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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 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.

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MINGYUAN MEDICARE DEVELOPMENT COMPANY LIMITED**銘源醫療發展有限公司****(incorporated in Bermuda with limited liability)***(Stock Code: 0233)****GENERAL MANDATE TO ISSUE SHARES
AND PURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting of Mingyuan Medicare Development Company Limited, to be held at Room 3, United Conference Centre, 10/F, United Centre, 95 Queensway, Hong Kong on Wednesday, 30 May 2012 at 3:00 p.m. 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 Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, 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 Room 3, United Conference Centre, 10/F, United Centre, 95 Queensway, Hong Kong on Wednesday, 30 May 2012 at 3:00 p.m.
“Board”	the board of directors of the Company
“Company”	Mingyuan Medicare Development Company 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”	23 April 2012, 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
“Share(s)”	ordinary shares of HK\$0.05 each in the capital of the Company

DEFINITIONS

“Shareholders”	holders of the Shares
“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

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. Hu Jun
Mr. Yu Ti Jun

Registered office:

Cannon'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
Mr. Tang Yan Qin

30 April 2012

To the Shareholders

Dear Sir/Madam,

**GENERAL MANDATE TO ISSUE SHARES
AND PURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
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, and the proposed re-election of Directors.

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, and (iii) give you notice of the AGM.

* *For identification purpose only*

LETTER FROM THE BOARD

GRANTING OF THE ISSUE MANDATE

The Issue Mandate is proposed to be unconditionally given to the Board to issue and dispose of additional Shares not exceeding 20% of the issued share capital of the Company at the date of the resolution until the next annual general meeting. The relevant resolution is set out as Ordinary Resolution No. 4 in the Notice of AGM dated 30 April 2012.

In respect of Ordinary Resolution No. 4, the Directors wish to state that they have no immediate plans to issue any new Shares. Approval is being sought from the shareholders of the Company for a general mandate for the purposes of Section 57B of the Companies Ordinance and the Listing Rules.

GRANTING OF THE REPURCHASE MANDATE

At the annual general meeting of the Shareholders held on 30 May 2011, approval has been given by the Shareholders for the grant of 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 30 May 2012 upon the conclusion of the AGM. To keep in line with current corporate practice, the grant of fresh general mandate for the same purpose is being sought from Shareholders at the AGM.

Ordinary Resolution numbered 5 in the notice convening the AGM will be proposed for the grant of 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 2013, 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.

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,383,892,800 Shares. Subject to the passing of the relevant ordinary resolutions to approve the Issue Mandate and 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 allot, issue a maximum of 876,778,560 Shares under the Issue Mandate and purchase a maximum of 438,389,280 Shares under the Repurchase Mandate.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Bye-Law 109 of the Bye-Laws of the Company provides that at each general meeting of the Company, with the exception of the Executive Chairman, one-third of the Directors (or if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third) who have been longest in office since their last election shall retire from office by rotation and the retiring Directors shall be eligible for re-election. In accordance with such Bye-Law, Mr. Chien Hoe Yong, Henry, Mr. Yang Zhen Hua and Dr. Lam Lee G. shall retire from office by rotation at the AGM. Being eligible, Mr. Chien Hoe Yong, Henry, Mr. Yang Zhen Hua and Dr. Lam Lee G. will offer themselves for re-election as Directors. At the AGM, ordinary resolutions will be proposed to re-elect Mr. Chien Hoe Yong, Henry, Mr. Yang Zhen Hua and Dr. Lam Lee G. as Directors.

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

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.

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 Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, 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.

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 AGM 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 AGM.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors believe that all the above-mentioned resolutions to be proposed at the AGM are fair and reasonable and 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 31 December 2011 (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 4,383,892,800 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 438,389,280 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, to the best of the knowledge and belief of the Directors, Ming Yuan Investments Group Limited (a wholly-owned subsidiary of Ming Yuan Holdings Limited, which in turn is owned as to 50% and 50% by Mr. Yao Yuan, the Executive Chairman of the Company and Mr. Iu Chung) ("Ming Yuan") was beneficially interested in 946,169,075 Shares, representing approximately 21.58% of the total 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 23.98% of the issued share capital of the Company. Such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code on the part of Ming Yuan.

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 2011	0.79	0.66
May 2011	0.76	0.52
June 2011	0.59	0.49
July 2011	0.59	0.48
August 2011	0.50	0.335
September 2011	0.44	0.26
October 2011	0.385	0.265
November 2011	0.385	0.305
December 2011	0.33	0.195
January 2012	0.275	0.209
February 2012	0.32	0.25
March 2012	0.275	0.216

**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:

Mr. CHIEN Hoe Yong, Henry

Mr. CHIEN Hoe Yong, Henry, aged 48, is currently the CEO of the Company and he has been appointed to this position since 30 August 2002. Mr. Chien holds a bachelor degree with Honors from United Kingdom and has been admitted as a Barrister-at-law in England and Wales since 1988. Mr. Chien is a qualified Chartered Accountant and a member of the Institute of Chartered Accountants in England and Wales, and he is also a Fellow of the Hong Kong Institute of Certified Public Accountants. Mr. Chien has over 20 years of professional experience in international investment banking, corporate advisory, financial accounting and auditing with internationally reputable companies and banks. Mr. Chien had held senior managerial positions in several major investment banking firms in Hong Kong. Mr. Chien did not hold any directorship in any listed public company in the last three years.

Mr. Chien's service contract did not provide for a specified length of service period and will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws of the Company. Mr. Chien's emoluments (including bonus) is HK\$1,359,000 per annum. Mr. Chien 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. Chien did not have any interest in Shares within the meaning of Part XV of the SFO. The emoluments for Mr. Chien was determined by the Board with reference to Mr. Chien's responsibilities and duties within the Company.

Save as disclosed herein, there is no information to be disclosed pursuant to any of the requirements set out in rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in respect of Mr. Chien and there are no other matters that need to be brought to the attention of the Shareholders in respect of Mr. Chien's re-election.

Dr. LAM Lee G.

Dr. LAM Lee G., aged 52, is an Independent Non-Executive Director of the Company and he has been appointed to this position since 13 September 2002. Dr. Lam holds a Bachelor of Science in Mathematics and Sciences, a Master of Science in Systems Science, and a Master of Business Administration, all from the University of Ottawa in Canada, a Post-graduate Diploma in Public Administration from Carleton University in Canada, a Post-graduate Diploma in English and Hong Kong Law and a Bachelor of Law (Hons) from Manchester Metropolitan University in the United Kingdom, a PCLL in law from the City University of Hong Kong, a Certificate in Professional Accountancy from the Chinese University of Hong Kong SCS, a LLM in law from the University of Wolverhampton in the United Kingdom, and a Doctor of Philosophy from the University of Hong Kong. Dr. Lam has over 29 years of international experience in general management, strategy consulting, corporate governance, investment banking, and direct investment. He is Chairman of Monte Jade Science and

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

Technology Association of Hong Kong, and serves on the board of several publicly-listed companies in the Asia Pacific region. Having served as a part-time member of the Central Policy Unit of the Government of the Hong Kong Special Administrative Region for two terms, Dr. Lam is a member of the Jilin Province Committee (and formerly a Specially-invited Member of the Zhejiang Province Committee) of the Chinese People's Political Consultative Conference, a member of the Hong Kong Institute of Bankers, a member of the Young Presidents' Organization, a member of the Chief Executives Organization, a Fellow of the Hong Kong Institute of Directors and the Hong Kong Institute of Arbitrators, a member of the General Committee and the Corporate Governance Committee of the Chamber of Hong Kong Listed Companies, a Board Member of the Australian Chamber of Commerce in Hong Kong, a founding Board Member and the Honorary Treasurer of the Hong Kong-Vietnam Chamber of Commerce and a visiting professor (in the fields of corporate governance and investment banking) at the School of Economics & Management of Tsinghua University in Beijing.

Dr. Lam is currently a non-executive director of Glorious Sun Enterprises Limited and an independent non-executive director of Sunwah Kingsway Capital Holdings Limited, CSI Properties Limited, Far East Holdings International Limited, Hutchison Harbour Ring Limited, Imagi International Holdings Limited, Mei Ah Entertainment Group Limited and Vongroup Limited. Dr. Lam was previously an independent non-executive director of Sino Resources Group Limited, China.com Inc., and Finet Group Limited. Save as disclosed herein, Dr. Lam did not hold any directorship in any listed public company in last three years.

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. Save as disclosed, Dr. Lam has no other interests in Shares within the meaning of Part XV of the SFO. The emoluments for Dr. Lam was determined by the Board with reference to Dr. Lam's responsibilities and duties within the Company.

Save as disclosed herein, there is no information to be disclosed pursuant to any of the requirements set out in rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in respect of Dr. Lam and there are no other matters that need to be brought to the attention of the Shareholders in respect of Dr. Lam's re-election.

Mr. YANG Zhen Hua

Mr. YANG Zhen Hua, aged 76, was appointed as Non-Executive Director of the Company on 27 June 2008. Mr. Yang graduated from the Chinese Medical University in Shenyang in 1956 and has devoted his career to the field of laboratory medicine and clinical chemistry in China. He is currently Vice-President of the Chinese National Joint Committee of Traceability

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

on Laboratory Medicine. Mr. Yang also holds positions as Advisor of the Chinese Society of Laboratory Medicine, Advisor for the Chinese Journal of Laboratory Medicine and Advisor of Chinese Committee of Clinical Laboratory Standards. Mr. Yang has published more than 100 articles and books related to laboratory medicine and clinical chemistry. Mr. Yang has been a pioneer for representing China's interests in international laboratory medicine and clinical chemistry and more notably as a national representative for China to the International Federation of Clinical Chemistry. In 2007, Mr. Yang was the Chairman for the Organization Committee of the 11th Asia Pacific Conference of Clinical Biochemistry. Mr. Yang did not hold any directorship in any listed public company in the last three years.

Mr. Yang does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. Mr. Yang does not have any interest (within the meaning of Part XV of the SFO) in any securities of the Company. The service contract of Mr. Yang did not provide for a specified length of service and he will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws of the Company. Mr. Yang's emolument (including bonus) is HK\$120,000 per annum. The emoluments for Mr. Yang was determined by the Board with reference to Mr. Yang's responsibilities and duties within the Company. As at the Latest Practicable Date, Mr. Yang did not have any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, there is no information to be disclosed pursuant to any of the requirements set out in rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in respect of Mr. Yang and there are no other matters that need to be brought to the attention of the Shareholders in respect of Mr. Yang's re-election.

NOTICE OF ANNUAL 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 Annual General Meeting of the Shareholders of Mingyuan Medicare Development Company Limited (the “Company”) will be held on Wednesday, 30 May 2012 at 3:00 p.m. at Room 3, United Conference Centre, 10/F, United Centre, 95 Queensway, Hong Kong 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 31 December 2011.
- (2) To re-elect Directors and approve their remuneration.
- (3) To reappoint Deloitte Touche Tohmatsu as Auditors of the Company for the ensuing 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;
- (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

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

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 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”.

NOTICE OF ANNUAL GENERAL MEETING

- (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 this notice of Annual General Meeting, 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 4 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 this notice of Annual General Meeting.”

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

Hong Kong, 30 April 2012

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) A form of proxy for use at the Annual General Meeting is enclosed. To be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of such power of attorney or authority at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or adjourned meeting.
- (3) The Register of Members of the Company will be closed from Monday, 28 May 2012 to Wednesday, 30 May 2012, 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 at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 25 May 2012.

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. 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, Mr. Lee Sze Ho, Henry, and Mr. Tang Yan Qin.