
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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **SHANGHAI MING YUAN 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, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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SHANGHAI MING YUAN HOLDINGS LIMITED

上海銘源控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0233)

**GENERAL MANDATE TO ISSUE SHARES
AND PURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
PROPOSAL FOR CHANGE OF COMPANY NAME
AND
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting of Shanghai Ming Yuan Holdings Limited, to be held at 2:30 p.m. at The Ritz-Carlton Chater Room I & II, The Function Room Level, The Ritz-Carlton Hong Kong, 3 Connuaught Road Central, Hong Kong on Monday, 23rd May, 2005 is set out on pages 13 to 16 of this circular. A form of proxy for use at the Annual General Meeting is enclosed. Whether or not you propose to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the head office and principal place of business of the Company at Room 1801-03, Hutchison House, 10 Harcourt Road, Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so desire.

* *For identification purpose only*

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DEFINITIONS

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

| | |
|---------------------------|--|
| “AGM” | the annual general meeting of the Company to be held at 2:30 p.m. at The Ritz-Carlton Chater Room I & II, The Function Room Level, The Ritz-Carlton Hong Kong, 3 Connaught Road Central, Hong Kong on Monday, 23rd May, 2005 |
| “Board” | the board of directors of the Company |
| “Company” | Shanghai Ming Yuan Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Stock Exchange |
| “Directors” | the directors of the Company |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Issue Mandate” | the general mandate to the Directors to exercise the powers of the Company to allot, issue and deal with Shares during the relevant period up to a maximum of 20% of the issued share capital of the Company as at the date of passing of the relevant resolution at the AGM |
| “Latest Practicable Date” | 20th April, 2005, 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 |
| “Repurchase Mandate” | the general mandate to the Directors to exercise the powers of the Company to repurchase fully paid Shares during the relevant period up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution at the AGM |
| “SFO” | Securities and Futures Ordinance, Chapter 571, Laws of Hong Kong |

DEFINITIONS

| | |
|------------------|--|
| “Share(s)” | ordinary shares of HK\$0.05 each in the capital of the Company |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | The Hong Kong Code on Takeovers and Mergers |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “%” | per cent. |

LETTER FROM THE BOARD

SHANGHAI MING YUAN HOLDINGS LIMITED

上海銘源控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0233)

Executive Directors:

Mr. Yao Yuan (*Chairman*)

Mr. Chien Hoe Yong, Henry

Mr. Hu Jun

Dr. Hu Geng Xi

Mr. Yu Ti Jun

Registered office:

Cannon's Court

22 Victoria Street

Hamilton HM12

Bermuda

Independent non-executive Directors:

Dr. Lam Lee G.

Mr. Xiao Chuan Guo

Mr. Lee Sze Ho, Henry

Head office and

principal place of business:

Room 1801-03

Hutchison House

10 Harcourt Road

Central

Hong Kong

25th April, 2005

To the Shareholders

Dear Sir/Madam,

**GENERAL MANDATE TO ISSUE SHARES
AND PURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
PROPOSAL FOR CHANGE OF COMPANY NAME
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The Directors wish to seek the approval of the Shareholders at the AGM for the grant of the Issue Mandate and the Repurchase Mandate, the proposed re-election of Directors and the change of name of the Company.

The purposes of this circular are to (i) provide you with information in relation to the Issue Mandate and the Repurchase Mandate; (ii) present the proposal for the re-election of Directors; (iii) present the proposal for the change of name of the Company; and (iv) give you notice of the AGM.

* *For identification purpose only*

LETTER FROM THE BOARD

GRANTING OF THE ISSUE MANDATE AND THE REPURCHASE MANDATE

At the annual general meeting of the Shareholders held on 31st May, 2004, approval has been given by the Shareholders for the grant of (a) a general mandate to the Directors to issue Shares up to 20% of the aggregate nominal value of the issued share capital of the Company at the date of such annual general meeting, and (b) a general mandate to the Directors to repurchase Shares on the Stock Exchange up to 10% of the issued share capital of the Company at the date of such annual general meeting.

In accordance with the terms of the approval, the above general mandates will shortly expire on 23rd May, 2005 upon the conclusion of the AGM. To keep in line with current corporate practice, the grant of fresh general mandates for the same purpose is being sought from Shareholders at the AGM.

Three ordinary resolutions numbered (4), (5) and (6) in the notice convening the AGM will be proposed for the grant of the Issue Mandate and the Repurchase Mandate and the approval of the extension to the Issue Mandate to issue and allot additional Shares representing the total nominal amount of Shares which may be purchased by the Company under the Repurchase Mandate.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix I to this circular.

The Issue Mandate and the Repurchase Mandate will be valid for the period from the date of passing of the relevant resolutions up to the date of the next annual general meeting of the Company in 2006, or 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 laws to be held, or the revocation or variation of such mandates by an ordinary resolution of the Shareholders in general meeting, whichever of these three events occurs first.

RE-ELECTION OF DIRECTORS

According to Bye-Law 100 of the Bye-Laws of the Company, any Director appointed by the Board after the conclusion of the last annual general meeting, either to fill a casual vacancy on the Board or as an addition to the existing Board, shall hold office only until the next annual general meeting of the Company and shall then be eligible for re-election at that meeting. In accordance with this Bye-Law, Dr. Hu Geng Xi, Mr. Yu Ti Jun and Mr. Lee Sze Ho, Henry shall retire from office at the AGM. Being eligible, each of Dr. Hu Geng Xi, Mr. Yu Ti Jun and Mr. Lee Sze Ho, Henry will offer himself for re-election as Directors. At the AGM, ordinary resolutions will be proposed to re-elect Dr. Hu Geng Xi, Mr. Yu Ti Jun and Mr. Lee Sze Ho, Henry as Directors.

LETTER FROM THE BOARD

In respect of Directors appointed at any annual general meeting of the Company, Bye-Law 109 of the Bye-Laws of the Company provides that one-third of such Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office by rotation at every annual general meeting of the Company. A retiring Director shall be eligible for re-election. In accordance with such Bye-Law, Dr. Lam Lee G. shall retire from office by rotation at the AGM. Being eligible, Dr. Lam Lee G. will offer himself for re-election as a Director. At the AGM, an ordinary resolution will be proposed to re-elect Dr. Lam Lee G. as a Director.

The biographical information of the Directors proposed to be re-elected at the AGM is set out in Appendix II to this circular.

PROPOSED CHANGE OF COMPANY NAME

As announced by the Company on 18th April, 2005, the Directors propose to change the English name of the Company from “Shanghai Ming Yuan Holdings Limited” to “Mingyuan Medicare Development Company Limited” (the “Name Change”). The Directors also propose to adopt the new Chinese name “銘源醫療發展有限公司” (for identification purposes only) in place of the existing Chinese name “上海銘源控股有限公司” (for identification purposes only) upon the Name Change becoming effective.

The Name Change will reflect the change in the core business of the Company. The core business of the Company used to be in the following areas: sale of IT products and provision of related services, sale of protein chips (used for early detection of diseases) and property investment. As disclosed in the announcements made by the Company on 16th December, 2004 and 29th March, 2005 and in the circular despatched by the Company on 21st January, 2005, following disposal of Giant Power International Limited and Fieldcrown Investments Limited in December 2004, the Company has disposed of substantially all its investment properties. As disclosed in the above announcements and circular, there has been, on the other hand, a substantial growth in the protein chip business and as a result of this, the Company intended to shift the commitment of resources towards protein chips and dispose of or downsize the IT products and services business unit in 2005. The Company further disclosed in such announcements and circular that it was the Company’s long term corporate strategy to develop itself into a global supplier of protein chips. As a result of the change in the Company’s core business to the medical field, the Board considers that the proposed new name will better reflect the new core business which the Company will be engaged in.

The Name Change is subject to the passing of a special resolution by the Shareholders at the AGM and the approvals by the Registrar of Companies in each of Bermuda and Hong Kong being obtained. The Name Change will take effect from the date on which the new English name is registered by the Registrar of Companies in Bermuda in place of the existing name. Thereafter, the Company will attend to the necessary filing procedures in Hong Kong. Further announcement on the Name Change will be made after the approvals from the Registrar of Companies in each of Bermuda and Hong Kong are obtained.

LETTER FROM THE BOARD

The Name Change will not affect any of the rights of the Shareholders. Existing share certificates bearing the existing name of the Company in issue will, after the Name Change, continue to be evidence of title to the Shares held in the Company and will continue to be valid for trading, settlement and registration purposes.

Shareholders may for a period of one month from the date when the Name Change becomes effective submit existing share certificates to the Hong Kong Branch Registrars of the Company, Computershare Hong Kong Investor Services Limited, of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queens' Road East, Wanchai, Hong Kong, for exchange, at the expense of the Company, for new certificates in the new name of the Company. After the expiry of such one month period, share certificates will be accepted for change only on payment of a fee of HK\$2.50 or such higher amount as may be prescribed or allowed under the Listing Rules or the Bye-Laws of the Company from time to time for each such certificate issued.

PROCEDURES BY WHICH A POLL MAY BE DEMANDED

Bye-Laws 78 to 82 of the Bye-Laws of the Company set out the procedures under which a poll may be demanded.

At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded by:

- (i) the chairman of the meeting; or
- (ii) not less than three members present in person or by proxy and entitled to vote; or
- (iii) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) a member or members present in person or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

A demand for a poll may be withdrawn only with the consent of the chairman of the meeting before the close of the meeting or the taking of the poll, whichever is the earlier. Unless a poll is demanded and not withdrawn, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is demanded and not withdrawn, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

LETTER FROM THE BOARD

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote. In case of any dispute as to the admission or rejection of any vote, the chairman of the meeting shall determine the same, and such determination shall be final and conclusive.

A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need to be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

AGM

The notice convening the AGM (as appearing on pages 13 to 16 of this circular) sets out ordinary resolutions to approve the grant of the Issue Mandate and the Repurchase Mandate and the re-election of Directors and a special resolution to approve the Name Change.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the head office and principal place of business of the Company at Room 1801-03, Hutchison House, 10 Harcourt Road, Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so desire.

RECOMMENDATION

The Directors believe that all the above-mentioned resolutions to be proposed at the AGM are in the best interest of the Company and its Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions as set out in the notice of the AGM.

Yours faithfully,
By Order of the Board
Poon Kwong Wai, Kenny
Company Secretary

This Appendix includes an explanatory statement required by the Stock Exchange to be presented to the Shareholders concerning the Repurchase Mandate proposed to be granted to the Directors at the AGM.

1. LISTING RULES FOR PURCHASES OF SHARES

The Listing Rules permit companies whose shares are listed on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions.

The Listing Rules provide that all proposed repurchases of shares by a company with a primary listing on the Stock Exchange must be approved by shareholders in advance by an ordinary resolution, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up.

2. FUNDING OF PURCHASES

Any repurchase will be made out of funds which are legally available for the purpose in accordance with the Memorandum and Bye-Laws of the Company and the laws of Bermuda. As compared with the financial position of the Company as at 31st December, 2004 (being the date of its latest audited accounts), the Directors consider that there will not be a material adverse impact on the working capital and the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period.

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing ratio which, in the opinion of the Directors, are from time to time appropriate for the Company.

3. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,688,096,230 Shares.

Subject to the passing of the relevant ordinary resolution to approve the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed to purchase a maximum of 268,809,623 Shares under the Repurchase Mandate during the period from the passing of the resolution granting the Repurchase Mandate up to (a) the conclusion of the next annual general meeting; or (b) 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 the applicable laws of Bermuda to be held; or (c) when the authority given under the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting of the Company, whichever occurs first.

4. REASONS FOR PURCHASES

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

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of Bermuda and in accordance with the Memorandum and Bye-Laws of the Company.

6. EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. As at the Latest Practicable Date and based on the register required to be kept by the Company under Part XV of the SFO, Ming Yuan Investments Group Limited (a wholly-owned subsidiary of Ming Yuan Holdings Limited, of which 50% is held by Mr. Yao Yuan, the Executive Chairman of the Company) ("Ming Yuan") held 1,394,469,075 Shares, representing approximately 51.88% of the entire issued share capital of the Company and was the only ultimate substantial shareholder holding 10% or more of the issued share capital of the Company. In the event that the Directors should exercise in full the power to purchase Shares under the Repurchase Mandate which is proposed to be granted pursuant to an ordinary resolution to be proposed at the AGM, the interests of Ming Yuan would increase to approximately 57.64% of the issued share capital of the Company and such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. Save as aforesaid and as at the Latest Practicable Date, the Directors were not aware of any consequence which the exercise in full of the Repurchase Mandate would have under the Takeovers Code.

7. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective associates, has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company. No connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Company is authorised to make repurchases of Shares.

8. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company in the preceding six months (whether on the Stock Exchange or otherwise) ending on the Latest Practicable Date.

9. SHARE PRICE

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the previous twelve months immediately prior to the Latest Practicable Date were as follows:

| | Shares | |
|----------------|------------------------|-----------------------|
| | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
| April 2004 | 0.495 | 0.620 |
| May 2004 | 0.470 | 0.590 |
| June 2004 | 0.485 | 0.550 |
| July 2004 | 0.475 | 0.510 |
| August 2004 | 0.450 | 0.500 |
| September 2004 | 0.490 | 0.560 |
| October 2004 | 0.510 | 0.710 |
| November 2004 | 0.690 | 0.990 |
| December 2004 | 0.540 | 0.960 |
| January 2005 | 0.750 | 0.900 |
| February 2005 | 0.770 | 0.860 |
| March 2005 | 0.620 | 0.810 |

APPENDIX II BIOGRAPHICAL INFORMATION OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

As required by the Listing Rules, the following are the particulars of the Directors proposed to be re-elected at the AGM:

Dr. Hu Geng Xi

Dr. HU Geng Xi, aged 40, is currently the Executive Director of the Company and he has been appointed to this position since 30th June, 2004. Dr. Hu holds a Doctor of Philosophy degree from the Institute of Biochemistry and Cell Biology, Shanghai Institutes for Biological Sciences at Chinese Academy of Sciences (“IBCB”) and received his post-doctoral training in the Center for Environmental Health Sciences of Massachusetts Institute of Technology, United States of America. Dr. Hu is currently the Research Scientist of IBCB, a member of the “bioinformatics” Group of Chinese 863 Program and the Executive President of Shanghai Health Digit Co., Ltd. Dr. Hu is also the Technical Director of the Company.

Dr. Hu’s service contract did not provide for a specified length of service period and his emoluments (including bonus) are HK\$1,200,000 per annum. He does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Dr. Hu was deemed to be interested in 90,000,000 Shares, representing approximately 3.35% of the total issued Shares. Such Shares were held by Regal Legend Group Limited, a company that Dr. Hu owned as to 95%.

The emoluments for Dr. Hu were determined by the Board with reference to Dr. Hu’s responsibilities and duties within the Company. In respect of the re-election of Dr. Hu, the Board confirms that there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Yu Ti Jun

Mr. YU Ti Jun, aged 52, is currently the Executive Director of the Company and he has been appointed to this position since 30th June, 2004. Mr. Yu is also the director and vice-president of Shanghai Ming Yuan Enterprise Group Company Limited, an associate of the Company. Mr. Yu has extensive experience in macro economy and corporate development in the PRC. Mr. Yu is also the writer of various publications on corporate and sales management in the PRC.

Mr. Yu’s service contract did not provide for a specified length of service period and his emoluments (including bonus) are HK\$120,000 per annum. He does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Yu did not have any interest in Shares within the meaning of Part XV of the SFO.

The emoluments for Mr. Yu were determined by the Board with reference to Mr. Yu’s responsibilities and duties within the Company. In respect of the re-election of Mr. Yu, the Board confirms that there is no other matter that needs to be brought to the attention of the Shareholders.

APPENDIX II BIOGRAPHICAL INFORMATION OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

Dr. Lam Lee G.

Dr. LAM Lee G., aged 44, is an Independent Non-Executive Director of the Company and he has been appointed to this position since 13th September, 2002. Dr. Lam holds a Doctor of Philosophy degree from the University of Hong Kong, a Bachelor of Science degree in Mathematics and Sciences, a Master of Science degree in Systems Science and a Master of Business Administration degree, all from the University of Ottawa, and a Post-graduate Diploma in Public Administration from Carleton University, Canada. Dr. Lam has over 22 years of multinational business management, strategy consulting, corporate governance, investment banking and direct investment experience. He is also the President and Chief Executive Officer and Vice Chairman of the Board of Chia Tai Enterprises International Ltd., a member of Board of TelecomAsia Corporation PLC, Vice Chairman of Shanghai Kinghill Ltd. (Super Brand Mall) and the Vice Chairman of the Hong Kong Policy Research Institute.

As at the Latest Practicable date, Dr. Lam has not entered into any service contract with the Company and there is no designated length of service as regards Dr. Lam's appointment. Dr. Lam will be subject to retirement by rotation and re-election in accordance with the Bye-Laws of the Company. The Directors' fee for Dr. Lam is HK\$120,000 per annum. Dr. Lam does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Dr. Lam did not have any interest in Shares within the meaning of Part XV of the SFO.

The Directors' fee for Dr. Lam was determined by the Board with reference to Dr. Lam's responsibilities and duties within the Company. In respect of the re-election of Dr. Lam, the Board confirms that there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Lee Sze Ho, Henry

Mr. LEE Sze Ho, Henry, aged 36, is an Independent Non-Executive Director of the Company and he has been appointed to this position since 27th September, 2004. Mr. Lee holds an honors Bachelor degree in Business Studies and a Master degree in International Accounting from the City University of Hong Kong. Mr. Lee is an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Lee is the director of Lam, Lee & So C.P.A. Company Limited. Mr. Lee has over 16 years of experience in international accounting and financing planning.

As at the Latest Practicable date, Mr. Lee has not entered into any service contract with the Company and there is no designated length of service as regards Mr. Lee's appointment. Mr. Lee will be subject to retirement by rotation and re-election in accordance with the Bye-Laws of the Company. The Directors' fee for Mr. Lee is HK\$120,000 per annum. Mr. Lee does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Lee did not have any interest in Shares within the meaning of Part XV of the SFO.

The Directors' fee for Mr. Lee was determined by the Board with reference to Mr. Lee's responsibilities and duties within the Company. In respect of the re-election of Mr. Lee, the Board confirms that there is no other matter that needs to be brought to the attention of the Shareholders.

SHANGHAI MING YUAN HOLDINGS LIMITED

上海銘源控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0233)

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the Shareholders of Shanghai Ming Yuan Holdings Limited (the “Company”) will be held at 2:30 p.m. at The Ritz-Carlton Chater Room I & II, The Function Room Level, The Ritz-Carlton Hong Kong, 3 Connaught Road Central, Hong Kong on Monday, 23rd May, 2005 to transact the following business:

As Ordinary Business

- (1) To receive and consider the audited Financial Statements and Reports of the Directors and the Auditors of the Company for the year ended 31st December, 2004.
- (2) To re-elect Directors and approve their remuneration.
- (3) To reappoint Deloitte Touche Tohmatsu as Auditors of the Company for the ensuring year and authorize the Directors to fix their remuneration.

As Special Business

- (4) To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to issue, allot and deal with additional shares in the capital of the Company (“Shares”) and to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval granted in paragraph (a) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate nominal amount of the share capital to be issued, allotted and dealt with or agreed conditionally or unconditionally to be issued, allotted and dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to the following events, shall not exceed twenty per cent. of the aggregate nominal amount of the issued share capital of the Company at the date of passing this Resolution:

- (i) a Right Issue (as defined in paragraph (d) below);
- (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities including bonds and debentures which are convertible into Shares;
- (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the grantees as specified in such scheme or similar arrangement of Shares or rights to acquire Shares; or
- (iv) any scrip dividend or similar arrangement providing for the issue and allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Bye-Laws of the Company (as amended from time to time);

and the said approval shall be limited accordingly; 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;
- (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 the Companies Act 1981 of Bermuda (as amended from time to time) or any other applicable laws to be held; and
- (iii) the date of any revocation or variation of the authority given under this Resolution by an ordinary resolution of the Shareholders of the Company in general meeting.

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to the holders of Shares or any class thereof whose names appear on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusions or other arrangements as the

NOTICE OF ANNUAL GENERAL MEETING

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 recognized regulatory body or any stock exchange in, any relevant jurisdiction applicable to the Company.”

- (5) To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase issued Shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the Shares 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, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its Shares at a price determined by the Directors;
- (c) the aggregate nominal amount of the share capital of the Company repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval granted in paragraph (a) above during the Relevant Period shall not exceed ten per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution and the said approval shall be limited accordingly; 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;
- (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 the Companies Act 1981 of Bermuda (as amended from time to time) or any other applicable laws to be held; and
- (iii) the date of any revocation or variation of the authority given under this Resolution by an ordinary resolution of the Shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

- (6) To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT** conditional on the passing of the ordinary resolutions numbered 4 and 5 in the notice convening a meeting of the Company dated 25th April, 2005 of which this Resolution forms part, the aggregate nominal amount of the shares in the capital of the Company which are repurchased by the Company pursuant to and in accordance with the said ordinary resolution numbered 5 shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with the ordinary resolution numbered 4 set out in that notice of meeting dated 25th April, 2005 of which this Resolution forms part.”

- (7) To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“**THAT** subject to the approval by the Registrars of Companies in Bermuda and Hong Kong, the name of the Company be changed from “Shanghai Ming Yuan Holdings Limited” to “Mingyuan Medicare Development Company Limited”, **THAT** upon adoption of such new English name, the Company do adopt the new Chinese name “銘源醫療發展有限公司” (for identification purpose only) in place of “上海銘源控股有限公司” (for identification purpose only) and **THAT** the Directors be and are hereby authorized to perform all such acts, deeds and things as they may in their absolute discretion deem fit to implement and give effect to the change of name of the Company.”

By the Order of the Board
Poon Kwong Wai, Kenny
Company Secretary

Hong Kong, 25th April, 2005

Notes:

- (1) A member entitled to attend and vote at the Annual General Meeting convened by the above notice is entitled to appoint another person as his proxy to attend and, on a poll, vote instead of him. A member may appoint a proxy in respect of part only of his holding of Shares. A proxy need not be a member of the Company.
- (2) The Principal Register and Hong Kong Branch Register of Members of the Company will be closed from Thursday, 19th May, 2005 to Friday, 20th May, 2005, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for the attendance of the Annual General Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Wednesday, 18th May, 2005.

As at the date of this notice, the Board of Directors of the Company comprises Mr. Yao Yuan (Chairman), Mr. Chien Hoe Yong, Henry, Mr. Hu Jun, Dr. Hu Geng Xi and Mr. Yu Ti Jun as executive Directors and Dr. Lam Lee G., Mr. Xiao Chuan Guo and Mr. Lee Sze Ho, Henry as independent non-executive Directors.