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CLIMAX INTERNATIONAL COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 439)

ADJOURNMENT OF ANNUAL GENERAL MEETING

The Board gave notice to convene the AGM at 11:00 a.m. on 6 August 2014. It is proposed that at the AGM, the chairman of the AGM will propose a resolution to adjourn the AGM (before any of the resolutions set out in the AGM Notice will be considered). If the Shareholders (or their duly appointed proxies) present at the AGM approve to adjourn the AGM, the AGM will be adjourned until such time and place as may be determined by the Board of which at least seven (7) clear days' notice of the adjourned meeting shall be given in accordance with the bye-laws of the Company. The Company will issue a notice of the adjourned AGM, a revised circular together with a revised form of proxy in respect of the adjourned AGM to the Shareholders for the purposes of reconvening the adjourned AGM in due course in accordance with its bye-laws.

Reference is made to (i) the Company's notice of its annual general meeting (the "AGM") dated 4 July 2014 (the "AGM Notice"); (ii) the circular of the Company dated 4 July 2014 in respect of certain matters to be considered and voted for (or against) at the AGM (the "AGM Circular"); and (iii) the circular of the Company dated 29 July 2014 (the "Subscription Circular") in respect of, among other things, the Subscription, the Outsourcing Technology Development Agreement and the Appointment of Directors. Capitalised terms used herein shall have the same meanings as defined in the AGM Circular and the Subscription Circular unless the context requires otherwise.

The Board gave notice to convene the AGM at 11:00 a.m. on 6 August 2014 to consider and, if thought fit, with or without modification, passing the resolutions (item number 1 to 4C) set out in the AGM Notice.

As set out in the Subscription Circular, the Board considered that the entering into the Subscription Agreement and the Outsourcing Technology Development Agreement represent a good opportunity for the Company to develop the civil near space flying apparatus and other innovative technology related business in the PRC. Furthermore, the Board proposed six nominees as the candidates for election as Directors at the SGM on 21 August 2014 of whom three have expertise in the civil near space flying apparatus technology and other

innovative technology related business in the PRC. If the appointments of the candidates as Directors are approved by the Shareholders at the SGM, their appointments as Directors will take effect from Completion.

The Board considers that if the AGM is held after the Completion and the new Directors are appointed to the Board, the new Directors can make use of such opportunity to meet with the Shareholders and to share their knowledge on the Company's new business in the AGM.

Having considered the possible timing and benefit of having the new Directors attending the Company's upcoming annual general meeting, the Board proposes to adjourn the AGM to a date after the expected date of Completion.

It is proposed that at the AGM, the chairman of the AGM will propose a resolution to adjourn the AGM (before any of the resolutions set out in the AGM Notice will be considered) ("Adjournment Resolution"). Pursuant to Rule 13.41 of the Listing Rules, all Shareholders present at the AGM are permitted to vote on the Adjournment Resolution.

If the Shareholders (or their duly appointed proxies) present at the AGM approve to adjourn the AGM, the AGM will be adjourned until such time and place as may be determined by the Board of which at least seven (7) clear days' notice of the adjourned meeting shall be given in accordance with the bye-laws of the Company, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the AGM had the adjournment not taken place. The Company will issue a notice of the adjourned AGM, a revised circular together with a revised form of proxy in respect of the adjourned AGM to the Shareholders for the purposes of reconvening the adjourned AGM in due course in accordance with its bye-laws.

By order of the Board
Climax International Company Limited
Wong Hin Shek
Executive Director

Hong Kong, 31 July 2014

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Wong Hin Shek and Mr. Ng Man Chan; one non-executive Director, namely Mr. Wong Hung Ki; and three independent non-executive Directors, namely Mr. Lau Man Tak, Mr. Man Kwok Leung and Dr. Wong Yun Kuen.