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If you have sold all your shares in Glorious Sun Enterprises Limited, you should at once hand this document, together with the accompanying proxy form, to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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GLORIOUS SUN ENTERPRISES LIMITED

旭日企業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 393)

PROPOSAL FOR ADOPTION OF THE SHARE OPTION SCHEME

AND

TERMINATION OF THE EXISTING SHARE OPTION SCHEME

A notice convening a Special General Meeting of Glorious Sun Enterprises Limited to be held at 4.00 p.m. at Dynasty II, 7th Floor, The Dynasty Club Limited, South West Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Tuesday, 2 June 2015 is set out on pages 14 to 15 of this circular.

Whether or not you are able to attend the meeting, please complete and return the form of proxy accompanying this circular in accordance with the instructions printed thereon to the principal place of business of the Company at 38/F., One Kowloon, 1 Wang Yuen Street, Kowloon Bay, Hong Kong as soon as possible and, in any event, not later than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

15 May 2015

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DEFINITIONS

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

“associate”	has the meaning set out in the Listing Rules
“Board”	the board of Directors or a duly authorised committee thereof
“business day”	has the meaning set out in the Listing Rules
“chief executive”	has the meaning set out in the Listing Rules
“Company”	Glorious Sun Enterprises Limited, a company incorporated in Bermuda with limited liability and whose securities are listed on the Stock Exchange
“connected person”	has the meaning set out in the Listing Rules
“core connected person”	has the meaning set out in the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	12 May 2015, 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, as amended from time to time
“Option”	means an option to subscribe for Shares granted pursuant to the Share Option Scheme
“Qualifying Grantee”	any person employed by the Company or any subsidiary and/or any person who is a director or officer of the Company or any of its subsidiaries. For the avoidance of doubt, an option holder shall not cease to be an employee in the case of (a) any leave of absence approved by the Company or the relevant subsidiary; or (b) transfer of employment between the Company and any of its subsidiaries or between its subsidiaries
“Share Option Scheme”	the share option scheme proposed to be adopted at the Special General Meeting, the principal terms of which are set out in the Appendix
“Shareholder(s)”	holders of Share(s) in issue
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Special General Meeting”	the Special General Meeting of the Company to be held for adopting the Share Option Scheme, notice of which is set out on pages 14 and 15 of this circular, or any adjournment thereof
“subsidiary”	has the meaning set out in the Listing Rules
“substantial shareholder”	has the meaning set out in the Listing Rules
“HK\$” and “cents”	Hong Kong dollar and cents respectively, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



GLORIOUS SUN ENTERPRISES LIMITED

旭日企業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 393)

Executive Directors:

Dr. Charles Yeung, SBS, JP (*Chairman*)
Mr. Yeung Chun Fan (*Vice-chairman*)
Mr. Yeung Chun Ho
Mr. Pau Sze Kee, Jackson
Mr. Hui Chung Shing, Herman, SBS, MH, JP
Ms. Cheung Wai Yee
Mr. Chan Wing Kan, Archie

Independent non-executive Directors:

Mr. Lau Hon Chuen, Ambrose, GBS, JP
Dr. Chung Shui Ming, Timpson, GBS, JP
Mr. Wong Man Kong, Peter, BBS, JP
Dr. Lam Lee G.

Registered Office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal Place of Business:

38/F., One Kowloon
1 Wang Yuen Street
Kowloon Bay
Hong Kong

15 May 2015

To the shareholders of Glorious Sun Enterprises Limited

Dear Sir or Madam,

PROPOSAL FOR ADOPTION OF THE SHARE OPTION SCHEME AND TERMINATION OF THE EXISTING SHARE OPTION SCHEME

The Directors propose to adopt the Share Option Scheme which will be put to Shareholders for approval at the Special General Meeting to be held on 2 June 2015. The Directors believe that attracting and motivating high quality personnel is key to the success and growth of the Company.

The Share Option Scheme constitutes a share option scheme governed by Chapter 17 of the Listing Rules and the adoption of the Share Option Scheme is subject to the approval of the Shareholders at the Special General Meeting.

Implementation of the Share Option Scheme is subject to its adoption at the Special General Meeting and the approval by the Stock Exchange of the listing and permission to deal in the Shares, representing 10% of the issued share capital of the Company as at the date of the Special General Meeting to be issued pursuant to the exercise of Options granted under the Share Option Scheme. Application will be made to the Stock Exchange for the grant of listing of and permission to deal in the Shares, representing 10% of the issued share capital of the Company as at the date of the Special General Meeting to be issued pursuant to the exercise of Options granted under the Share Option Scheme.

LETTER FROM THE BOARD

The only existing share option scheme of the Company was adopted on 1 September 2005 and expires on 31 August 2015. The Company considers it preferable to have one share option scheme in operation at a time. As provided for in paragraph 16 of the provisions of the existing share option scheme, it is proposed that the existing share option scheme of the Company be terminated by ordinary resolution of the Company in general meeting with effect from the adoption of the Share Option Scheme. For the convenience of Shareholders, the Company has determined to hold the Special General Meeting to adopt the Share Option Scheme and terminate the existing share option scheme on the same day as its annual general meeting, rather than holding it later in September. There are no other requirements under the provisions of the existing share option scheme to be satisfied for the termination of it. Upon termination of the existing share option scheme, no further options shall be offered under that scheme but its provisions shall in all other respects continue to apply in respect of unexercised options. All options granted prior to such termination and not then exercised shall remain valid.

As at the Latest Practicable Date, the number of Shares to be issued under unexercised options granted under the existing share option scheme was 43,937,000 Shares. The Company has no present intention to grant further options under the existing share option scheme.

The Directors believe that the Share Option Scheme will continue to provide Qualifying Grantees with the opportunity to participate in the growth of the Company by acquiring shares in the Company and may, in turn, assist in attracting and retaining of Qualifying Grantees who have made contributions to the success of the Company. The purpose of the Share Option Scheme is to provide incentives to Qualifying Grantees to contribute further to the Company. To ensure this purpose is achieved, the Directors plan to grant options to Qualifying Grantees who are regarded as valuable human resources of the Group or who have contributed to the growth and success of the Group based on their performance and other factors (e.g. their years of service with the Company and/or work experience and/or knowledge in the industry etc.) that are relevant in deciding the contribution of such Qualifying Grantees.

The rules of the Share Option Scheme do not specify any minimum holding period and/or performance targets before an Option is exercisable as a condition of any Option. The rules do provide that the Board is empowered with the authority to determine the terms on which an Option is granted which may include minimum holding periods and/or performance targets, in each case based on such factors as the Board in its sole discretion may consider appropriate, subject to the provisions of the Share Option Scheme and the requirement of the Listing Rules. The Board believes that the authority given to it under the Share Option Scheme to specify any minimum holding period and/or performance targets as conditions to any Option granted, as well as the requirement for a minimum subscription price together with the authority to select the appropriate Qualifying Grantees pursuant to the rules of the Share Option Scheme will serve to protect the value of the Company as well as to achieve the purposes of the Share Option Scheme.

The Directors consider that it is not appropriate to state the value of all options that can be granted pursuant to the Share Option Scheme as if they had been granted at the Latest Practicable Date. The Directors believe that any statement regarding the value of the options as at the Latest Practicable Date will not be meaningful to the Shareholders, taking into account the number of variables which are crucial for the calculation of the option value which have not been determined. Such variables include the exercise price, exercise period, any minimum holding period, any performance targets set and other relevant variables.

A summary of the principal terms of the Share Option Scheme is set out in the appendix to this circular. This serves as a summary of the terms of the Share Option Scheme but does not constitute the full terms of the same. The full terms of the Share Option Scheme can be inspected at the principal place of business of the Company at 38/F., One Kowloon, 1 Wang Yuen Street, Kowloon Bay, Hong Kong from the date of this circular up to and including the date of the Special General Meeting and at the Special General Meeting.

LETTER FROM THE BOARD

None of the Directors are appointed as trustees of the Share Option Scheme or have a direct or indirect interest in the trustees of the Share Option Scheme.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no shareholder of the Company is required to abstain from voting on the resolution approving the Share Option Scheme.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the information contained herein 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.

RECOMMENDATION

The Directors believe that the proposal for the adoption of the Share Option Scheme is in the best interests of the Company and the Shareholders. Accordingly the Board recommends the Shareholders should vote in favour of the resolution relating to the adoption of the Share Option Scheme and the termination of the existing share option scheme of the Company to be proposed at the Special General Meeting.

SPECIAL GENERAL MEETING

A notice convening the Special General Meeting to be held at Dynasty II, 7th Floor, The Dynasty Club Limited, South West Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Tuesday, 2 June 2015 at 4.00 p.m. is set out on pages 14 to 15 of this circular.

A form of proxy for the Special General Meeting is enclosed with this circular. Whether or not you are able to attend the meeting, you are advised to read the notice and to complete and return the enclosed form of proxy, in accordance with the instructions printed thereon, to the Company's principal place of business at 38/F., One Kowloon, 1 Wang Yuen Street, Kowloon Bay, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the Special General Meeting or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Special General Meeting and any adjourned meeting thereof should you so wish.

Yours faithfully,
Dr. Charles Yeung, SBS, JP
Chairman

SHARE OPTION SCHEME

The following is a summary of the principal terms of the Share Option Scheme proposed to be approved at the Special General Meeting:

(a) Purpose

The purpose of the Share Option Scheme is to attract and retain the best quality personnel for the development of the Company's businesses; to provide additional incentives to employees, officers and directors of the Group; and to promote the long term financial success of the Company by aligning the interests of option holders with Shareholders.

(b) Who may join

On and subject to the terms of the Share Option Scheme and the requirements of the Listing Rules, the Board may offer to grant an Option to any Qualifying Grantee as it may in its absolute discretion select.

(c) Administration

The Share Option Scheme shall be subject to the administration of the Board. The Board's administrative powers include the authority, in its discretion:

- (i) to select Qualifying Grantees to whom Options may be granted under the Share Option Scheme;
- (ii) to determine, subject to the requirements of the Listing Rules and the law, when Options may be granted;
- (iii) to determine the number of Options granted under the Share Option Scheme;
- (iv) to approve forms of option agreements;
- (v) to determine, subject to the terms of the Share Option Scheme and the requirements of the Listing Rules, the terms and conditions of any Option based in each case on such factors as the Board may determine. Such terms and conditions may include:
 - the exercise price;
 - the period within which the Shares must be taken up under the Option, which must not be more than 10 years from the date of grant (*See paragraph (h) below*);
 - the minimum period, if any, for which an Option must be held before it can vest (the Share Option Scheme itself does not specify any minimum holding period);
 - the performance targets, if any, that must be achieved before the Option can be exercised (the Share Option Scheme itself does not specify any performance targets); and
 - conditions, restrictions or limitations relating to the achievement of operating or financial targets,

provided that any such restriction imposed by the Board on any Qualifying Grantee shall not in effect be less restrictive than those imposed under the Scheme and the requirements under the Listing Rules;

- (vi) to construe and interpret the terms of the Share Option Scheme and Options granted pursuant to the Share Option Scheme;
- (vii) subject to paragraph (v), to prescribe, amend and rescind rules and regulations relating to the Share Option Scheme, including rules and regulations relating to sub-schemes established for the purpose of qualifying for preferred treatment under foreign laws; and
- (viii) to vary the terms and conditions of any option agreement (provided that such variation is not inconsistent with the Listing Rules and the terms of the Share Option Scheme).

Without prejudice to the generality of the foregoing and subject to paragraph (g), the Board may grant Options in respect of which the subscription price is fixed at different prices for certain periods during the option period.

(d) Grant of Option

On and subject to the terms of the Share Option Scheme and the requirements of the Listing Rules, the Board shall be entitled at any time within 10 years commencing on the date of adoption of the Share Option Scheme to make an offer for the grant of an Option to any Qualifying Grantee as the Board may in its absolute discretion select.

An offer of the grant of an Option shall be made to a Qualifying Grantee by letter in such form as the Board may from time to time determine, requiring the Qualifying Grantee to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the Share Option Scheme. An offer may only be made on a business day.

(e) Restrictions on time of grant

An offer of the grant of an Option may not be made after inside information (as defined in the Listing Rules) has come to the knowledge of the Company, until the information has been announced in accordance with the Listing Rules. In particular, no Option may be granted:

- (i) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (ii) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results,

and ending on the date of the results announcement.

(f) Payment on acceptance of Option offer

An offer shall remain open for acceptance by the Qualifying Grantee concerned for a period of 28 days from the date of the offer excluding the date of the offer. HK\$1.00 is payable by the option holder to the Company on acceptance of the offer of the Option. If such remittance is not made upon acceptance, acceptance of an offer shall create a promise by the relevant option holder to pay to the Company HK\$1.00 on demand.

(g) Subscription price

The subscription price in respect of any particular Option shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant Option, but shall not be less than whichever is the higher of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share.

(h) Option period

The period within which the Shares must be taken up under an Option shall be determined by the Board in its absolute discretion at the time of grant, but such period must not exceed 10 years from the date of grant of the relevant Option.

(i) Rights are personal to grantee

An Option shall be personal to the option holder and shall not be assignable or transferable and no option holder shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option, or enter into any agreement to do so.

(j) Rights attaching to Shares allotted

The Shares to be allotted upon the exercise of an Option shall be subject to all the provisions of the Bye-laws of the Company for the time being in force and will rank *pari passu* with the fully paid Shares in issue on the date of allotment and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the date of allotment.

(k) Rights on retirement, death or total permanent physical or mental disability

If an option holder retires, dies or becomes totally permanently physically or mentally disabled, the Option may be exercised within such period of time as is specified in the option agreement (but in no event later than the expiration of the term of such Option as set forth in the option agreement).

In the absence of a specified time in the option agreement, the Option shall remain exercisable for twelve (12) months (or such longer period as the Board shall decide but in any event shall not exceed ten (10) years from the date of grant of the relevant Option) following the relevant option holder's retirement, death or total permanent physical or mental disability. The Option may be exercised within that period by the personal representatives of the option holder.

If the Option is not so exercised within the time specified above, the Option shall lapse.

(l) Termination due to separate listing or sale

If the Board considers that an option holder has ceased to be a Qualifying Grantee due to the sale, or separate listing, of a member of the Group he is serving, or if the member of the Group he is serving is merged, reorganised or consolidated with another entity (and paragraphs (o) to (p) do not apply), the Board may at its sole discretion:

- (i) arrange for substitute options or share purchase rights of no less than equivalent fair value, in the purchasing, surviving or newly-listed company;
- (ii) provide cash compensation equivalent to their fair value;
- (iii) waive any conditions as to vesting; or
- (iv) permit the continuation of the Option according to its original terms.

If the Board does not make any of the arrangements specified in (i) to (iv) above, the Option shall lapse.

(m) Termination other than for retirement, death, permanent disability

If an option holder ceases to be a Qualifying Grantee (irrespective of whether the termination of employment or service contract of an option holder was lawful or unlawful), the Option shall immediately lapse subject to paragraph (n).

(n) Discretion on termination other than for retirement, death, permanent disability

If an option holder ceases to be a Qualifying Grantee other than for the reasons provided under paragraphs (k) or (l), the Board, before such cessation takes effect may (but is not obliged to) exercise its discretion to extend the term of such Option, for up to three months or such other period as the Board shall determine but in no event later than the expiration of the term of such Option as set forth in the option agreement.

(o) Right on takeover

If a general offer by way of takeover is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror), and the offer becomes or is declared unconditional in all respects, the option holder shall be entitled to exercise the Option (to the extent not already exercised) at any time within one month (or such longer period as the Board shall decide) after the date on which the offer becomes or is declared unconditional.

(p) Rights on compromise or arrangement

If a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of the amalgamation of the Company with any other company or companies (including a takeover offer by way of scheme of arrangement), the Company shall give notice to the option holder on the same date as it despatches the notice to each member or creditor of the Company summoning the meeting to consider such a compromise or arrangement. Thereupon the option holder (or his personal representatives) may, until the expiry of the period commencing with such date and ending with the earlier of the date 2 calendar months thereafter, or the date on which such compromise or arrangement is sanctioned by the court, exercise any of his Options. The exercise of an Option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the court and becoming effective.

The Company may require the option holder to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the option holder in the same position, as nearly as possible, as would have been the case had such Shares been subject to such compromise or arrangement.

(q) Rights on voluntary winding-up of the Company

In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company, give notice thereof to all option holders (together with a notice of the existence of the provisions of the Share Option Scheme relating to this paragraph (q)). Thereupon, each option holder (or his personal representatives) shall be entitled to exercise all or any of his Options (to the extent not already exercised) at any time not later than two business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given. The Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the option holder credited as fully paid.

(r) Lapse of Option

Subject to the discretion of the Board to extend the option period as referred to in paragraphs (c), (k), (m) and (v), an Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- the expiry of the option period;
- the expiry of any of the periods referred to in paragraphs (k) through to (q), or as the case may be, the time from which the option holder ceases to be a Qualifying Grantee pursuant to paragraph (m); and
- the date on which the Board certifies that there has been a breach of paragraph (i).

(s) Cancellation of Option

Options granted but not exercised may be cancelled by the Company with the approval of the option holder. Where the Company cancels Options and offers to issue new ones to the same Qualifying Grantee, the issue of such new Options may only be made under the Share Option Scheme with available unissued Options (excluding the cancelled Options) within the limits set out in paragraph (t) below.

(t) Maximum number of Shares available under the Share Option Scheme*(i) Overriding Limit*

The limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company must not exceed 30% of the Shares in issue from time to time. No options may be granted under any schemes of the Company if this will result in the limit being exceeded.

(ii) Mandate Limit

In addition to the limit set out in sub-paragraph (t)(i) above and prior to the approval of a refreshed mandate limit as referred to in sub-paragraph (t)(iii) below, the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Company must not in aggregate exceed 10% of the Shares in issue as at the date of approval of the Share Option Scheme (“Mandate Limit”). On the basis of 1,046,006,000 Shares in issue as at the Latest Practicable Date this would be 104,600,600 Shares, assuming there is no change in the issued share capital of the Company prior to the date of adoption of the Share Option Scheme. Options lapsed in accordance with the terms of the Share Option Scheme or any other schemes of the Company will not be counted for the purpose of calculating the 10% limit.

(iii) Refreshing of Mandate Limit

The Company may by ordinary resolution of the Shareholders in general meeting refresh the Mandate Limit. However, the total number of Shares which may be issued upon exercise of all options to be granted under all of the schemes of the Company under the limit as refreshed must not exceed 10% of the Shares in issue as at the date of approval of refreshing the limit. Options previously granted under the Scheme (including those outstanding, cancelled, lapsed in accordance with the schemes of the Company or exercised options) will not be counted for the purpose of calculating the limit as refreshed.

(iv) Grant to specifically identified Qualifying Grantees

Specifically identified Qualifying Grantees may be granted Options beyond the Mandate Limit, provided the Company first seeks separate approval by its Shareholders in general meeting for granting the Options and in which event, the Company shall send a circular to the Shareholders containing the details and information required under the Listing Rules. The date of the Board meeting for proposing such further grant should be taken as the date of grant for such grants.

(v) *Limit for each Qualifying Grantee*

The total number of Shares issued and to be issued upon exercise of Options (whether exercised or outstanding) in any 12-month period granted to each Qualifying Grantee must not exceed 1% of the Shares in issue. Any further grant of Options in excess of this limit (including exercised, cancelled and outstanding options) is subject to separate approval by the Shareholders in general meeting with the relevant option holder and his close associates (or his associates, if the Option Holder is a connected person) (each as defined in the Listing Rules) abstaining from voting and in which event, the Company shall send a circular to the Shareholders containing the details and information required under the Listing Rules. The date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price of these options.

(u) Effects of reorganisation of capital structure

In the event of a capitalisation issue, rights issue, subdivision or consolidation of the Shares or reduction of the capital of the Company, whilst any already granted Option may remain exercisable, corresponding adjustments (if any) shall be made to:

- the number of Shares; and/or
- the subscription price,

as the auditors shall certify in writing to the Board are in their opinion in accordance with the adjustment terms set out in the Share Option Scheme and comply with the Listing Rules (except in the case of a capitalisation issue where no such certification shall be required), provided that:

- (i) any such adjustments shall be made on the basis that the aggregate subscription price payable by an option holder on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) it was before such event;
- (ii) no such adjustments shall be made the effect of which would be to enable a Share to be issued at less than its nominal value; and
- (iii) no such adjustments shall be made the effect of which would be to increase the proportion of the issued share capital of the Company for which any option holder is entitled to subscribe pursuant to the Options held by him.

For the avoidance of doubt only, the issue of securities as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustments.

(v) Alteration to the Scheme

The Share Option Scheme may be altered in any respect by resolution of the Board except that the provisions of the Share Option Scheme relating to matters contained in Rule 17.03 of the Listing Rules (including the provisions under paragraphs (d), (e), (g), (h), (i), (j), (r), (s), (t), (u), (v) and (x)) shall not be altered to the advantage of option holders or prospective option holders except with the prior sanction of an ordinary resolution of the Company in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the option holders as would be required of the Shareholders under the Bye-laws for the time being of the Company for a variation of the rights attached to the Shares. Any alterations to the terms and conditions of the Share Option Scheme,

which are of a material nature and any change to the terms of the Options granted, shall be approved by the Shareholders, except where the alterations take effect automatically under the existing terms of the Share Option Scheme. The amended terms of the Share Option Scheme shall comply with the relevant requirements of Chapter 17 of the Listing Rules. Any change to the authority of the Board in relation to any alteration to the terms of the Share Option Scheme shall be approved by the Shareholders.

Subject to the Listing Rules and the terms of the Share Option Scheme, the Board may (at any time and in its absolute discretion) remove, waive or vary the conditions, restrictions or limitations imposed in an option agreement on compassionate or any other grounds.

Note: Insofar as the Board's discretion to vary an option agreement is concerned, such right must be exercised in accordance with the Listing Rules and the terms of the Share Option Scheme.

(w) Termination of Share Option Scheme

The Company by ordinary resolution of the Shareholders in general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further Options will be offered after the Share Option Scheme is terminated but in all other respects the provisions of the Share Option Scheme shall remain in full force and effect. All Options granted prior to such termination and not then exercised shall remain valid.

(x) Offers made to a Director, chief executive or a substantial shareholder of the Company or any of their respective associates

Subject to sub-paragraphs (t)(iv) and (t)(v) above, but only insofar as and for so long as the Listing Rules require, where any offer of an option is proposed to be made to a Director, chief executive or a substantial shareholder of the Company or any of their respective associates, such offer must first be approved by the independent non-executive Directors (excluding the independent non-executive Director who is the grantee of an Option). As regards grant to an employee (who may be a Director or chief executive of the Company) who is also a substantial shareholder of the Company or an independent non-executive Director, please refer to the note below.

Note: Insofar and for so long as the Listing Rules so require, unless specifically approved by the Shareholders in general meeting, no option may be granted to any employee who is also a substantial shareholder of the Company, or an independent non-executive Director or any of their respective associates, which would result in the Shares issued and to be issued upon exercise of all options already granted or to be granted (including options exercised, cancelled and outstanding) to such person under the Share Option Scheme and any other scheme(s) of the Company in the 12-month period up to and including the date of such grant:

- (a) representing in aggregate over 0.1% of the issued share capital of the Company; and
- (b) having an aggregate value, based on the closing price of the Shares at the date of such grant, in excess of HK\$5,000,000.

In such general meeting, the grant of Options to the employee who is also a substantial shareholder of the Company or an independent non-executive Director or any of their respective associates shall, for so long and insofar as the Listing Rules so require, be approved by the Shareholders by way of poll with the employee, his associates and all core connected persons of the Company abstaining from voting. The Company shall also comply with the requirements under Rule 13.39(5) (in relation to poll results announcement), Rule 13.40 (in relation to the proposed grantee, his associates or core connected persons of the Company voting against the resolution approving such grant), Rule 13.41 (in relation to voting requirements on adjournment of meeting) and Rule 13.42 (in relation to appropriate voting procedure) of the Listing Rules. For so long and insofar as the Listing Rules so require, any change in the terms of an Option granted to an employee who is also a substantial shareholder of the Company, an independent non-executive Director or any of their respective associates, must be approved by the Shareholders in general meeting with the employee, his associates and all core connected persons of the Company abstaining from voting.

NOTICE OF SPECIAL GENERAL MEETING



GLORIOUS SUN ENTERPRISES LIMITED

旭日企業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 393)

NOTICE IS HEREBY GIVEN THAT the Special General Meeting of Glorious Sun Enterprises Limited (the “Company”) will be held at Dynasty II, 7th Floor, The Dynasty Club Limited, South West Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Tuesday, 2 June 2015 at 4.00 p.m. to consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

ORDINARY RESOLUTION

“THAT

- (a) conditional upon The Stock Exchange of Hong Kong Limited granting approval of the listing of and permission to deal in the shares falling to be issued pursuant to the exercise of any options granted under the share option scheme referred to in the circular dispatched to the shareholders on the same day as this Notice, the principal terms of which are set out in the printed document marked “A” now produced to the Meeting and for the purpose of identification signed by the Chairman hereof (the “**Share Option Scheme**”), the Share Option Scheme be approved and adopted to be the share option scheme for the Company and that the Directors be authorised to grant options thereunder and to allot and issue shares pursuant to the Share Option Scheme and take all such steps as may be necessary or desirable to implement such Share Option Scheme; and
- (b) upon the Share Option Scheme becoming unconditional, the existing share option scheme of the Company which was adopted by the Company on 1 September 2005 be terminated with effect from the date on which such resolution became unconditional.”

By Order of the Board
Mui Sau Keung, Isaac
Company Secretary

Hong Kong, 15 May 2015

Notes:

1. A member entitled to attend and vote at the above Meeting is entitled to appoint one or more proxies to attend and vote on his behalf. The proxy need not be a member of the Company.
2. In order to be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notorially certified copy of that power or authority, must be deposited at the Company’s principal place of business at 38/F., One Kowloon, 1 Wang Yuen Street, Kowloon Bay, Hong Kong not less than 48 hours before the time appointed for the meeting or any adjournment thereof.

NOTICE OF SPECIAL GENERAL MEETING

3. The register of members will be closed from Friday, 29 May 2015 to Tuesday, 2 June 2015, both dates inclusive, in order to determine the entitlement to attend and vote at the forthcoming annual general meeting. As the annual general meeting and the Special General Meeting are of even date, the Special General Meeting will adopt the same dates for determining which members qualify for the entitlement to attend and vote at the Special General Meeting. In order to do so, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 28 May 2015.
4. Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the shareholders at the meeting will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.
5. A copy of the rules of the Share Option Scheme will be available for inspection at the Company's registered office at 38/F., One Kowloon, 1 Wang Yuen Street, Kowloon Bay, Hong Kong, during normal business hours from the date hereof up to and including the date of the Special General Meeting and at the Special General Meeting.

As at the date of this notice, the directors of the Company are as follows:

Executive Directors:

Dr. Charles Yeung, SBS, JP, Mr. Yeung Chun Fan, Mr. Yeung Chun Ho, Mr. Pau Sze Kee, Jackson, Mr. Hui Chung Shing, Herman, SBS, MH, JP, Ms. Cheung Wai Yee and Mr. Chan Wing Kan, Archie

Independent Non-Executive Directors:

Mr. Lau Hon Chuen, Ambrose, GBS, JP, Dr. Chung Shui Ming, Timpson, GBS, JP, Mr. Wong Man Kong, Peter, BBS, JP and Dr. Lam Lee G.