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

If you have sold or transferred all your shares in Pacific Online Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
AND
PROPOSED BONUS ISSUE OF SHARES
AND
PROPOSED REFRESHMENT OF THE EXISTING SCHEME MANDATE
LIMIT OF THE POST-IPO SHARE OPTION PLAN
AND
NOTICE OF THE ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Pacific Online Limited to be held at Falcon Room II, Gloucester Luk Kwok Hong Kong, 72 Gloucester Road, Wanchai, Hong Kong on Monday, 30 May 2011 at 10:30 a.m. is set out on pages 21 to 25 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (<http://corp.pconline.com.cn>).

Whether or not you are able to attend the annual general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, 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 adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

15 April 2011

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RESPONSIBILITY STATEMENT

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

EXPECTED TIMETABLE

Year 2011

Last day of dealings in Shares cum entitlements to the Final Dividend and the Bonus Issue of Shares.	Monday, 23 May
First day of dealings in Shares ex-entitlements to the Final Dividend and the Bonus Issue of Shares.	Tuesday, 24 May
Latest time for lodging share transfer forms for entitlements to the Final Dividend and the Bonus Issue of Shares and rights to attend and vote at the Annual General Meeting	4:30 p.m. on Wednesday, 25 May
Closure of Register of Members (both days inclusive).	From Thursday, 26 May to Monday, 30 May
Latest time for lodging forms of proxy for the Annual General Meeting	10:30 a.m. on Saturday, 28 May
Record Date for determining of entitlements to the Final Dividend and the Bonus Issue of Shares and rights to attend and vote at the Annual General Meeting	Monday, 30 May
Annual General Meeting	10:30 a.m. on Monday, 30 May
Re-open of Register of Members	Tuesday, 31 May
Despatch of dividend warrants and certificates for Bonus Shares	Thursday, 16 June
First day of dealings in Bonus Shares	Monday, 20 June

Note: All times in this circular refer to Hong Kong time.

DEFINITIONS

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

“Annual General Meeting”	an annual general meeting of the Company to be held at Falcon Room II, Gloucester Luk Kwok Hong Kong, 72 Gloucester Road, Wanchai, Hong Kong on Monday, 30 May 2011 at 10:30 a.m, to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 21 to 25 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association of the Company currently in force;
“Board”	the board of Directors;
“Bonus Issue of Shares”	the proposed issue of the Bonus Shares by the Company on the basis of one Bonus Share for every ten existing issued Shares held by the Shareholders on the Record Date upon and subject to the terms and conditions referred to in this circular;
“Bonus Shares”	the new Shares proposed to be issued under the Bonus Issue of Shares;
“Buyback Mandate”	as defined in paragraph 2(a) of the Letter from the Board;
“Company”	Pacific Online Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the main board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Existing Scheme Mandate Limit”	the existing scheme mandate Limit, being 10% of the issued share capital of the Company, as permitted under the Listing Rules upon the listing of the Shares on the Stock Exchange on 18 December 2007;
“Final Dividend”	the final dividend of the Company for the year ended 31 December 2010;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issuance Mandate”	as defined in paragraph 2(b) of the Letter from the Board;

DEFINITIONS

“Latest Practicable Date”	12 April 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Overseas Shareholder(s)”	Shareholders whose addresses as shown in the Register of Members of the Company on the Record Date are outside Hong Kong;
“Participants”	All directors (whether executive or non-executive and whether independent or not), any employee (whether full-time or part-time), any consultant or adviser of or to the Company or the Group (whether on an employment, contractual or honorary basis and whether paid or unpaid), who, in the absolute opinion of the Board, have contributed to the Company or the Group;
“Post-IPO Share Option Plan”	the Post-IPO Share Option Plan of the Company adopted on 23 November 2007;
“Record Date”	30 May 2011, being the date for determining of entitlements to the Final Dividend and the Bonus Issue of Shares and rights to attend and vote at the Annual General Meeting;
“RMB”	Renminbi, the lawful currency of the People’s Republic of China;
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong;
“%”	per cent.

LETTER FROM THE BOARD


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PACIFIC ONLINE LIMITED
太平洋網絡有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 543)

Executive Directors:

Mr Lam Wai Yan (*Chairman & Chief Executive Officer*)
Mr Ho Kam Wah
Mr Wang Ta-Hsing
Ms Zhang Cong Min

Independent Non-executive Directors:

Mr Tsui Yiu Wa, Alec
Mr Thaddeus Thomas Beczak
Mr Louie Ming

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

*Principal Place of Business
in Hong Kong:*

Unit 807, Tower 2
Lippo Centre
89 Queensway
Hong Kong

15 April 2011

To the Shareholders

Dear Sir/Madam

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
AND
PROPOSED BONUS ISSUE OF SHARES
AND
PROPOSED REFRESHMENT OF THE EXISTING SCHEME MANDATE
LIMIT OF THE POST-IPO SHARE OPTION PLAN
AND
NOTICE OF THE ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for (i) the granting of the Buyback Mandate to the Directors; (ii) the granting of the Issuance Mandate to the

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Directors; (iii) the extension of the Issuance Mandate by adding to it the nominal amount of issued Shares repurchased by the Company under the Buyback Mandate; (iv) the re-election of the retiring Directors; (v) the Bonus Issue of Shares; and (vi) the refreshment of the Existing Scheme Mandate Limit.

2. PROPOSED GRANTING OF THE BUYBACK AND ISSUANCE MANDATES

At the annual general meeting of the Company held on 24 May 2010, general mandates were granted to the Directors to exercise the powers of the Company to repurchase Shares and to issue new Shares respectively. Up to the Latest Practicable Date, such mandates have not used and, if not used by the date of the Annual General Meeting, will lapse at the conclusion of the Annual General Meeting.

Ordinary resolutions will be proposed at the Annual General Meeting to approve the granting of new general mandates to the Directors:

- (a) to purchase Shares on the Stock Exchange, or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, of an aggregate nominal amount not exceeding 10% of the total nominal amount of the issued share capital of the Company as at the date of passing of such resolution (i.e. an aggregate nominal amount of Shares not exceeding HK\$978,291.70 (equivalent to 97,829,170 Shares) on the basis that the issued share capital of the Company remains unchanged as at the date of the Annual General Meeting) (the “Buyback Mandate”);
- (b) to allot, issue or deal with Shares of an aggregate nominal amount not exceeding 20% of the total nominal amount of the issued share capital of the Company as at the date of passing of such resolution (i.e. an aggregate nominal amount of Shares not exceeding HK\$1,956,583.41 (equivalent to 195,658,341 Shares) on the basis that the issued share capital of the Company remains unchanged as at the date of the Annual General Meeting) (the “Issuance Mandate”); and
- (c) to extend the Issuance Mandate by an amount representing the aggregate nominal amount of Shares repurchased by the Company pursuant to and in accordance with the Buyback Mandate.

The Buyback Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in the proposed ordinary resolutions contained in items 8 and 9 of the notice of the Annual General Meeting as set out on pages 21 to 25 of this circular. With reference to the Buyback Mandate and the Issuance Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote

LETTER FROM THE BOARD

for or against the granting of the Buyback Mandate. The explanatory statement as required by the Listing Rules in connection with the Buyback Mandate is set out in Appendix I to this circular.

3. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to Article 87 of the Articles of Association, three of the existing Directors, namely, Mr Lam Wai Yan, Mr Ho Kam Wah and Ms Zhang Cong Min shall retire by rotation at the Annual General Meeting. All of the above retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

In accordance with Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of the above three retiring Directors are set out in Appendix II to this circular.

4. PROPOSED BONUS ISSUE OF SHARES

Basis of Bonus Issue of Shares

As announced on 28 March 2011 in conjunction with the announcement of the Group's results for the year ended 31 December 2010, the Board recommended to make the Bonus Issue of Shares on the basis of one Bonus Share for every ten existing issued Shares held by the Shareholders whose names appear on the Register of Members of the Company on the Record Date.

Based on 978,291,707 Shares in issue at the Latest Practicable Date and assuming the issued share capital of the Company remains unchanged on the Record Date, a total of 97,829,170 Bonus Shares will be issued. It is proposed that the Directors be authorized to capitalize the sum of HK\$978,291.70, being part of the amount standing to the credit of the share premium account of the Company and apply such sum in paying up in full the 97,829,170 Bonus Shares.

Reasons for the Bonus Issue of Shares

In recognition of the continual support of the Shareholders, the Board decides to propose the Bonus Issue of Shares. In addition to that, the Directors believe that the Bonus Issue of Shares will enhance the liquidity of the Shares in the market and thereby enlarging the Shareholder and capital base.

Status of Bonus Shares

The Bonus Shares will, subject to the Memorandum and Articles of Association of the Company, rank *pari passu* in all respects with the Shares from their date of issue except that they will not rank for the Bonus Issue of Shares and the Final Dividend.

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Fractions of the Bonus Shares

Fractional entitlements (if any) to the Bonus Shares will not be allotted to Shareholders and will be aggregated and sold for the benefit of the Company.

Adjustment to the Outstanding Share Options

As at the Latest Practicable Date, share options attaching the rights to subscribe for a total of 64,595,306 Shares granted under the pre-IPO share option plan of the Company and Post-IPO Share Option Plan remained outstanding. In accordance with the said pre-IPO share option plan, the Post-IPO Share Option Plan and the Listing Rules, holders of outstanding share options who have not exercised their share options prior to the Record Date will be entitled to adjustment to the exercise price and/or the number of their outstanding share options. As at the Latest Practicable Date, adjustments to the outstanding share options are yet to be determined. An announcement will be made by the Company in this regard.

Conditions of the Bonus Issue of Shares

The Bonus Issue of Shares is conditional upon (i) the passing of the ordinary resolution to approve the Bonus Issue of Shares at the Annual General Meeting; and (ii) the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Bonus Shares.

Closure of Register of Members

The Register of Members of the Company will be closed from Thursday, 26 May 2011 to Monday, 30 May 2011 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for entitlements to the Final Dividend and the Bonus Issue of Shares and for attending and voting at the Annual General Meeting, unregistered holders of shares of the Company should ensure that all share transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 25 May 2011.

Trading arrangements

Application will be made to the Listing Committee of the Stock Exchange for the listing of and permission to deal in the Bonus Shares.

The Bonus Shares will be traded in board lots of 1,000 Shares. Each Shareholder will receive one share certificate for the Bonus Shares entitled. It is expected that certificates for the Bonus Shares will be posted to Shareholders on 16 June 2011 at their own risk and the first date of dealings in the Bonus Shares will be on 20 June 2011.

LETTER FROM THE BOARD

The Shares are not listed or dealt in on any stock exchange other than the Stock Exchange. The Directors do not intend to apply for listing of and permission to deal in the Bonus Shares on any stock exchange other than the Stock Exchange. Stamp Duty in Hong Kong will be payable in respect of dealings in the Bonus Shares.

Overseas Shareholders

The Board will make enquiries as to whether the Bonus Issue of Shares to the Overseas Shareholders may contravene the applicable securities legislation of the relevant overseas places or the requirements of the relevant regulatory body or stock exchange. If, after making such enquiry, the Board is of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or any requirement of the relevant regulatory body or stock exchange in that place, not to allot the Bonus Shares to such Overseas Shareholders, no issue of the Bonus Shares will be made to such Overseas Shareholders. The Bonus Shares otherwise falling to be allotted to them will be sold in the market as soon as practicable after dealings in the Bonus Shares commence and the net proceeds of sale will be paid to the Shareholders affected. Where, however, if the amount of the net proceeds payable to any particular Shareholder is less than HK\$100, the net proceeds will be retained by the Company instead for its own benefit and will not be paid to the Shareholders affected.

Based on the Register of Members of the Company as at the Latest Practicable Date, there were Overseas Shareholders with registered addresses in the People's Republic of China. The Board had made enquiries regarding the relevant legal restrictions or regulatory requirements that there is no restriction on issue of the Bonus Shares to such Overseas Shareholders. Therefore, the issue of the Bonus Shares will be extended to such Overseas Shareholders.

5. PROPOSED REFRESHMENT OF THE EXISTING SCHEME MANDATE LIMIT OF THE POST-IPO SHARE OPTION PLAN

The Post-IPO Share Option Plan was adopted by the Company on 23 November 2007. The purpose of the Post-IPO Share Option Plan is to enable the Company to grant options to eligible Participants as incentives or rewards for their contribution to the Group. Other than the Post-IPO Share Option Plan, a pre-IPO share option plan has been adopted by the Company and expired on 28 November 2007. Options granted under the said pre-IPO share option plan remain exercisable.

Pursuant to Chapter 17 of the Listing Rules, the total number of securities which may be issued upon exercise of all options to be granted under a share option scheme and any other schemes of a listed issuer must not in aggregate exceed 10% of the relevant class of securities of the listed issuer in issue as at the date of approval of the scheme. The listed issuer may seek approval by its shareholders in general meeting for “refreshing” the 10% limit under the scheme. However, the total number of securities which may be issued upon exercise of all options to be granted under all of the schemes of the listed issuer under the limit as “refreshed” must not exceed 10% of the relevant class of securities in issue as at the date of approval of the refreshed limit. Options previously granted under the schemes

LETTER FROM THE BOARD

(including those outstanding, cancelled, lapsed in accordance with the scheme or exercised options) will not be counted for the purpose of calculating the limit as “refreshed”. The Listing Rules also provide that the limit on the number of securities which may be issued upon exercise of all outstanding options granted and yet to be exercised under the scheme and any other schemes must not exceed 30% of the relevant class of securities of the listed issuer in issue from time to time.

On the date of adoption of the Post-IPO Share Option Plan, the Existing Scheme Mandate Limit was approved by the then Shareholders such that the total number of Shares which may fall to be issued upon exercise of all share options to be granted under the Post-IPO Share Option Plan and any other share option scheme(s) as may from time to time be adopted by the Company must not exceed 95,000,000 Shares, representing 10% of the issued share capital of the Company as at 18 December 2007 (the date of listing of Shares on the Stock Exchange). Up to the Latest Practicable Date, options carrying the rights to subscribe for 30,596,000 Shares have been granted under the Existing Scheme Mandate Limit, out of which 1,230,000 options were lapsed. None of these options was exercised/cancelled. Accordingly, the Company is permitted to grant further options to subscribe for 65,634,000 Shares under the Existing Scheme Mandate Limit, being approximately 6.7% of the issued share capital of the Company as at the Latest Practicable Date.

As at the Latest Practicable Date, there were a total of 34,083,438 outstanding share options granted under the pre-IPO share option plan of the Company and a total of 30,511,868 outstanding share options granted under the Post-IPO Share Option Plan, representing approximately 6.6% of the issued share capital of the Company as at the Latest Practicable Date.

In order to give the Company the flexibility to grant share options to eligible Participants under the Post-IPO Share Option Plan as incentives and/or rewards for their contribution to the Group, the Directors consider that it is in the interests of the Company to refresh the Existing Scheme Mandate Limit. If such refreshment is approved at the Annual General Meeting, then based on the 978,291,707 Shares in issue as at the Latest Practicable Date and on the basis that this issued share capital remains unchanged on the date of the Annual General Meeting, the Company will be allowed to grant up to 97,829,170 share options pursuant to the Post-IPO Share Option Plan under the refreshed limit, entitling the Participants to subscribe for a total of 97,829,170 Shares, representing 10% of the issued share capital of the Company as at the date of the Annual General Meeting. As no Shareholder has interest in the proposed refreshment of the Existing Scheme Mandate Limit, none of the Shareholders is required to abstain from voting on the relevant ordinary resolution at the Annual General Meeting.

The refreshment of the Existing Scheme Mandate Limit is conditional upon:

- (i) the passing of an ordinary resolution at the Annual General Meeting to approve the said refreshment; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in any new Shares which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the options that may be

LETTER FROM THE BOARD

granted under the refreshed limit of the Post-IPO Share Option Plan up to 10% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution at the Annual General Meeting.

An application will be made to the Listing Committee of the Stock Exchange for granting the listing of, and permission to deal in any new Shares which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the options that may be granted under the refreshed limit of the Post-IPO Share Option Plan.

6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 21 to 25 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the granting of the Buyback Mandate and the Issuance Mandate, the extension of the Issuance Mandate by the addition thereto of the nominal amount of Shares repurchased pursuant to the Buyback Mandate, the re-election of the retiring Directors, the Bonus Issue of Shares and the refreshment of the Existing Scheme Mandate Limit.

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the Annual General Meeting. An announcement on the poll vote results will be made by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://corp.pconline.com.cn>). Whether or not you are able to attend the Annual General Meeting, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, to the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, 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 adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish and in such event, the form of proxy shall be deemed to be revoked.

7. RECOMMENDATION

The Directors consider that the granting of the Buyback Mandate, the granting/extension of the Issuance Mandate, the re-election of the retiring Directors, the Bonus Issue of Shares and the refreshment of the Existing Scheme Mandate Limit are in the best interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

8. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory Statement on the Buyback Mandate) and Appendix II (Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting) to this circular.

Yours faithfully,
By order of the Board
Pacific Online Limited
Lam Wai Yan
Chairman

The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Buyback Mandate.

1. REASONS FOR BUYBACK OF SHARES

The Directors believe that the granting of the Buyback Mandate is in the interests of the Company and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, result in an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Buyback Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 978,291,707 Shares.

Subject to the passing of the ordinary resolution set out in item 8 of the notice of the Annual General Meeting in respect of the granting of the Buyback Mandate and on the basis that the issued share capital of the Company remains unchanged as at the date of the Annual General Meeting, i.e. being 978,291,707 Shares, the Directors would be authorized under the Buyback Mandate to repurchase, during the period in which the Buyback Mandate remains in force, an aggregate nominal amount of Shares not exceeding HK\$978,291.70 (equivalent to 97,829,170 Shares), representing 10% of the aggregate nominal amount of the Shares in issue as at the date of the Annual General Meeting.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

The Company is empowered by its Memorandum and Articles of Association to repurchase Shares. The laws of the Cayman Islands provide that a purchase of shares may be made (to the extent of the par value of such shares) out of profits or the proceeds of a fresh issue of shares made for such purpose or, out of capital, provided that the Company is able to pay its debts as they fall due in the ordinary course of business and the purchase is authorized by its Articles of Association. Any premium payable on a purchase may be made out of profits, the Company's share premium account or out of capital, provided that the Company is able to pay its debts as they fall due in the ordinary course of business and the purchase is authorized by its Articles of Association.

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2010) in the event that the Buyback Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Buyback Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time befitting the Company.

5. TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Buyback Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, 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 Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or a group of Shareholders.

To the best of the knowledge and belief of the Directors, the shareholdings of the substantial Shareholders as at the Latest Practicable Date and upon full exercise of the Buyback Mandate are set out below:

	As at the Latest Practicable Date		Immediately after the full exercise of the Buyback Mandate	
	Number of issued Shares held	Percentage of issued share capital of the Company	Number of issued Shares held <i>(Note 3)</i>	Percentage of issued share capital of the Company <i>(Note 3)</i>
Substantial Shareholders				
Mr Lam Wai Yan <i>(Note 1)</i>	276,027,150	28.22%	276,027,150	31.35%
Mr Wang Ko Chiang <i>(Note 2)</i>	269,247,300	27.52%	269,247,300	30.58%

Notes:

- (1) Mr Lam Wai Yan was deemed to be interested in the 269,404,800 Shares which were held by Pac Tech Investment Co. Ltd., a controlled corporation of Mr Lam. The remaining 6,622,350 Shares were jointly held by Mr Lam Wai Yan and his spouse, Ms Ma Muk Lan.
- (2) Mr Wang Ko Chiang was deemed to be interested in 269,247,300 Shares which were held by Gallop Assets Management Limited, the entire issued share capital of which was owned by J.P. Morgan Trust Company (Bahamas) Limited as trustee of The Gallop Trust, a discretionary trust founded by Mr Wang Ko Chiang.

- (3) On presumption that (i) the issued share capital of the Company remained at 978,291,707 Shares immediately before the full exercise of the Buyback Mandate; and (ii) the shareholding interests of the substantial Shareholders as set out in the above table remained unchanged immediately after the full exercise of the Buyback Mandate.

In the event that the Directors exercise in full the power to repurchase Shares under the Buyback Mandate, the shareholding interest of Mr Lam Wai Yan would be increased to approximately 31.35% of the total issued share capital of the Company whereas the shareholding interest of Mr Wang Ko Chiang would be increased to approximately 30.58% of the total issued share capital of the Company. In the opinion of the Directors, such an increase of shareholding may give rise to an obligation for Mr Lam Wai Yan and Mr Wang Ko Chiang to make a mandatory offer under the Takeovers Code respectively. The Directors do not have any present intention to exercise the Buyback Mandate to such an extent as would give rise to such an obligation.

6. GENERAL

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) have any present intention to sell any Shares to the Company in the event that the granting of the Buyback Mandate is approved by the Shareholders.

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Buyback Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Buyback Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange during each of the following months were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2010		
April	3.410	2.286
May	3.143	2.450
June	3.250	2.810
July	3.370	2.850
August	3.830	3.190
September	3.900	3.280
October	3.420	3.100
November	3.980	3.190
December	3.700	3.280
2011		
January	4.160	3.400
February	4.400	3.970
March	4.400	3.900
April (up to the Latest Practicable Date)	4.250	4.030

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the previous 6 months (whether on the Stock Exchange or otherwise).

Pursuant to the Listing Rules, the details of the Directors, who will retire and offer themselves for re-election at the Annual General Meeting according to the Articles of Association, are provided below.

(1) Mr Lam Wai Yan

Position and experience

Mr Lam Wai Yan (“**Mr Lam**”), aged 59, is an executive director, the Chairman and the Chief Executive Officer of the Company and a director of certain subsidiaries of the Company. He is also a director and the controlling shareholder of Pac Tech Investment Co. Ltd., a substantial shareholder of the Company. Mr Lam obtained a bachelor’s degree in Science from the University of Texas, EL PASO, in 1975. He has extensive local and overseas general management experience and has more than 10 years of experience in IT industry. He had been a vice president and director of Dean Witter Reynolds Inc. from 1979 to 1989 and a director of CLSA Limited (formerly known as “Credit Lyonnais Securities (Asia) Limited”) from 1990 to 1991. Mr Lam co-founded the Group and has played a key role in developing the businesses of the Group since 1997 and led the Group to become one of the leading specialized content portal in China.

Mr Lam has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the existing service agreement entered into between Mr Lam and the Company, his current term of office is 3 years, unless terminated by either party giving to the other not less than 3 months’ prior notice in writing. He is also subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr Lam’s interests in the shares and underlying shares of the Company pursuant to Part XV of the SFO are set out below:

- (1) He was deemed to be interested in 269,404,800 Shares, representing approximately 27.54% of the issued share capital of the Company, which were held by Pac Tech Investment Co. Ltd. (a controlled corporation of Mr Lam);

- (2) He jointly held 6,622,350 Shares with his spouse, Ms Ma Muk Lan, representing approximately 0.68% of the issued share capital of the Company; and
- (3) He personally held 3,460,416 share options granted by the Company, which entitled him to subscribe for 3,460,416 Shares, representing approximately 0.35% of the issued share capital of the Company.

Save as disclosed above, Mr Lam was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

Save as disclosed in the above sections headed “Position and experience” and “Interests in shares”, Mr Lam does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Director’s emoluments

Pursuant to the service agreement entered into between Mr Lam and the Company, Mr Lam’s emoluments are set out below:

- (1) Mr Lam is currently entitled to receive an annual salary of HK\$540,000.
- (2) Mr Lam is entitled to an annual management bonus of a sum to be determined by the Board in its absolute discretion provided that the aggregate sum of such bonus payable to all executive Directors in any financial year shall, unless the Board shall determine otherwise, not exceed 5% of the consolidated net profits of the Company after taxation and minority interests but before extraordinary items in that financial year.

Mr Lam is also entitled to participate in the share option scheme of the Company. The above emoluments of Mr Lam are determined by the Board with reference to his experience, time commitment and responsibilities as well as the prevailing market conditions.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr Lam to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr Lam that need to be brought to the attention of the Shareholders.

(2) Mr Ho Kam Wah*Position and experience*

Mr Ho Kam Wah (“**Mr Ho**”), aged 58, is an executive director of the Company and a director of certain subsidiaries of the Company. Mr Ho obtained a bachelor’s degree in Science from Illinois State University in 1976. He is principally involved in strategic planning and assisting in overall management and business development of the Group. Mr Ho co-founded the Group and has played a major role in developing the businesses of the Group since 1997 and has an extensive management experience over 10 years in the IT industry.

Mr Ho has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the existing service agreement entered into between Mr Ho and the Company, his current term of office is 3 years, unless terminated by either party giving to the other not less than 3 months’ prior notice in writing. He is also subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr Ho’s interests in the shares of the Company pursuant to Part XV of the SFO are set out below:

- (1) He was deemed to be interested in 90,316,800 Shares, representing approximately 9.23% of the issued share capital of the Company, which were held by Treasure Field Holdings Limited (a controlled corporation of Mr Ho);
- (2) He personally held 1,869,000 Shares, representing approximately 0.19% of the issued share capital of the Company; and
- (3) He was deemed to be interested in 1,302,000 Shares, representing approximately 0.13% of the issued share capital of the Company, which were held by his spouse, Ms Yeung Yuk Chun.

Save as disclosed above, Mr Ho was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

Save as disclosed in the above section headed “Position and experience”, Mr Ho does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Director’s emoluments

Pursuant to the service agreement entered into between Mr Ho and the Company, Mr Ho’s emoluments are set out below:

- (1) Mr Ho is currently entitled to receive an annual salary of HK\$5,000.
- (2) Mr Ho is entitled to an annual management bonus of a sum to be determined by the Board in its absolute discretion provided that the aggregate sum of such bonus payable to all executive Directors in any financial year shall, unless the Board shall determine otherwise, not exceed 5% of the consolidated net profits of the Company after taxation and minority interests but before extraordinary items in that financial year.

Mr Ho is also entitled to participate in the share option scheme of the Company. The above emoluments of Mr Ho are determined by the Board with reference to his experience, time commitment and responsibilities as well as the prevailing market conditions.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr Ho to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr Ho that need to be brought to the attention of the Shareholders.

(3) Ms Zhang Cong Min*Position and experience*

Ms Zhang Cong Min (“**Ms Zhang**”), aged 43, is an executive director and the Chief Operating Officer of the Company and a director of certain subsidiaries of the Company. Ms Zhang obtained a bachelor’s degree in Chemical Analysis from the University of Science and Technology of China (中國科學技術大學) in 1991. She is also a standing member of the Political Consultation Committee of Tianhe District, Guangzhou (中國廣州天河區政治協商會議委員會) since September 2006. Ms Zhang joined the Group in January 2003. Prior to joining the Group, Ms Zhang worked as a marketing manager and assistant general manager of Guangdong Pacific Electronic

Technology Mall Co., Ltd. (廣東太平洋電子科技廣場有限公司). Ms Zhang has over 10 years of experience in operation management and the IT industry. She has held various management positions in the Group.

Ms Zhang has not held any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the existing service agreement entered into between Ms Zhang and the Company, her current term of office is 3 years, unless terminated by either party giving to the other not less than 3 months' prior notice in writing. She is also subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Ms Zhang's interests in the shares and underlying shares of the Company and its associated corporations pursuant to Part XV of the SFO are set out below:

- (1) She personally held 2,280,000 shares of GZ Yingxin Computer Technology Exchange Co., Ltd. (an associated corporation of the Company), representing 40% of its issued share capital;
- (2) She personally held 4,468,000 Shares, representing approximately 0.46% of the issued share capital of the Company; and
- (3) She personally held 22,216,483 share options granted by the Company, which entitled her to subscribe for 22,216,483 Shares, representing approximately 2.27% of the issued share capital of the Company.

Save as disclosed above, Ms Zhang was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Relationships

As far as the Directors are aware, Ms Zhang does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Director's emoluments

Pursuant to the service agreement entered into between Ms Zhang and the Company, Ms Zhang's emoluments are set out below:

- (1) Ms Zhang is currently entitled to receive an annual salary of RMB975,840.
- (2) Ms Zhang is entitled to an annual management bonus of a sum to be determined by the Board in its absolute discretion provided that the aggregate sum of such bonus payable to all executive Directors in any financial year shall, unless the Board shall determine otherwise, not exceed 5% of the consolidated net profits of the Company after taxation and minority interests but before extraordinary items in that financial year.

Ms Zhang is also entitled to participate in the share option scheme of the Company. The above emoluments of Ms Zhang are determined by the Board with reference to her experience, time commitment and responsibilities as well as the prevailing market conditions.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Ms Zhang to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Ms Zhang that need to be brought to the attention of the Shareholders.

NOTICE OF THE ANNUAL GENERAL MEETING



太平洋網絡有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 543)

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Pacific Online Limited (the “**Company**”) will be held at Falcon Room II, Gloucester Luk Kwok Hong Kong, 72 Gloucester Road, Wanchai, Hong Kong on Monday, 30 May 2011 at 10:30 a.m. for the following purposes:

1. To consider and receive the audited consolidated financial statements of the Company and the reports of the directors and auditor for the year ended 31 December 2010;
2. To declare a final dividend of RMB14.38 cents per share for the year ended 31 December 2010;
3. To re-elect Mr Lam Wai Yan as an executive director of the Company;
4. To re-elect Mr Ho Kam Wah as an executive director of the Company;
5. To re-elect Ms Zhang Cong Min as an executive director of the Company;
6. To authorize the board of directors of the Company to fix the respective directors’ remuneration;
7. To re-appoint Messrs PricewaterhouseCoopers as auditor of the Company and to authorize the board of directors of the Company to fix auditor’s remuneration;
8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;

NOTICE OF THE ANNUAL GENERAL MEETING

- (b) the total nominal amount of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
 - (c) for the purpose 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held.”;
9. 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 below) of all the powers of the Company to allot, issue and deal with authorized and unissued shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers 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 pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company; and

NOTICE OF THE ANNUAL GENERAL MEETING

(iii) any scrip dividend scheme 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 Articles of Association of the Company,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof 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 any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange);

10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 8 and 9 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 9 of the Notice be and is hereby extended by the addition to the aggregate nominal amount of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of an amount representing the aggregate nominal amount of shares purchased by the Company pursuant to the general mandate referred to in the resolution set out in item 8 of the Notice, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution.”;

NOTICE OF THE ANNUAL GENERAL MEETING

11. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in the new shares of HK\$0.01 each in the capital of the Company to be issued pursuant to this resolution:

- (a) the amount standing to the credit of the share premium account of the Company as would be required to be applied in paying up in full at par new shares of the Company (the “**Bonus Shares**”), such Bonus Shares, credited as fully paid, to be allotted and distributed (subject as referred to in paragraph (b) below) among shareholders of the Company whose names appear on the Register of Members of the Company at the close of business on 30 May 2011 (the “**Record Date**”) on the basis of one Bonus Share for every ten existing issued shares held by the shareholders of the Company on the Record Date, be capitalized and applied in such manner and the directors be and are hereby authorized to allot and issue such Bonus Shares;
- (b) no fractional Bonus Shares shall be allotted to shareholders of the Company and fractional entitlements (if any) will be aggregated and sold for the benefit of the Company;
- (c) the Bonus Shares to be issued pursuant to paragraph (a) above shall rank pari passu in all respects with the existing issued shares as at the date of issuing such Bonus Shares except that they will not rank for the bonus issue of shares mentioned in this resolution and for any dividend declared or recommended by the Company in respect of the financial year ended 31 December 2010; and
- (d) the directors be and are hereby authorized to do all acts and things as may be necessary and expedient in connection with the issue of Bonus Shares referred to in paragraph (a) of this resolution.”; and

12. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the shares to be issued upon exercise of any options to be granted under the Refreshed Limit (as defined below) pursuant to the Post-IPO Share Option Plan (the “**Post-IPO Share Option Plan**”) adopted by the Company on 23 November 2007, the existing scheme mandate limit under the Post-IPO Share Option Plan be refreshed so that the aggregate nominal amount of share capital of the Company to be allotted and issued upon exercise of any options to be granted under the Post-IPO Share Option Plan (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Post-IPO Share Option Plan) shall not exceed 10% of the

NOTICE OF THE ANNUAL GENERAL MEETING

aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution (the “**Refreshed Limit**”) and that the directors of the Company be and are hereby authorized to grant options up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options.”.

By order of the Board
Pacific Online Limited
Lam Wai Yan
Chairman

Hong Kong, 15 April 2011

Notes:

1. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares of the Company may appoint more than one proxy to represent him to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company’s Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. The register of members of the Company will be closed from Thursday, 26 May 2011 to Monday, 30 May 2011, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the entitlements to the proposed final dividend for the year ended 31 December 2010 and the proposed bonus issue of shares of the Company and for attending and voting at the above meeting, unregistered holders of shares of the Company should ensure that all share transfer forms accompanied by the relevant share certificates must be lodged with the Company’s Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 25 May 2011.
4. In relation to the ordinary resolutions set out in items 8, 9 and 10 of the above notice, the directors wish to state that they have no immediate plan to issue any new shares or repurchase any existing shares of the Company.