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If you are in any doubt about this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **CNT Group Limited**, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

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CNT GROUP LIMITED

北海集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 701)

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

A notice convening an annual general meeting of the Company to be held at 31st Floor, CNT Tower, 338 Hennessy Road, Wanchai, Hong Kong on Thursday, 5 June 2014 at 11:00 a.m. is appended to this circular. A form of proxy for use at the annual general meeting is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.cntgroup.com.hk). Whether or not you are able to attend the annual general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting or any adjournment thereof if they so wish.

29 April 2014

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 31st Floor, CNT Tower, 338 Hennessy Road, Wanchai, Hong Kong on Thursday, 5 June 2014 at 11:00 a.m. to consider and, if appropriate, to approve the resolutions as set out in the notice of AGM, which is appended to this circular, or any adjournment thereof;
“associate(s)”	has the same meaning as defined in the Listing Rules;
“Board”	the board of directors of the Company;
“Bye-laws”	the bye-laws of the Company from time to time in force;
“Company”	CNT Group Limited, a company incorporated in Bermuda with limited liability and the securities of which are listed on the Stock Exchange;
“connected person”	has the same meaning as defined in the Listing Rules;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	16 April 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“RMB”	Renminbi, the lawful currency for the time being of the People’s Republic of China;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) in the capital of the Company with a par value of HK\$0.10 each (or such other prevailing par value from time to time);

DEFINITIONS

“Shareholder(s)”	holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder”	has the same meaning as defined in the Listing Rules;
“Takeover Code”	The Codes on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time; and
“%”	per cent.

LETTER FROM THE BOARD



CNT GROUP LIMITED

北海集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 701)

Executive Directors

Lam Ting Ball, Paul (Chairman)

Tsui Ho Chuen, Philip (Executive Deputy Chairman and Managing Director)

Chong Chi Kwan (Finance Director)

Non-executive Directors

Chan Wa Shek

Zhang Yulin

Ko Sheung Chi

Independent Non-executive Directors

Sir David Akers-Jones (Deputy Chairman)

Danny T Wong

Steven Chow

Zhang Xiaojing

Registered Office

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal Office

31st Floor

CNT Tower

338 Hennessy Road

Wanchai

Hong Kong

29 April 2014

To the Shareholders

Dear Sir or Madam,

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

1. INTRODUCTION

The purpose of this circular is to provide you with the notice of the AGM and information in respect of the ordinary resolutions to be proposed at the AGM for the approval of (a) the re-election of Directors at the AGM; and (b) the granting of general mandates to issue and repurchase Shares.

LETTER FROM THE BOARD

2. RE-ELECTION OF DIRECTORS

In accordance with the Bye-laws, Mr. Tsui Ho Chuen, Philip, Mr. Chong Chi Kwan, Mr. Ko Sheung Chi and Sir David Akers-Jones are subject to re-election at the AGM. Details of the Directors proposed for re-election are set out in the Appendix I to this circular.

Sir David Akers-Jones, being an independent non-executive director of the Company, has served the Board for more than 9 years. Sir David has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. During his years of appointment, Sir David demonstrated his ability to provide independent views to the Company's matters. The Board is of the view that Sir David is able to continue to fulfill his role as required and thus recommends him for re-election at the AGM.

3. GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

The existing general mandates granted to the Directors to issue and repurchase Shares will expire at the conclusion of the AGM. To renew these general mandates, ordinary resolutions are proposed at the AGM that: (i) the Board be granted a general mandate to allot and issue new Shares up to an amount of not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue and fully paid-up at the date of passing of such resolution; (ii) the Board be granted a general mandate to exercise all the powers of the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue and fully paid-up at the date of passing of such resolution; and (iii) the allotment mandate be extended by adding the nominal amount of all the Shares repurchased by the Company pursuant to the repurchase mandate to the aggregate nominal amount of the share capital of the Company to be allotted and issued pursuant to the allotment mandate.

The Board wishes to state that, as at the Latest Practicable Date, it has no immediate plans to issue any new Share or to repurchase any existing Share.

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,888,405,690 Shares. On the basis that no further Share is issued or repurchased prior to the AGM, the maximum number of Shares under the general mandate to allot and issue new Shares of not exceeding 20% of the Shares in issue as at the date of the AGM, if approved, shall be 377,681,138 Shares.

An explanatory statement as required under the Listing Rules to provide the requisite information concerning the repurchase mandate is set out in the Appendix II to this circular.

LETTER FROM THE BOARD

4. AGM

A notice convening the AGM to be held on Thursday, 5 June 2014 at 11:00 a.m. at 31st Floor, CNT Tower, 338 Hennessy Road, Wanchai, Hong Kong is appended to this circular.

A form of proxy for use at the AGM is enclosed. The form of proxy, in order to be valid, must be completed and deposited in accordance with the instructions printed thereon not less than 48 hours before the time for holding the AGM. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof in person if you so wish.

5. LISTING RULES REQUIREMENT

According to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, all the resolutions put to the vote at the AGM will be taken by way of poll.

6. RECOMMENDATION

The Directors consider that the re-election of Directors and the granting of general mandates to issue and repurchase Shares are in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of each of the relevant resolutions on terms as set out in the notice of the AGM.

7. FURTHER INFORMATION

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

Yours faithfully,
On behalf of the Board
Lam Ting Ball, Paul
Chairman

APPENDIX I DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Stated below are the details of the Directors proposed to be re-elected at the AGM.

1. Mr. Tsui Ho Chuen, Philip, aged 50, Executive Deputy Chairman and Managing Director

Mr. Tsui joined the Group in September 1985. He is a qualified solicitor of Hong Kong. He is the sole director and shareholder of Prime Surplus Limited (“Prime Surplus”), a substantial shareholder of the Company. As at the Latest Practicable Date, Mr. Tsui held interests in 498,053,620 Shares of the Company, representing approximately 26.37% of the existing issued share capital of the Company, within the meaning of Part XV of the SFO. Mr. Tsui has a service agreement (not having a fixed term of service) with the Company which entitles him to the payment of a monthly salary of HK\$365,000 and an accommodation allowance of not more than HK\$70,000 per month and other fringe benefits. For the year ended 31 December 2013, the total remuneration paid to Mr. Tsui, including the director’s fee of HK\$880,000, was HK\$7,738,000.

2. Mr. Chong Chi Kwan, aged 46, Finance Director

Mr. Chong joined the Group in November 2005. He has over 22 years of experience in auditing, finance and accounting. He holds a master degree in professional accounting from The Hong Kong Polytechnic University and is a fellow member of the Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants. Mr. Chong has no service agreement with the Company and he is not appointed for a specific term but is subject to re-election at least once every three years pursuant to the Bye-laws. Mr. Chong presently receives a monthly salary of HK\$75,000 and a fixed travelling allowance of RMB5,000 per month and other fringe benefits. For the year ended 31 December 2013, the total remuneration paid to Mr. Chong by the Group, including the director’s fee of HK\$360,000, was HK\$1,631,000.

3. Mr. Ko Sheung Chi, aged 57, Non-executive Director

Mr. Ko was appointed a non-executive Director in February 2007. He has over 33 years of experience in general management. He has a bachelor degree in science and a master degree in business administration and is an associated member of the Hong Kong Institute of Certified Public Accountants. Mr. Ko is the managing director of Chuang’s Consortium International Limited (a company listed on the Stock Exchange) and a director of Profit Stability Investments Limited, being the substantial shareholders of the Company discloseable under Part XV of the SFO. Mr. Ko has no service agreement with the Company and he is not appointed for a specific term but is subject to re-election at least once every three years pursuant to the Bye-laws. For the year ended 31 December 2013, the remuneration being the director’s fee paid to Mr. Ko was HK\$100,000.

APPENDIX I DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

4. Sir David Akers-Jones, aged 87, Deputy Chairman and Independent Non-executive Director

Sir David has been the Deputy Chairman of the Company since April 1991. Formerly, he was the Chief Secretary of Hong Kong specializing in land planning and housing development and an independent non-executive chairman of Hysan Development Company Limited (a company listed on the Stock Exchange). There is no service agreement between Sir David and the Company and he is not appointed for a specific term but is subject to re-election at least once every three years pursuant to the Bye-laws. For the year ended 31 December 2013, the remuneration being the director's fee paid to Sir David was HK\$200,000.

The remuneration of the executive Directors are determined by the remuneration committee and the remuneration of the non-executive Directors are determined by the Board on the recommendation of the remuneration committee, by reference to their duties and responsibilities, performance, experiences, time commitment, market conditions and the corporate goals and objectives as set by the Board.

As a result of dealings in the Shares by the trustee of a discretionary trust in which Mr. Tsui Ho Chuen, Philip by then was a discretionary beneficiary during the dealing prohibition period, the Stock Exchange publicly censured Mr. Tsui in December 1999 for breaches of the Listing Rules. The Stock Exchange considered that he had an obligation to inform the trustee not to deal when necessary.

The following companies incorporated in Hong Kong, in which Mr. Tsui Ho Chuen, Philip was a director, had been put into receiverships or creditors' or compulsory winding up: Champion Rich Investment Limited (property holding and investment, appointment of receivers over charged properties of HK\$64,803,777.28 plus costs of interests on 25 May 1999 and settlement and cessation of receiverships on 29 December 1999), Chrysanthemum Chinese Restaurant Limited (restaurant operation, commencement of creditors' voluntary winding up on 5 February 1999 and dissolution on 15 May 2001) and Happy Trade Limited (investment holding, appointment of receivers over charged property and commencement of compulsory winding up on 10 September 1999 and 17 November 1999 respectively and dissolution on 7 June 2003).

Save as disclosed above, there is no other information required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

APPENDIX II EXPLANATORY STATEMENT FOR REPURCHASE MANDATE

This Appendix serves as an explanatory statement required by the Listing Rules to provide the Shareholders with the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the repurchase mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,888,405,690 Shares.

Subject to the passing of the relevant resolution and on the basis that no further Share is issued or repurchased prior to the AGM, the Company would be allowed under the repurchase mandate to repurchase a maximum of 188,840,569 Shares representing 10% of the Shares in issue as at the date of the AGM. The Shares proposed to be repurchased by the Company must be fully-paid up.

The repurchase mandate may continue in force until the earliest of: (i) the conclusion of the next annual general meeting of the Company for the year of 2015; (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and (iii) the revocation or variation of the repurchase mandate by ordinary resolution of the Shareholders in general meeting.

2. REASONS FOR REPURCHASES

The Directors believe that the repurchase mandate is in the interests of the Company and the Shareholders as a whole. Such repurchases 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 the Shareholders as a whole.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association and the Bye-laws of the Company and the laws of Bermuda. It is presently proposed that any repurchase under the repurchase mandate would be repurchased out of the capital paid up on the repurchased Shares, the profits of the Company which would otherwise be available for dividend, the Company's share premium account and/or contributed surplus account in each case to the extent as permitted by the laws of Bermuda.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated accounts contained in the Company's annual report for the year ended 31 December 2013 in the event that the repurchase mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the repurchase mandate 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 of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

APPENDIX II EXPLANATORY STATEMENT FOR REPURCHASE MANDATE

4. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months before the printing of this circular were as follows:

	Share price	
	Highest HK\$	Lowest HK\$
2013		
April	0.3350	0.3000
May	0.3450	0.3050
June	0.3200	0.2900
July	0.3200	0.2800
August	0.3450	0.2700
September	0.3200	0.2900
October	0.3400	0.3050
November	0.3300	0.3000
December	0.5600	0.3150
2014		
January	0.4000	0.3200
February	0.4700	0.3200
March	0.4650	0.3600
April (up to the Latest Practicable Date)	0.4100	0.3700

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company to make repurchases in accordance with the Listing Rules and the applicable laws of Bermuda so far as the same may be applicable and in accordance with the regulations set out in the memorandum of association and the Bye-laws of the Company.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates have any present intention to sell Shares to the Company under the repurchase mandate if such is approved by the Shareholders.

No connected person of the Company has notified the Company that he has a present intention to sell Shares to the Company, nor has undertaken not to do so, in the event that the repurchase mandate is approved by the Shareholders.

APPENDIX II EXPLANATORY STATEMENT FOR REPURCHASE MANDATE

6. TAKEOVER CODE

If on exercise of the powers to repurchase Shares pursuant to the repurchase mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purpose of the Takeover Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeover Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Prime Surplus is the largest shareholder of the Company beneficially interested in 498,053,620 Shares, representing approximately 26.37% of the issued share capital of the Company. In the event that the repurchase mandate is exercised in full and no further Share is issued during the proposed repurchase period, the beneficial interest of Prime Surplus in the issued share capital of the Company will increase to approximately 29.30%. Mr. Tsui Ho Cheun, Philip is the sole director and shareholder of Prime Surplus. The Directors have no intention to exercise the repurchase mandate to the extent that would give rise to an obligation on Prime Surplus to make a mandatory offer under the Takeover Code.

7. SHARE REPURCHASES MADE BY THE COMPANY

The Company has not repurchased any of the Shares (whether on the Stock Exchange or otherwise) in the six months prior to the printing of this circular.

**CNT GROUP LIMITED****北海集團有限公司***(Incorporated in Bermuda with limited liability)***(Stock Code: 701)**

NOTICE IS HEREBY GIVEN that the annual general meeting of CNT Group Limited (the “Company”) will be held at 31st Floor, CNT Tower, 338 Hennessy Road, Wanchai, Hong Kong on Thursday, 5 June 2014 at 11:00 a.m. for the following purposes:

Ordinary business

1. To receive and consider the audited financial statements and the report of the directors and the independent auditors’ report for the year ended 31 December 2013.
2. To declare a final dividend of HK1.2 cents per share for the year ended 31 December 2013.
3. To re-elect directors and to authorise the directors to fix the directors’ remuneration.
4. To re-appoint auditors and to authorise the directors to fix their remuneration.

Special business

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the board of directors of the Company (the “Board”) during the Relevant Period of all the powers of the Company to allot, issue and otherwise 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 powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Board during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of rights of subscription or conversion under the terms of any warrant or other securities issued by the Company carrying a right to subscribe for shares of the Company; or (iii) the exercise of subscription rights under any share option scheme of the Company; or (iv) an issue of shares as scrip dividends pursuant to the bye-laws of the Company from time to time, shall not exceed the aggregate of (i) 20% of the nominal

amount of the share capital of the Company in issue as at the date of this resolution; and (ii) subject to the passing of resolution 7 below, all those number of shares which may from time to time be repurchased by the Company pursuant to the general mandate granted under resolution 6 below, 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 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 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.

“Rights Issue” means the allotment, issue or grant of shares of the Company pursuant to an offer open for a period fixed by the Board to holders of shares or any class thereof on the register of members of the Company on a fixed record date pro rata to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements or having regard to any restriction or obligation under the laws of, or the requirements of any recognised regulatory body of any stock exchange in any territory outside Hong Kong).”

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the board of directors of the Company during the Relevant Period of all the powers of the Company to purchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange recognised for this purpose by the Securities and Futures Commission and the Stock Exchange, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on the 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 to be purchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the shares of the Company in issue at the date of this resolution, and the said approval shall be limited accordingly; and

- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until 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 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.”
7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** the board of directors of the Company be and is hereby given a general mandate to add all those shares in the capital of the Company which may from time to time be repurchased by the Company pursuant to the approval granted under resolution 6 above to the general mandate granted under resolution 5 above.”

By order of the board
Ma Lai King
Company Secretary

Hong Kong, 29 April 2014

Notes:

1. Any 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 proxy need not be a member of the Company.
2. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy of such power of attorney or authority shall be delivered to the Company’s share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting at which the person named in the instrument proposes to vote.
3. The register of members of the Company will be closed on Thursday, 12 June 2014 and Friday, 13 June 2014, during the period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged for registration with the Company’s share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 11 June 2014.
4. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.