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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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**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 manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Jiwa Bio-Pharm Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the 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 the transferee.

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### JIWA BIO-PHARM HOLDINGS LIMITED

### 積華生物醫藥控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 2327)**

## **GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES; RE-ELECTION OF DIRECTORS; AND NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the Annual General Meeting to be held at 20th Floor, Central Tower, 28 Queen's Road Central, Hong Kong, on Friday, 28 August 2009 at 3:00 p.m. is set out on pages 13 to 17 of this circular. A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed. Whether or not you intend to attend and vote at the Annual General Meeting in person, please complete the form of proxy in accordance with the instructions set out therein and return it to the Company's Hong Kong branch share registrar, Tricor Standard Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting (as the case may be) should you so wish.

13 July 2009

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## DEFINITIONS

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

“AGM Notice”	the notice of the Annual General Meeting set out on pages 13 to 17 in this circular;
“Annual General Meeting”	the annual general meeting of the Company to be held at 20th Floor, Central Tower, 28 Queen’s Road Central, Hong Kong, on Friday, 28 August 2009 at 3:00 p.m. for the purposes of considering the businesses set out in the AGM Notice and, if thought fit, passing the resolutions set out therein, or any adjourned meeting (as the case may be);
“Board”	the board of Directors;
“Bye-laws”	the bye-laws of the Company;
“Company”	Jiwa Bio-Pharm Holdings Limited, an exempted company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“General Mandate”	the general mandate to allot, issue and deal with new Shares not exceeding 20% of the nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	6 July 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;

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## DEFINITIONS

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“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Register of Members”	the principal or branch register of members of the Company maintained in Bermuda or Hong Kong respectively;
“Repurchase Mandate”	the authority to repurchase fully paid up Shares of up to 10% of the nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Shareholder(s)”	the holder(s) of the Share(s);
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers; and
“%”	per cent.

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## LETTER FROM THE BOARD

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# JIWA BIO-PHARM HOLDINGS LIMITED

## 積華生物醫藥控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 2327)**

*Executive directors:*

Mr. Lau Yau Bor (*Chairman*)

Mr. Lau Kin Tung

*(Vice Chairman and Chief Executive Officer)*

Madam Chan Hing Ming

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Independent non-executive directors:*

Mr. Chiu Wai Piu

Mr. Choy Ping Sheung

Mr. Fung Tze Wa

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

Rooms 2904 & 2906

Tower One, Lippo Centre

89 Queensway, Central

Hong Kong

13 July 2009

*To the Shareholders*

Dear Sir/Madam,

### **GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES; RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

#### **INTRODUCTION**

The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the Annual General Meeting regarding (i) the granting of the Repurchase Mandate to the Directors; (ii) the granting of the General Mandate to the Directors; and (iii) the re-election of Directors.

\* for identification purpose only

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## LETTER FROM THE BOARD

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### REPURCHASE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to grant the Repurchase Mandate to the Directors. The authority to be given under the Repurchase Mandate is restricted to the repurchase of Shares on the Stock Exchange in accordance with the Listing Rules.

In accordance with the Listing Rules, an explanatory statement of the Repurchase Mandate is set out in Appendix I of this circular in order to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting for granting the Repurchase Mandate to the Directors.

The full text of the resolution in respect of the Repurchase Mandate is set out in resolution no. 5 in the AGM Notice. As at the Latest Practicable Date, there are 1,605,000,000 Shares in issue and assuming that no new shares are allotted or issued prior to the Annual General Meeting, the total number of Shares that may be repurchased under the Repurchase Mandate will be 160,500,000 Shares, calculated based on 10% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof.

### GENERAL MANDATE

At the Annual General Meeting, an ordinary resolution will also be proposed to grant the General Mandate to the Directors. The general mandate granted to the Directors at the last annual general meeting of the Company held on 26 August 2008 will lapse at the conclusion of the Annual General Meeting. The General Mandate will give the Directors the flexibility and discretion to issue new Shares. In addition, an ordinary resolution will be proposed to extend the General Mandate by adding to it the number of such Shares repurchased under the Repurchase Mandate.

The full texts of the resolutions in respect of the General Mandate and the extension of the General Mandate are set out in resolutions nos. 6 and 7 in the AGM Notice, respectively.

As at the Latest Practicable Date, there are 1,605,000,000 Shares in issue and assuming that no new shares are allotted or issued prior to the Annual General Meeting, the total number of Shares that may be issued under the General Mandate will be 321,000,000 Shares, calculated based on 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof.

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## LETTER FROM THE BOARD

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### RE-ELECTION OF DIRECTORS

Pursuant to the Bye-laws of the Company, Mr. Choy Ping Sheung, Mr. Chiu Wai Piu and Mr. Lau Kin Tung will retire and, being eligible, will offer themselves for re-election at the Annual General Meeting. Information on the retiring Directors is set out in Appendix II to this circular.

### ANNUAL GENERAL MEETING

A notice of the Annual General Meeting is set out on pages 13 to 17 of this circular and a form of proxy for use by Shareholders at the Annual General Meeting is enclosed with this circular. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the form of proxy in accordance with the instructions set out therein and return it to the Company's branch share registrar in Hong Kong, Tricor Standard Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible but in any event, not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting (as the case may be) should you so wish.

### VOTING AT THE ANNUAL GENERAL MEETING

Pursuant to the Rule 13.39 of the Listing Rules, all votes of Shareholders at a general meeting must be taken by poll. The chairman of the meeting will therefore demand a poll for every resolution put to the vote at the Annual General Meeting pursuant to bye-law 66 of the Bye-laws.

### RECOMMENDATION

The Directors are of the opinion that the resolutions to be proposed at the Annual General Meeting as referred in this circular are in the best interests of the Company and the Shareholders and recommend the Shareholders to vote in favour of the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
For and on behalf of

**Jiwa Bio-Pharm Holdings Limited**

**Lau Kin Tung**

*Vice Chairman and Chief Executive Officer*

This Appendix serves as an explanatory statement required by Rule 10.06(1)(b) of the Listing Rules to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting for granting the Repurchase Mandate to the Directors.

### **SHAREHOLDERS' APPROVAL**

All proposed repurchases of Shares on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by specific approval.

### **REASONS FOR SHARE REPURCHASE**

The Directors believe that it is in the best interests of the Company and Shareholders for the Directors to continue to have general authority from the Shareholders to enable the Company to repurchase Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Shareholders are assured that such repurchases of Shares will only be made when the Directors believe that they are appropriate and will benefit the Company and Shareholders as a whole.

### **SHARE CAPITAL**

As at the Latest Practicable Date, the Company had 1,605,000,000 Shares in issue.

Subject to the passing of the proposed ordinary resolution approving to grant the Repurchase Mandate to the Directors and on the assumptions that no new Shares are allotted or issued, no existing Shares are repurchased by the Company prior to the Annual General Meeting, the exercise of the Repurchase Mandate in full would enable the Company to repurchase a maximum of 160,500,000 Shares, representing 10% of the Shares in issue as at the Latest Practicable Date.



**FUNDING OF REPURCHASE**

Repurchases must be funded out of funds legally available for such purpose in accordance with the Company's memorandum of association and Bye laws and the laws of Bermuda. Bermuda laws provide that the amount of capital repaid related to a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the funds that would otherwise be available for distribution or dividend or the proceeds of a fresh issue of shares made for the purpose.

The exercise of the Repurchase Mandate in full might have a material adverse impact on the working capital and/or gearing level of the Company as compared with the position disclosed in the Company's annual report for the year ended 31 March 2009. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or gearing level of the Company unless the Directors consider that such purchases are in the best interests of the Company.

**DISCLOSURE OF INTERESTS**

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) has any present intention, in the event that the Repurchase Mandate is approved by Shareholders, to sell any Share to the Company.

No connected person (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell any Share to the Company nor has undertaken not to sell any of the Shares held by him/her to the Company, in the event that the Repurchase Mandate is approved by Shareholders.

**UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange that they will exercise the Repurchase Mandate in accordance with the Listing Rules, the regulations set out in the Company's memorandum of association and Bye-laws and the applicable laws of Bermuda.

**EFFECT OF THE TAKEOVERS CODE**

If on the exercise of the power 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 Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Lau Yau Bor, Madam Chan Hing Ming and Mr. Lau Kin Tung (together referred to as the "Controlling Shareholders") are beneficially interested in an aggregate 1,189,902,000 Shares, representing approximately 74.14% of the issued share capital of the Company. Although the Directors have no present intention to repurchase any Shares pursuant to the Repurchase Mandate, if the Directors were to exercise the Repurchase Mandate in full, such Shares would represent approximately 82.44% of the then issued share capital of the Company. The Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

Pursuant to Rule 8.08 of the Listing Rules, the Company should maintain at least 25% of the issued share capital of the Company be held by the public. Based on the current shareholding of the Controlling Shareholders, if the Directors were to exercise the Repurchase Mandate in full, it would result in the amount of Shares held by the public being reduced to less than 25%. The Directors have no intention to exercise the Repurchase Mandate to this extent.

**SHARE REPURCHASES BY THE COMPANY**

The Company did not repurchase any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Price per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
<b>2008</b>		
August	0.208	0.171
September	0.190	0.151
October	0.155	0.105
November	0.144	0.108
December	0.145	0.115
<b>2009</b>		
January	0.140	0.123
February	0.140	0.124
March	0.150	0.121
April	0.218	0.188
May	0.220	0.189
June	0.193	0.250
July (Up to the Latest Practicable Date)	0.175	0.197

**Mr. Lau Kin Tung**, aged 39, is the Vice-Chairman, Chief Executive Officer and Executive Director of the Company. Mr. Lau joined the Group in June 1992. In 1993, Mr. Lau assisted in setting up Kunming Jida Pharmaceutical Co Ltd.. Since 1993, Mr. Lau was involved in the establishment and management of Kunming Jida, Jiangsu Jiwa Rintech Pharmaceutical Company Limited, Yunnan Jiwa Biotech Limited and Y.N. Jiwa Pharm Logistics. Co. Ltd.. He has been responsible for the international cooperation, trading, research and development, sales and marketing of the Group. Mr. Lau holds a Bachelor of Business Administration Degree from the University of Hong Kong (1992), a Master of Business Administration Degree from the University of Manchester (2002), and a Bachelor of Science Degree in Pharmaceutical Studies from the University of Sunderland (2003). Mr. Lau is the son of Mr. Lau Yau Bor, the Chairman of the Group and Madam Chan Hing Ming.

Save as disclosed, Mr. Lau has no relationship with any other directors, senior management or substantial or controlling shareholders of the Company.

Other than holding the directorship in the Company, Mr. Lau is also the director and shareholder of WHYS Holding Co Ltd, a company incorporated in the British Virgin Islands, which holds as to 6.54% of the Shares of the Company; and the director of Jiwa Pharmaceuticals Limited, Tech-Medi Development Limited, Jiwa Development Company Limited, Kunming Jida Pharmaceutical Co Ltd., Jiwa Rintech Holdings Limited, Jiangsu Jiwa Rintech Pharmaceutical Company Limited, Sino Tech International (Macao Commercial Offshore) Limited, Base Affirm International Limited and Rise Hill Development Limited, Jiwa Pharm and Chemicals Limited, Y.N. Jiwa Pharm Logistics. Co. Ltd., Yunnan Jiwa Biotech Limited, subsidiaries of the Company. Mr. Lau is also the director of Leader Forever Limited and Vital Elements Investments Ltd, associates of the Company.

Save as disclosed herein, Mr. Lau does not hold any other positions within the Group, and save for the Company, Mr. Lau has not hold any directorship in any listed company in the last three year.

Mr. Lau has entered into a service contract with the Company for an initial period of three years commencing 1 April 2003 and shall continue thereafter for successive terms of one year. He is also entitled to a director's emoluments of HK\$2,709,000 for the year ended 31 March 2009. Mr. Lau's emoluments are determined with reference to his duties, responsibilities and experience, and to prevailing market conditions.

As at the Latest Practicable Date, Mr. Lau had interest in 133,650,000 Shares, representing 8.33% interest in the total issued Shares within the meaning of Part XV of the SFO. Of the 133,650,000 Shares, 28,650,000 Shares were beneficially owned by Mr. Lau, 105,000,000 Shares were held by WHYS Holding Co. Ltd., the entire issued share capital of which was held by Mr. Lau.

**Mr. Choy Ping Sheung**, aged 61, is the independent Non-executive Director of the Company. Mr. Choy had held senior management positions in Nanyang Commercial Bank and the China & South Sea Bank (Hong Kong Branch). Mr. Choy obtained a Higher Certificate in Business Studies (Banking) from the Hong Kong Polytechnic in 1986.

Mr. Choy has no relationship with any directors, senior management or substantial or controlling shareholders of the Company, and he is not a director of any other members of the Group. Save for his directorship in the Company, Mr. Choy has not hold directorship in any listed company in the last three years.

As at the Latest Practicable Date, Mr. Choy did not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Mr. Choy has been appointed as an Independent Non-executive Director of the Company since 1 September 2003. The service contract had been renewed for successive terms of one year since his appointment. He is entitled to a director's fee of HK\$80,000 per annum. Mr. Choy's emoluments are determined based on the estimated time spent by him on the Company's matters.

**Mr. Chiu Wai Piu**, aged 62, is the Independent Non-executive Director of the Company. Mr. Chiu is an experienced journalist with over 40 years' experience in journalism. He has been a reporter, editor, main news assignment editor, local news assignment editor, assistant editor-in-chief and editorial writer in newspapers and a senior research officer in "One Country Two Systems Research Institute". Currently, Mr. Chiu is the assistant editor-in-chief of "Wen Wei Po" in Hong Kong. Mr. Chiu has been the founding treasurer and the second-session chairman of the "Hong Kong Federation of Journalists". In 2008, he was elected as the vice secretary-general and treasurer in the new session of re-election of committee members of the "Hong Kong Federation of Journalists".

Mr. Chiu is also the Independent Non-executive Director of Lo's Enviro-Pro Holdings Limited, the shares of which are listed on the Stock Exchange of Hong Kong.

Save as disclosed above, Mr. Chiu has not held any directorship in any listed public companies in the last three years. Mr. Chiu has no relationship with any directors, senior management or substantial or controlling shareholders of the Company.

As at the date of this circular, Mr. Chiu does not have any interest in the shares of the Company within the meaning of part XV of the Securities and Futures Ordinance.

On 19 August 2008, Mr. Chiu entered into a service contract with the Company for his service in the Company commencing on 1 September 2008 for a proposed term of one year, subject to re-election at the first general meeting after his appointment. Mr. Chiu is entitled to an emolument of HK\$100,000 per annum, which is determined with reference to prevailing market conditions and his duties.

There is nothing which needs to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor is there anything which needs to be brought to the attention of the shareholders in connection with the above retiring Directors.

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## NOTICE OF ANNUAL GENERAL MEETING

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### JIWA BIO-PHARM HOLDINGS LIMITED

### 積華生物醫藥控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 2327)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Jiwa Bio-Pharm Holdings Limited (the “Company”) will be held at 20th Floor, Central Tower, 28 Queen’s Road Central, Hong Kong, on Friday, 28 August 2009 at 3:00 p.m. for the following purposes:

#### **AS ORDINARY BUSINESS**

1. To receive and consider the audited financial statements and the reports of the directors and auditors of the Company and its subsidiaries for the year ended 31 March 2009.
2. To declare a final dividend for the year ended 31 March 2009.
3. To re-elect retiring directors of the Company and to authorise the board of directors of the Company to fix their remuneration.
4. To re-appoint auditors and to authorise the board of directors of the Company to fix their remuneration.

\* for identification purpose only

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## NOTICE OF ANNUAL GENERAL MEETING

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### AS SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without amendments, each of the following resolutions as ordinary resolutions of the Company:

### ORDINARY RESOLUTIONS

5. “**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as defined in paragraph (c) of this resolution) of all the powers of the Company to repurchase shares of HK\$0.01 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirement of the Rules Governing the Listing Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares to be repurchased during the Relevant Period pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the nominal amount of the share capital of the Company in issue on the date of passing of this resolution; and
- (c) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is 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 the bye-laws of the Company or any applicable law to be held; or
  - (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”



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## NOTICE OF ANNUAL GENERAL MEETING

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6. “THAT:

- (a) subject to paragraphs (b) and (c) of this resolution, the granting of an unconditional general mandate to the directors of the Company during the Relevant Period (as defined in paragraph (d) of this resolution) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the unconditional general mandate under paragraph (a) of this resolution shall not extend the Relevant Period save the directors of the Company may during the Relevant Period make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) during the Relevant Period which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the general mandate in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this resolution) or (ii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company or (iii) any share option scheme of the Company or (iv) the exercise of any rights of subscription or conversion under any existing warrants, bonds, debentures, notes and other securities issued by the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20% of the nominal amount of the share capital of the Company in issue on the date of passing of this resolution; and
- (d) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law to be held; or
- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares in the Company, open for a period fixed by the directors to the holders of shares, whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

7. “**THAT** conditional upon the passing of resolutions nos. 5 and 6 as set out in the notice convening the meeting of which this resolution forms part, the general mandate referred to in resolution no. 6 as set out in the notice convening the meeting of which this resolution forms part be and is hereby extended by the addition to the aggregate nominal amount of share capital which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of shares in the capital of the Company purchased by the Company since the granting of the said general mandate pursuant to the exercise by the directors of the Company of the powers of the Company to purchase such shares provided that such amount shall not exceed 10% of the nominal amount of the share capital of the Company in issue on the date of passing of this resolution.”

By Order of the Board

**Lau Kin Tung**

*Vice Chairman and Chief Executive Director*

Hong Kong, 13 July 2009

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. The register of members of the Company will be closed from Tuesday, 25 August 2009 to Friday, 28 August 2009 (both days inclusive). During this period, no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer forms of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrars in Hong Kong, Tricor Standard Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 24 August 2009.
2. A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote on his behalf. A member who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
3. To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the Company's branch share registrars in Hong Kong, Tricor Standard Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting (as the case may be).

*As at the date of this notice, members of the Board comprise three executive Directors, namely Mr. Lau Yau Bor, Madam Chan Hing Ming and Mr. Lau Kin Tung and three independent non-executive Directors, namely Mr. Chiu Wai Piu, Mr. Choy Ping Sheung and Mr. Fung Tze Wa.*