
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 **MINGYUAN MEDICARE DEVELOPMENT COMPANY 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.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this circular.

MINGYUAN MEDICARE DEVELOPMENT COMPANY LIMITED
銘源醫療發展有限公司*
(incorporated in Bermuda with limited liability)
(Stock Code: 0233)

**PROPOSED INCREASE IN THE
AUTHORISED SHARE CAPITAL,
AND
NOTICE OF SPECIAL GENERAL MEETING**

The notice convening the Special General Meeting of Mingyuan Medicare Development Company Limited, to be held at Room 1801-03, Hutchison House, 10 Harcourt Road, Central, Hong Kong on Friday, 20 August 2010 at 3:00 p.m. is set out on page 5 of this circular. A form of proxy for use at the Special 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 Special 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:

“Board”	the board of directors of the Company
“Company”	Mingyuan Medicare Development Company Limited, an exempted 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
“Latest Practicable Date”	4 August 2010, 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
“SGM”	the special general meeting of the Company to be held at Room 1801-03, Hutchison House, 10 Harcourt Road, Central, Hong Kong on Friday, 20 August 2010 at 3:00 p.m.
“Share(s)”	ordinary shares of par value HK\$0.05 each in the capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

LETTER FROM THE BOARD

MINGYUAN MEDICARE DEVELOPMENT COMPANY LIMITED

銘源醫療發展有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0233)

Executive Directors:

Mr. Yao Yuan (*Chairman*)
Mr. Chien Hoe Yong, Henry (*CEO*)
Mr. Iu Chung
Mr. Hu Jun
Mr. Yu Ti Jun

Registered office:

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Non-executive Directors:

Mr. Yang Zhen Hua
Mr. Ma Yong Wei

Head office and

principal place of business:

Room 1801-03
Hutchison House
10 Harcourt Road
Central
Hong Kong

Independent non-executive Directors:

Dr. Lam Lee G.
Mr. Hu Jin Hua
Mr. Lee Sze Ho, Henry

4 August 2010

To the Shareholders

Dear Sir/Madam,

**PROPOSED INCREASE IN THE
AUTHORISED SHARE CAPITAL,
AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

This circular contains information in relation to the proposed increase in the authorised share capital of the Company.

PROPOSED INCREASE IN THE AUTHORISED SHARE CAPITAL

As at the Latest Practicable Date, the authorised and issued share capital of the Company comprised 4,000,000,000 Shares and 3,732,020,833 Shares respectively. In order to accommodate future expansion and growth of the Company, an ordinary resolution will be proposed to the Shareholders at the SGM to increase the authorised share capital of the Company from HK\$200,000,000 to HK\$300,000,000 by the creation of an additional

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LETTER FROM THE BOARD

2,000,000,000 new Shares of HK\$0.05 each. Such new Shares shall rank pari passu in all respects with the existing shares in the capital of the Company. The Directors have no immediate plan to issue Shares but the Directors believe that the proposed increase in the authorised share capital of the Company is in the interest of the Company and its Shareholders as a whole.

Reasons for Increase in Authorised Share Capital

The Board proposes the increase in authorised share capital in order to accommodate future expansion and growth of the Company. The Board believes that the increase in authorised share capital is for the benefit of the Company and the Shareholders as a whole.

Condition of the Increase in Authorised Share Capital

The increase in authorised share capital is conditional upon the passing of an ordinary resolution by the Shareholders by way of poll at the SGM and no Shareholder is required to abstain from voting on such resolution.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company in Hong Kong at Room 1801-03, Hutchison House, 10 Harcourt Road, Central, Hong Kong during normal business hours on any weekday other than public holidays, from the date of this circular up to and including the date of the SGM:

- (1) the memorandum of association and Bye-Laws of the Company;
- (2) the annual reports of the Company for the two years ended 31 December 2008 and 2009.

SGM

The notice convening the SGM (as appearing on page 5 of this circular) sets out ordinary resolution to approve the grant of the increase in the authorised share capital.

A form of proxy for use at the SGM 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 SGM. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the SGM or any adjourned meeting should you so desire.

LETTER FROM THE BOARD

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the shareholders at a general meeting of the Company must be taken by way of poll. Accordingly, the resolutions to be considered and, if thought fit, approved at the SGM will be voted by way of a poll by the shareholders. Results of the poll voting will be published on the Company's websites at www.mymedicare.com.hk and the website of the Stock Exchange at www.hkexnews.hk after the SGM.

RECOMMENDATION

The Directors believe that the increase in authorised share capital is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolution to approve the above matter to be proposed at the SGM.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts not contained in this circular, the omission of which would make any statement herein misleading.

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

NOTICE OF SPECIAL GENERAL MEETING

MINGYUAN MEDICARE DEVELOPMENT COMPANY LIMITED

銘源醫療發展有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0233)

NOTICE IS HEREBY GIVEN THAT the Special General Meeting of the Shareholders of Mingyuan Medicare Development Company Limited (the “Company”) will be held at 3:00 p.m. at Room 1801-03, Hutchison House, 10 Harcourt Road, Central, Hong Kong on Friday, 20 August 2010 for the purpose of considering and, if thought fit, passing the following ordinary resolution of the Company.

ORDINARY RESOLUTION

“**THAT** the authorised share capital of the Company be and is hereby increased from HK\$200,000,000 divided into 4,000,000,000 shares of HK\$0.05 each to HK\$300,000,000 divided into 6,000,000,000 shares of HK\$0.05 each by the creation of an additional 2,000,000,000 new shares of HK\$0.05 each.”

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

Hong Kong, 4 August 2010

Note:

A member entitled to attend and vote at the Special 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.

As at the date of this notice, the executive directors of the Company are Mr. Yao Yuan (Chairman), Mr. Chien Hoe Yong, Henry (CEO), Mr. Iu Chung, Mr. Hu Jun, and Mr. Yu Ti Jun; the non-executive directors are Mr. Yang Zhen Hua and Mr. Ma Yong Wei; the independent non-executive directors are Dr. Lam Lee G., Mr. Hu Jin Hua and Mr. Lee Sze Ho, Henry.

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