
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Sun Century Group Limited**, you should at once hand this circular and the accompanying 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.

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



SUN CENTURY GROUP LIMITED

太陽世紀集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1383)

**(1) PROPOSED SHARE CONSOLIDATION;
(2) CHANGE IN BOARD LOT SIZE;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening an extraordinary general meeting of Sun Century Group Limited to be held at Training Room B, The Joint Professional Centre, Unit 1, G/F., The Centre, 99 Queen's Road Central, Hong Kong on 1 June 2012 at 4:20 p.m. is set out on pages 9 and 10 of this circular. Whether or not you intend to attend and vote at such meeting, you are advised to complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as practicable but in any event no later than 48 hours before the time appointed for holding such meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

* *For identification purpose only*

CONTENTS

	<i>Page</i>
Definitions	1
Expected timetable	3
Letter from the Board	4
Notice of EGM	9

DEFINITIONS

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

“Board”	the board of Directors
“Business day”	has the meaning ascribed to it under the Listing Rules
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Company”	Sun Century Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on main board of the Stock Exchange
“Consolidated Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held at Training Room B, The Joint Professional Centre, Unit 1, G/F., The Centre, 99 Queen’s Road Central, Hong Kong on 1 June 2012 at 4:20 p.m. for the purpose of considering and, if thought fit, approving the Share Consolidation
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	10 May 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan

DEFINITIONS

“Shareholder(s)”	the holder(s) of the issued Shares
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Shares into one (1) Consolidated Share
“Share Option Scheme”	the share option scheme adopted by the Company on 31 January 2007
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Warrants”	81,000,000 outstanding warrants which entitle holders thereof to subscribe for 81,000,000 Shares

EXPECTED TIMETABLE

Set out below is an expected timetable for the implementation of the Share Consolidation and change in board lot size. The timetable is subject to the results of the EGM. The Company will notify the Shareholders of any significant changes to the expected timetable by way of announcement(s) as and when appropriate.

Latest time for lodging proxy form	4:20 p.m., Wednesday, 30 May 2012
Date of EGM	4:20 p.m., Friday, 1 June 2012
Announcement on results of EGM	Friday, 1 June 2012
Effective date for the Share Consolidation	Monday, 4 June 2012
First day for free exchange of existing share certificates for new share certificates	Monday, 4 June 2012
Original counter for trading in Shares in board lots of 10,000 Shares (in the form of existing share certificates) temporarily closes	9:00 a.m., Monday, 4 June 2012
Temporary counter for trading in Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m., Monday, 4 June 2012
Original counter for trading in Consolidated Shares in new board lots of 1,000 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m., Monday, 18 June 2012
Parallel trading in Consolidated Shares (in the form of new share certificates and existing share certificates) commences	9:00 a.m., Monday, 18 June 2012
Temporary counter for trading in Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of existing share certificates) closes	4:00 p.m., Monday, 9 July 2012
Parallel trading in Consolidated Shares in the form of new share certificates and existing share certificates closes	4:00 p.m., Monday, 9 July 2012
Last day for free exchange of existing share certificates for new share certificates	Wednesday, 11 July 2012

LETTER FROM THE BOARD



SUN CENTURY GROUP LIMITED
太陽世紀集團有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1383)

Executive Directors:

Mr. CHAU Cheok Wa (*Chairman*)
Mr. ZENG Yunshu
Mr. LEE Chi Shing Caesar
Ms. YEUNG So Mui
Ms. CHENG Mei Ching
Ms. YEUNG So Lai
Mr. LEUNG Ming Ho

Independent non-executive Directors:

Dr. LI Jun
Mr. CHEUNG Ngai Lam
Mr. CHEUNG Kwok Yu
Mr. LUI Man Wah
Mr. TOU Kin Chuen
Dr. WU Kam Fun Roderick

Registered office:

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

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

Room 2108, 21st Floor
China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Sheung Wan
Hong Kong

14 May 2012

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED SHARE CONSOLIDATION;
(2) CHANGE IN BOARD LOT SIZE;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the announcements dated 30 April 2012 made by the Company relating to the Share Consolidation and change in board lot size. The purpose of this circular is to provide you with information on the Share Consolidation and change in board lot size and to give you a notice of the EGM at which an ordinary resolution will be proposed to consider and, if thought fit, approve the Share Consolidation.

* *For identification purpose only*

LETTER FROM THE BOARD

SHARE CONSOLIDATION

The Directors proposed to implement the Share Consolidation on the basis that every ten (10) issued and unissued Shares will be consolidated into one (1) Consolidated Share. Fractional Consolidated Shares will be disregarded and not issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Consolidated Shares regardless of the number of share certificates held by such holder.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorized share capital of the Company is HK\$300,000,000 divided into 30,000,000,000 Shares of HK\$0.01 each, of which 2,090,306,750 Shares have been issued and fully paid. After the Share Consolidation becoming effective, the authorized share capital of the Company will be HK\$300,000,000 divided into 3,000,000,000 Consolidated Shares of HK\$0.10 each, of which 209,030,675 Consolidated Shares will have been issued and fully paid.

The Consolidated Shares will rank pari passu in all respects with each other in accordance with the Company's articles of association. Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business, operations, management or financial position of the Company or the interests or rights of the Shareholders, save for any fractional Consolidated Shares which may arise.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following:

- (1) the passing of the necessary resolutions by the Shareholders to approve the Share Consolidation at the EGM; and
- (2) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Consolidated Shares to be in issue.

Listing Application

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares to be in issue upon the Share Consolidation taking effect.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or, under contingent situation, such other date as determined by HKSCC. Settlement of transactions

LETTER FROM THE BOARD

between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

None of the securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

CHANGE IN BOARD LOT SIZE

The Directors also proposed to change in board lot size for trading in the shares of the Company from 10,000 Shares to 1,000 Consolidated Shares upon the Share Consolidation becoming effective. Based on the closing price of the Shares as at the Latest Practicable Date, the values per board lot before and after the change in board lot size and the Share Consolidation are HK\$1,840 and HK\$1,840 respectively.

EXCHANGE OF SHARE CERTIFICATES

Subject to the Share Consolidation becoming effective, Shareholders may during the specified period submit share certificates, which are gold in colour, for existing Shares to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, in exchange, at the expense of the Company, for new share certificates, which are red in colour, for Consolidated Shares with new nominal value of HK\$0.10 each. Thereafter, certificates for existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each share certificate for existing Shares cancelled or each new share certificate issued for Consolidated Shares, whichever number of certificates cancelled/issued is higher. Share certificates for existing Shares will continue to be good evidence of legal title but will cease to be valid for dealing, trading and settlement purposes after the parallel trading in the Consolidated Shares ends.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Consolidation and change in board lot size is set out on page 3 of this circular. The timetable is subject to the results of the EGM. The Company will notify the Shareholders of any significant changes to the expected timetable by way of announcement(s) as and when appropriate.

OUTSTANDING SHARE OPTIONS

As at the Latest Practicable Date, the Company has 45,897,671 outstanding options granted under the Share Option Scheme and 81,000,000 outstanding Warrants which in aggregate entitle holders thereof to subscribe for 126,897,671 Shares.

LETTER FROM THE BOARD

As a result of the Share Consolidation, the following adjustments will be made to the exercise prices and the number of the outstanding share options and the outstanding Warrants in according to the rules of the Share Option Scheme and the terms of the instrument of the Warrants in accordance with their terms and shall take effect from the effective date for the Share Consolidation, i.e. 4 June 2012.

Date of grant	Before adjustment		After adjustment	
	Number of outstanding	Exercise prices	Adjusted number of outstanding	Adjusted exercise prices
Share option				
14 May 2007	34,730,000	1.48	3,473,000	14.80
10 October 2007	1,240,664	2.41	124,066	24.10
13 February 2008	9,927,007	1.37	992,700	13.70
Warrants				
20 September 2007	81,000,000	1.68	8,100,000	16.80

The Company will engage the Company auditors, Andes Glacier CPA Limited, to review and certify the basis of such adjustments.

Save as aforesaid, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares as at the Latest Practicable Date.

REASONS FOR THE SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

It is expected that the Share Consolidation would bring about a corresponding increase in the trading price of the Consolidated Shares. It is also expected that the change in board lot size would maintain the trading amount for each board lot. Accordingly, the Board is of the view that the Share Consolidation and change in board lot size are in the interest of the Company and the Shareholders as a whole.

EGM

A notice of the EGM is set out on pages 9 and 10 of this circular. The resolution to be proposed at the EGM will be voted on by poll and an announcement will be made by the Company following the conclusion of the EGM to inform its result.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend and vote at such meeting, you are advised to complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as practicable but in any event no later than 48 hours before the time appointed for holding such meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending

LETTER FROM THE BOARD

and voting in person at the meeting or any adjourned meeting should you so wish. No Shareholder has any material interest in the Share Consolidation. Therefore, no Shareholder is required to abstain from voting at the EGM in respect of the resolution to approve the same.

RECOMMENDATION

The Directors are of the opinion that the proposed Share Consolidation is in the interest of the Company and the Shareholders as a whole and so recommend you to vote in favour of the resolution to be proposed at the EGM.

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.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (i.e. from 9:00 a.m. to 6:00 p.m.) on Monday to Friday at the head office and principal place of business of the Company in Hong Kong at Room 2108, 21th Floor, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong from 14 May 2012, the date of this circular, up to and including 1 June 2012:

1. the memorandum and articles of association of the Company;
2. the annual report of the Company for the year ended 31 December 2011; and
3. the annual report of the Company for the year ended 31 December 2010.

By order of the Board
Sun Century Group Limited
Chau Choek Wa
Chairman

NOTICE OF EGM



SUN CENTURY GROUP LIMITED
太陽世紀集團有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1383)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Sun Century Group Limited (“**Company**”) will be held at Training Room B, The Joint Professional Centre, Unit 1, G/F., The Centre, 99 Queen’s Road Central, Hong Kong on Friday, 1 June 2012, at 4:20 p.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“**THAT** subject to the Listing Committee of The Hong Kong Stock Exchange Limited granting approval for the listing of, and permission to deal in, the Consolidated Shares (as defined below) in issue becoming effective:

- (a) every ten (10) issued and unissued shares of HK\$0.01 each in the share capital of the Company be consolidated into one (1) share of HK\$0.10 each (each a “**Consolidated Share**”), and such Consolidated Share(s) shall rank pari passu in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the articles of association of the Company; and
- (b) the directors of the Company be and are hereby authorised to do all such acts, deeds and things and to effect all necessary actions as they may consider necessary or desirable in order to effect, implement and complete any and all of the foregoing.”

By order of the Board
Sun Century Group Limited
Chau Cheok Wa
Chairman

Hong Kong, 14 May 2012

* For identification purpose only

NOTICE OF EGM

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
George Town
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place of
business in Hong Kong:*
Room 2018, 21th Floor,
China Merchants Tower, Shun Tak Centre
168-200 Connaught Road Central
Sheung Wan
Hong Kong

Notes:

1. Any member entitled to attend and vote at the meeting is entitled to appoint a proxy or, if such member is a holder of two or more shares, proxies to attend and vote in his stead. A proxy need not be a member of the Company but must attend the meeting in person to represent the appointing member.
2. To be valid, the form of proxy must be deposited with the branch share registrar of the Company in Hong Kong, Trior Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof.
3. Where there are joint holders of any share, any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.

As at the date of this notice, the executive Directors are Mr. CHAU Cheok Wa, Mr. ZENG Yunshu, Mr. LEE Chi Shing Caesar, Ms. YEUNG So Mui, Ms. CHENG Mei Ching, Ms. YEUNG So Lai and Mr. LEUNG Ming Ho and the independent non-executive Directors are Dr. LI Jun, Mr. CHEUNG Ngai Lam, Mr. CHEUNG Kwok Yu, Mr. LUI Man Wah, Mr. TOU Kin Chuen and Dr. WU Kam Fun Roderick.