m. shall have been concluded) for the purpose of considering and, if thought fit, approving the EGM Matters;
“EGM Matters”	the matters to be put forward to the Shareholders for consideration and, if thought fit, approval at the EGM, which include the Proposed Grant and the Proposed Refreshment;
“Grantees”	collectively, Mr. Fang, Mr. van Ooijen and Mr. Gu;

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“Green Elite”	Green Elite Limited, a company incorporated in the BVI and a Shareholder holding approximately 5.75% of the issued share capital of the Company as at the Latest Practicable Date;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“HWH”	HWH Holdings Limited, a company incorporated in the BVI and a controlling shareholder of the Company holding approximately 30.38% of the issued share capital of the Company as at the Latest Practicable Date;
“Independent Shareholders”	Shareholders other than the connected persons of the Company;
“Latest Practicable Date”	11 April 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular;
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Mr. Fang”	Mr. Fang Ankong, the Chairman of the Company, an executive Director and a controlling shareholder of the Company;
“Mr. Gu”	Mr. Gu Liyong, an executive Director;
“Mr. van Ooijen”	Mr. Stephanus Maria van Ooijen, an executive Director and a substantial shareholder of the Company;
“Post-IPO Share Option Scheme”	the post-IPO share option scheme adopted by the Company on 23 June 2010;
“PRC”	the People’s Republic of China, excluding for the purpose of this circular, Hong Kong, Taiwan and the Macau Special Administrative Region;
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme adopted by the Company on 23 June 2010;
“Proposed Grant”	the conditional grant of Share Options to Mr. Fang and Mr. van Ooijen to subscribe for 16,500,000 Shares and 2,000,000 Shares, respectively;

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“Proposed Grant Resolutions”	the ordinary resolutions of the Company to approve the Proposed Grant by the Independent Shareholders at the EGM;
“Proposed Refreshment”	the Scheme Mandate Limit proposed to be refreshed by the Shareholders at the EGM pursuant to which the Board may grant share options to eligible participants under the Post-IPO Share Option Scheme and any other share option schemes of the Company to subscribe for up to 10% of the Shares in issue as at the date of the EGM;
“Proposed Refreshment Resolution”	the ordinary resolution of the Company to approve the Proposed Refreshment by the Shareholders at the EGM;
“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon exercise of all share options to be granted under the Post-IPO Share Option Scheme and any other share option schemes of the Company and which shall not in aggregate exceed 10% of the Shares in issue as at the date of approval of the Post-IPO Share Option Scheme by Shareholders and thereafter, if refreshed, shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit by the Shareholders;
“Share Options”	the share options granted and to be granted under the Post-IPO Share Option Scheme which entitle the holders thereof to subscribe for Shares;
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company;
“Shareholders”	holders of the Shares;
“Sims”	Sims Metal Management Dragon Holdings Limited, a company incorporated in Hong Kong with limited liability and a substantial shareholder of the Company holding approximately 15.97% of the issued share capital of the Company as at the Latest Practicable Date;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	has the meaning ascribed to it in section 2(4) of the Companies Ordinance of Hong Kong (Chapter 32 of the Laws of Hong Kong);
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules; and
“%”	per cent.

LETTER FROM THE BOARD



CHIHO-TIANDE GROUP LIMITED

齊合天地集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 976)

Executive Directors:

Mr. Fang Ankong
(Chairman and Chief Executive Officer)
Mr. Stephanus Maria van Ooijen
(Vice President)
Mr. Gu Liyong
(Vice President)

Registered Office:

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

Non-executive Director:

Mr. Michael Charles Lion

Principal Place of

Business in Hong Kong:
48 Wang Lok Street
Yuen Long Industrial Estate
Hong Kong

Independent Non-executive Directors:

Ms. Zhang Jingdong
Dr. Loke Yu
Mr. Li Xikui

19 April 2013

To the Shareholders

Dear Sir or Madam,

**PROPOSED GRANT OF SHARE OPTIONS
TO SUBSTANTIAL SHAREHOLDERS
AND
PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT
UNDER THE POST-IPO SHARE OPTION SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

Reference is made to the Announcement in relation to the Proposed Grant. As disclosed in the Announcement, on 22 March 2013, the Board approved the grant of Share Options to certain Directors to subscribe for an aggregate of 19,150,000 Shares, subject to acceptance of the Grantees. Among the Share Options granted, Share Options to subscribe for 16,500,000 Shares and 2,000,000 Shares were conditionally granted to Mr. Fang (being an

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executive Director and a controlling shareholder of the Company) and Mr. van Ooijen (being an executive Director and a substantial shareholder of the Company), respectively, subject to the approval of the Independent Shareholders (i.e. Shareholders other than the connected persons of the Company) at the EGM.

The Post-IPO Share Option Scheme was adopted by the Company on 23 June 2010. Pursuant to the terms of the Post-IPO Share Option Scheme and in compliance with the provisions in Chapter 17 of the Listing Rules, the maximum number of Shares which may be issued upon exercise of all share options to be granted under the Post-IPO Share Option Scheme and all other share option schemes of the Company shall not exceed 100,000,000 Shares, being 10% of the Shares in issue as at the date of approval of the Post-IPO Share Option Scheme (i.e. the Scheme Mandate Limit). As at the Latest Practicable Date, Share Options to subscribe for 85,315,000 Shares (including Share Options to subscribe for an aggregate of 19,150,000 Shares under the Proposed Grant) have been granted under the Post-IPO Share Option Scheme, representing approximately 85.32% of the Scheme Mandate Limit. The Board proposes to seek approval from the Shareholders to refresh the Scheme Mandate Limit at the EGM.

The purpose of this circular is to provide Shareholders with further information on the Proposed Grant and the Proposed Refreshment and other information prescribed by the Listing Rules. This circular also contains the notice of the EGM, at which ordinary resolutions will be proposed for (a) the Independent Shareholders to consider and, if thought fit, to approve the Proposed Grant; and (b) the Shareholders to consider and, if thought fit, to approve the Proposed Refreshment.

2. THE PROPOSED GRANT

On 22 March 2013, the Board resolved to grant Share Options to certain Directors to subscribe for an aggregate of 19,150,000 Shares, subject to acceptance of the Grantees. Details of the Share Options granted are as follows:

Date of Grant:	22 March 2013
Exercise price of Share Options:	HK\$3.75 per Share, which represents the highest of (i) the closing price of HK\$3.75 per Share as stated in the daily quotations sheet of the Stock Exchange on 22 March 2013, being the Date of Grant; (ii) the average closing price of HK\$3.734 per Share as stated in the daily quotations sheets of the Stock Exchange for the five trading days immediately preceding the Date of Grant; and (iii) the nominal value of the Share, being HK\$0.01.
Number of Share Options granted:	19,150,000 Share Options entitling the holders thereof to subscribe for an aggregate of 19,150,000 Shares.
Closing price of the Shares on the Date of Grant:	HK\$3.75 per Share.

LETTER FROM THE BOARD

Validity period of the Share Options:	The option period of the Share Options shall be four years from the Date of Grant and the Share Options shall lapse at the expiry of the aforesaid option period.
Amount payable on acceptance of the Share Options:	HK\$1.00.
Voting, dividend, transfer and other rights attaching to the Share Options granted:	Share Options granted under the Post-IPO Share Option Scheme do not carry any right to vote, or any right, dividend including those arising on liquidation of the Company.
Ranking of Shares falling to be issued upon exercise of the Share Options granted:	The Shares to be allotted upon the exercise of the Share Options shall be subject to all the provisions of the articles of association of the Company for the time being in force and shall rank pari passu in all respects with the existing fully paid Shares in issue on the date on which these Shares are allotted on exercise of the Share Options and accordingly shall entitle the holders to participate in all dividend or other distributions paid or made after the date on which the Shares are allotted other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the date on which the Shares are allotted.
Vesting period and vesting conditions of the Share Options:	<p>The Share Options granted may be exercised:</p> <ul style="list-style-type: none">(i) as to 30%, from the date of the first anniversary of the Date of Grant, i.e. 22 March 2014, to the date immediately before the fourth anniversary of the Date of Grant, i.e. 21 March 2017 (both dates inclusive);(ii) as to 30%, from the date of the second anniversary of the Date of Grant, i.e. 22 March 2015, to the date immediately before the fourth anniversary of the Date of Grant, i.e. 21 March 2017 (both dates inclusive); and(iii) as to 40%, from the date of the third anniversary of the Date of Grant, i.e. 22 March 2016, to the date immediately before the fourth anniversary of the Date of Grant, i.e. 21 March 2017 (both dates inclusive).

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In addition to the vesting period set out above, the Share Options granted to each of the Grantees will only be vested if the net profit of the Group for the financial year of the Company ending 31 December 2013 is equal to or exceeds 130% of the net profit of the Group for the financial year ended 31 December 2010 (the “**Performance Target**”). If the Performance Target is not reached, the Share Options granted to the Grantees will automatically lapse.

Set out below are the names of the Grantees and the number of Shares to be issued to each of the Grantees upon the exercise of the Share Options conditionally granted to them:–

Name of Grantee	Relationship with the Company	Number of Shares to be issued upon the exercise of the Share Options granted	Approximate percentage shareholding <i>(Note)</i>
Mr. Fang	Executive Director and a controlling shareholder of the Company	16,500,000	1.58%
Mr. van Ooijen	Executive Director and a substantial shareholder of the Company	2,000,000	0.19%
Mr. Gu	Executive Director	<u>650,000</u>	<u>0.06%</u>
	Total:	<u><u>19,150,000</u></u>	<u><u>1.83%</u></u>

Note: Based on the total number of 1,043,506,206 Shares in issue as at the Latest Practicable Date.

As disclosed in the announcement and the circular of the Company dated 28 March 2012 and 24 April 2012, respectively, on 28 March 2012, the Company granted Share Options to Mr. Fang, Mr. van Ooijen and Mr. Gu to subscribe for 16,500,000 Shares, 2,000,000 Shares and 650,000 Shares, respectively, subject to, among other vesting conditions, the condition that the net profit of the Group for the financial year of the Company ended 31 December 2012 should be equal to or exceed 130% of the net profit of the Group for the financial year ended 31 December 2010. This condition was not satisfied and therefore the Share Options granted to Mr. Fang, Mr. van Ooijen and Mr. Gu in 2012 have automatically lapsed.

None of the Directors is the trustee of the Post-IPO Share Option Scheme or has a direct or indirect interest in the trustee of the Post-IPO Share Option Scheme.

LETTER FROM THE BOARD

Reasons for the Proposed Grant

In view of the continuous contribution of the Grantees (including Mr. Fang and Mr. van Ooijen) to the business development and growth of the Group, the grant of Share Options to the Grantees, of which the Proposed Grant forms part, is to serve as an appreciation of the dedication and efforts of the Grantees and as an incentive for their continuing commitment and contribution to the Group in the future.

Implications of the Proposed Grant under the Listing Rules

Pursuant to Rule 17.04(1) of the Listing Rules and the provisions of the Post-IPO Share Option Scheme, the grant of Share Options by the Company to any Director, chief executive, or substantial shareholder of the Company or any of their respective associates must be approved by the independent non-executive Directors (excluding independent non-executive Director who is the grantee of the Share Options concerned). On the Date of Grant, the independent non-executive Directors approved the grant of Share Options to Mr. Fang, Mr. van Ooijen and Mr. Gu.

Further, pursuant to Rule 17.04(1) of the Listing Rules and the provisions of the Post-IPO Share Option Scheme, where a grant of share options to a substantial shareholder of the Company or an independent non-executive Director and/or their respective associates would result in the Shares issued and to be issued upon exercise of all the Share Options granted and to be granted (including options exercised, cancelled and outstanding share options) under the Post-IPO Share Option Scheme and any other share option schemes of the Company to such person in the 12-month period up to and including the date of such grant (i) representing in aggregate over 0.1% of the Shares in issue; and (ii) having an aggregate value, based on the closing price of the Shares on the date of grant, in excess of HK\$5 million, such grant of share options must be approved by the Shareholders at a general meeting at which all connected persons of the Company shall abstain from voting in favour, although they may vote against the resolution to approve the grant of share options at such general meeting provided that their intention to do so has been stated in the relevant circular.

As at the Date of Grant, there were 1,043,506,206 Shares in issue. As the total number of Shares to be issued upon exercise of the Share Options granted to each of Mr. Fang and Mr. van Ooijen in the 12-month period up to and including the Date of Grant represents in aggregate over 0.1% of the Shares in issue and having an aggregate value in excess of HK\$5 million, based on the closing price of the Shares of HK\$3.75 on the Date of Grant, the grant of Share Options to each of Mr. Fang and Mr. van Ooijen must be approved by the Shareholders at the EGM at which all connected persons of the Company shall abstain from voting in favour.

In addition, pursuant to the provisions of the Post-IPO Share Option Scheme, the maximum number of Shares issued and to be issued upon exercise of the Share Options granted to each Grantee under the Post-IPO Share Option Scheme (including both exercised and outstanding Share Options) in any 12-month period shall not, when aggregated with any Shares subject to options granted under such period under any other share option schemes of the Company other than those options granted pursuant to specific approval by the

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Shareholders in a general meeting, exceed 1% of the Shares in issue for the time being. When any further grant of Shares Options to a Grantee would result in the Shares issued and to be issued upon exercise of all Share Options granted and to be granted to such person (including exercised, cancelled and outstanding Share Options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant must be separately approved by Shareholders in general meeting with such Grantee and his associates abstaining from voting.

As the total number of Shares to be issued upon exercise of the Share Options granted to Mr. Fang in the 12-month period up to and including the Date of Grant represents in aggregate over 1% of the Shares in issue, the grant of Share Options to Mr. Fang must be approved by Shareholders at the EGM with Mr. Fang and his associates abstaining from voting on the Proposed Grant Resolution No. 1. Save for Mr. Fang, none of the Grantees will, as a result of the grant of Share Options, be entitled to be issued with such number of Shares as represents over 1% of the Shares in issue upon exercise of all Share Options granted to him/her/it in the 12-month period up to and including the Date of Grant.

3. THE PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT

The Proposed Refreshment

The Post-IPO Share Option Scheme was adopted by the Company on 23 June 2010. Pursuant to the terms of the Post-IPO Share Option Scheme and in compliance with the provisions in Chapter 17 of the Listing Rules, the maximum number of Shares which may be issued upon exercise of all share options to be granted under the Post-IPO Share Option Scheme and all other share option schemes of the Company shall not exceed 100,000,000 Shares, being 10% of the Shares in issue as at the date of approval of the Post-IPO Share Option Scheme (i.e. the Scheme Mandate Limit).

As at the Latest Practicable Date, Share Options to subscribe for 85,315,000 Shares (including Share Options to subscribe for an aggregate of 19,150,000 Shares under the Proposed Grant) have been granted under the Post-IPO Share Option Scheme (representing approximately 85.32% of the Scheme Mandate Limit), of which Share Options to subscribe for 20,911,000 Shares have been cancelled or lapsed and Share Options to subscribe for 63,359,000 Shares remained outstanding.

Unless the Scheme Mandate Limit is further refreshed, the Company may only grant Options to subscribe for up to 14,685,000 Shares pursuant to the Post-IPO Share Option Scheme.

As at the Latest Practicable Date, there were 1,043,506,206 Shares in issue. Upon the Proposed Refreshment and assuming that the total number of Shares in issue remains unchanged prior to the date of the EGM, the Company may grant share options to eligible participants under the Post-IPO Share Option Scheme and all other share option schemes of the Company to subscribe for a maximum of 104,350,620 Shares, being 10% of the Shares in issue as at the date of approval of the Proposed Refreshment. Share options previously granted under the Post-IPO Share Option Scheme and/or any other share option schemes of the Company (including without

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limitation those outstanding, cancelled, lapsed or exercised in accordance with the Post-IPO Share Option Scheme or such other share option schemes of the Company) will not be counted for the purpose of calculating the Proposed Refreshment.

As at the Latest Practicable Date, the Company did not have any other share option scheme apart from the Post-IPO Share Option Scheme. Although the Company adopted the Pre-IPO Share Option Scheme on 23 June 2010, the Pre-IPO Share Option Scheme was terminated upon the initial listing of Shares on the Stock Exchange on 12 July 2010. No further share options may be granted under the Pre-IPO Share Option Scheme but the outstanding share options remain exercisable in accordance with the terms of the Pre-IPO Share Option Scheme. As at the Latest Practicable Date, share options to subscribe for 12,140,000 Shares have been granted under the Pre-IPO Share Option Scheme, of which share options to subscribe for 120,000 Shares have been cancelled or lapsed and share options to subscribe for 7,798,000 Shares remained outstanding.

Pursuant to the terms of the Post-IPO Share Option Scheme and in accordance with the relevant provisions of Chapter 17 of the Listing Rules, the total number of Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Post-IPO Share Option Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the Shares in issue from time to time. No share options may be granted under the Post-IPO Share Option Scheme or any other share option scheme of the Company if it will result in the aforesaid 30% limit being exceeded.

At the EGM, the Proposed Refreshment Resolution will be proposed to the Shareholders to approve the Proposed Refreshment so that the total number of Shares which may be issued upon exercise of all share options to be granted under the Post-IPO Share Option Scheme and all other share option schemes of the Company shall not exceed 10% of the Shares in issue as at the date of approval of the Proposed Refreshment by the Shareholders at the EGM.

Conditions

The Proposed Refreshment is conditional upon:

- (i) the Shareholders passing the Proposed Refreshment Resolution at the EGM; and
- (ii) the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares which fall to be issued upon the exercise of any Share Options that may be granted pursuant to the Post-IPO Share Option Scheme under the Proposed Refreshment.

LETTER FROM THE BOARD

Application for Listing

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares which fall to be issued upon the exercise of any Share Options that may be granted pursuant to the Post-IPO Share Option Scheme under the Proposed Refreshment.

4. EGM

The EGM will be held at Level 2, 48 Wang Lok Street, Yuen Long Industrial Estate, Hong Kong on Thursday, 23 May 2013 at 3:30 p.m. (or so soon thereafter as the annual general meeting of the Company convened on the same date and at the same place at 3:00 p.m. shall have been concluded) for the purpose of considering and, if thought fit, approving the EGM Matters. The notice convening the EGM is set out on pages 14 to 16 of this circular. At the EGM, the Proposed Grant Resolutions will be proposed for the approval of the Proposed Grant by the Independent Shareholders, and the Proposed Refreshment Resolution will be proposed for the approval of the Proposed Refreshment by the Shareholders.

The register of members of the Company will be closed from Tuesday, 21 May 2013 to Thursday, 23 May 2013, both dates inclusive, during which period no transfer of Shares will be registered. In order to determine the identity of the Shareholders who are entitled to attend and vote at the EGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited, the Company's Hong Kong branch share registrar and transfer office, at Shops 1712-1716, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 20 May 2013.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to Computershare Hong Kong Investor Services Limited, the Company's Hong Kong branch share registrar and transfer office, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the accompanying form of proxy will not prevent you from attending and voting at the EGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

Pursuant to Rule 17.04(1) of the Listing Rules, all connected persons of the Company are required to abstain from voting in favour of the Proposed Grant Resolutions at the EGM (although they may vote against the Proposed Grant Resolutions at the EGM provided that their intention to do so has been stated in this circular). To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the following Shareholders (the "**Abstaining Shareholders**") are connected persons of the Company and are thus required to abstain from voting in favour of the Proposed Grant Resolutions at the EGM:

Name of connected persons	Number of Shares held as at the Latest Practicable Date	Approximate percentage shareholding
Delco (<i>Note 1</i>)	230,395,981	22.08%
HWH (<i>Note 2</i>)	316,985,265	30.38%
Green Elite (<i>Note 3</i>)	60,000,000	5.75%
Sims	166,696,754	15.97%
Mr. Fang	5,614,000	0.54%
Mr. Gu	127,500	0.01%
Mr. van Ooijen	300,000	0.03%

Notes:

1. Delco is beneficially 50%-owned by, and is hence an associate of, Mr. van Ooijen.
2. HWH is beneficially owned by, and is hence an associate of, Mr. Fang.
3. Green Elite is beneficially owned as to 50% by Delco and as to 50% by HWH. Green Elite is therefore an associate of each of Mr. Fang and Mr. van Ooijen.

Save as disclosed above, none of the Shareholders is required to abstain from voting in favour of the Proposed Grant Resolutions at the EGM. As at the Latest Practicable Date, none of the Abstaining Shareholders has given the Company notice of his/her/its intention to vote against the Proposed Grant Resolutions at the EGM.

In addition, pursuant to the provisions of the Post-IPO Share Option Scheme and Rule 17.03(4) of the Listing Rules, Mr. Fang and his associates (namely, HWH and Green Elite) are required to abstain from voting on the Proposed Grant Resolution No. 1.

Therefore, all the Abstaining Shareholders shall abstain from voting on the Proposed Grant Resolutions at the EGM.

LETTER FROM THE BOARD

5. VOTING BY POLL

In compliance with the Listing Rules, the Proposed Grant Resolutions and the Proposed Refreshment Resolution will be voted on by way of poll at the EGM. The Company will announce the results of the poll in the manner prescribed under Rule 13.39 (5) of the Listing Rules.

6. RECOMMENDATIONS

In relation to the Proposed Grant

The Directors (including all the independent non-executive Directors but excluding Mr. Fang and Mr. van Ooijen who were required to abstain from voting on the resolutions of the Board to approve the Proposed Grant) consider that the terms of the Proposed Grant are fair and reasonable insofar as the Independent Shareholders are concerned, and that the Proposed Grant is in the best interests of the Company and the Shareholders as a whole. Therefore, the Directors (including all the independent non-executive Directors but excluding Mr. Fang and Mr. van Ooijen who were required to abstain from voting on the resolutions of the Board to approve the Proposed Grant) recommend the Independent Shareholders to vote in favour of the Proposed Grant Resolutions at the EGM.

In relation to the Proposed Refreshment

The Directors consider that it is in the interest of the Company to further refresh the Scheme Mandate Limit to permit the grant of further Share Options under the Post-IPO Share Option Scheme so as to provide incentives to and recognise the contribution of the eligible participants, including the Group's employees, under the Post-IPO Share Option Scheme. Therefore, the Directors recommend the Shareholders to vote in favour of the Proposed Refreshment Resolution at the EGM.

7. 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.

Yours faithfully,
For and on behalf of
Chiho-Tiande Group Limited
Fang Ankong
Chairman

NOTICE OF EGM



CHIHO-TIANDE GROUP LIMITED

齊合天地集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 976)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of Chiho-Tiande Group Limited (the “**Company**”) will be held at Level 2, 48 Wang Lok Street, Yuen Long Industrial Estate, Hong Kong on Thursday, 23 May 2013 at 3:30 p.m. (or so soon thereafter as the annual general meeting of the Company convened on the same date and at the same place at 3:00 p.m. shall have been concluded) or any adjournment thereof for the purpose of considering, and if thought fit, passing with or without modification the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

- (1) “**THAT** the grant of share options (“**Share Options**”) to Mr. Fang Ankong (“**Mr. Fang**”), an executive director (“**Director**”) and a controlling shareholder (as defined in the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) of the Company, to subscribe for 16,500,000 shares (the “**Shares**”) of HK\$0.01 each in the capital of the Company at an exercise price of HK\$3.75 per Share under the post-IPO share option scheme (the “**Post-IPO Share Option Scheme**”) adopted by the Company on 23 June 2010 and on such other terms as the Directors consider appropriate be and is hereby approved **AND THAT** the Directors be and are hereby authorised to do all such acts and execute all such documents as may be necessary, desirable or expedient to give full effect to the grant of the Share Options to Mr. Fang and the issue of Shares upon exercise of the Share Options by Mr. Fang.”
- (2) “**THAT** the grant of Share Options to Mr. Stephanus Maria van Ooijen (“**Mr. van Ooijen**”), an executive Director and a substantial shareholder (as defined in the Listing Rules) of the Company, to subscribe for 2,000,000 Shares at an exercise price of HK\$3.75 per Share under the Post-IPO Share Option Scheme and on such other terms as the Directors consider appropriate be and is hereby approved **AND THAT** the Directors be and are hereby authorised to do all such acts and execute all such documents as may be necessary, desirable or expedient to give full effect to the grant of the Share Options to Mr. van Ooijen and the issue of Shares upon exercise of the Share Options by Mr. van Ooijen.”
- (3) “**THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of Share Options which may be granted under the Refreshed Scheme Mandate Limit (as defined below), the

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existing limit on the grant of Share Options under the Post-IPO Share Option Scheme be and is hereby refreshed so that the total number of Shares to be allotted and issued upon exercise of any share options to be granted under the Post-IPO Share Option Scheme and any other share option scheme of the Company (excluding share options previously granted, outstanding, cancelled, lapsed or exercised in accordance with the Post-IPO Share Option Scheme or such other share option schemes of the Company) shall not exceed 10% of the total number of Shares in issue as at the date of the passing of this resolution (the “**Refreshed Scheme Mandate Limit**”) and the Directors be and are hereby authorised to do such acts and execute such documents to effect the Refreshed Scheme Mandate Limit and to exercise all powers of the Company to allot, issue and deal with the Shares pursuant to the exercise of such share options.”

By order of the Board
Chiho-Tiande Group Limited
Fang Ankong
Chairman

Hong Kong, 19 April 2013

Registered Office:

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

Principal Place of Business in Hong Kong:

48 Wang Lok Street
Yuen Long Industrial Estate
Hong Kong

Notes:

- (1) A member entitled to attend and vote at the Meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more Shares may appoint more than one proxy to attend and vote instead of him. A proxy need not be a member of the Company.
- (2) Where there are joint holders of any Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the Meeting, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holder(s). For this purpose, seniority shall be determined by the order in which the names stand on the register of members of the Company in respect of the joint holding.
- (3) To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy of that power or authority, must be deposited at Computershare Hong Kong Investor Services Limited, the Company’s Hong Kong branch share registrar and transfer office, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the Meeting or any adjournment thereof and in such event, the form of proxy will be deemed to be revoked.

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- (4) The register of members of the Company will be closed from Tuesday, 21 May 2013 to Thursday, 23 May 2013, both dates inclusive, during which period no transfer of Shares will be registered. In order to determine the identity of the shareholders of the Company who are entitled to attend and vote at the Meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited, the Company's Hong Kong branch share registrar and transfer office, at Shops 1712-1716, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 20 May 2013.
- (5) Shareholders are advised to read the circular to the shareholders of the Company dated 19 April 2013 which contains information concerning the resolutions to be proposed in this notice.
- (6) Pursuant to Rule 17.04(1) of the Listing Rules, all connected persons (as defined in the Listing Rules) of the Company are required to abstain from voting in favour of ordinary resolutions numbered (1) and (2). Furthermore, pursuant to Rule 17.03(4) of the Listing Rules, Mr. Fang and his associates (as defined in the Listing Rules) are required to abstain from voting on ordinary resolution numbered (1).
- (7) According to Rule 13.39(4) of the Listing Rules, any vote of shareholders of the Company at a general meeting of the Company must be taken by poll. Accordingly, the Chairman of the Meeting will exercise his power under the articles of association of the Company to demand a poll in relation to the proposed ordinary resolutions at the Meeting.

As at the date of this notice, the Board of Directors of the Company comprises:

Executive Directors: Fang Ankong, Stephanus Maria van Ooijen, Gu Liyong

Non-executive Director: Michael Charles Lion

Independent non-executive Directors: Loke Yu, Li Xikui, Zhang Jingdong