
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Botanic Development Holdings Limited (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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中國植物開發控股有限公司

CHINA BOTANIC DEVELOPMENT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2349)

- (1) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS; AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at 2nd Floor, On Shing Industrial Building, Nos. 2-16 Wo Liu Hang Road, Fo Tan, Shatin, New Territories, Hong Kong on Friday, 19 June 2009 at 10:00 a.m. is set out on pages 14 to 18 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 website of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk.

Whether or not you are able to attend the annual general meeting, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

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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 convened and held on Friday, 19 June 2009 at 10:00 a.m. to consider and, if thought fit, approve, among other things, the proposed grant of the General Mandate and the Repurchase Mandate and the proposed re-election of Directors
“Article(s)” or “Articles of Association”	the articles of association of the Company
“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Company”	China Botanic Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“General Mandate”	the general mandate proposed to be granted to the Directors at the AGM to issue further new Shares not exceeding 20% of the issued share capital of the Company as at the date of granting of the General Mandate
“Group”	the Company and all of its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	24 April 2009, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region and Taiwan)

DEFINITIONS

“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to repurchase up to 10% of the issued share capital of the Company as at the date of granting of the Repurchase Mandate
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



中國植物開發控股有限公司

CHINA BOTANIC DEVELOPMENT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2349)

Executive Directors:

Mr. But Ching Pui (*Honorary Chairman*)
Mr. But Ka Wai (*Chairman*)
Mr. But Chai Tong (*Vice Chairman*)
Mr. Ying Wei
Ms. Gao Jihong

Non-executive Directors:

Ms. Leung Wai Ling
Ms. Wang Fang

Independent non-executive Directors:

Mr. Cheung Yu Yan, Tommy
Mr. Ip Shing Tong, Francis
Mr. Ku Siu Fung, Stephen
Mr. Chen Ziqiang

Registered office:

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

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

2nd Floor, On Shing Industrial Building
2-16 Wo Liu Hang Road
Fo Tan, Shatin
New Territories
Hong Kong

30 April 2009

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS; AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the forthcoming AGM, resolutions will be proposed to seek the Shareholders' approval for, among other things, (i) the granting of the General Mandate and the Repurchase Mandate to the Directors; and (ii) the re-election of Directors.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the AGM for the proposed grant of the General Mandate and the Repurchase Mandate and the proposed re-election of Directors and the notice of the AGM.

GENERAL MANDATE AND REPURCHASE MANDATE

At the AGM, the Directors propose to seek the approval of the Shareholders to grant to the Directors the General Mandate and the Repurchase Mandate.

General Mandate

At the AGM, an ordinary resolution will be proposed such that the Directors be given an unconditional general mandate (i.e. the General Mandate) to allot, issue and deal with unissued Shares or underlying shares of the Company (other than by way of rights or pursuant to a share option scheme for employees of the Company or Directors and/or any of its subsidiaries or pursuant to any scrip dividend scheme or similar arrangements providing for the allotment and issue of Shares in lieu of whole or part of the dividend on Shares in accordance with the Articles) or make or grant offers, agreements, options and warrants which might require the exercise of such power, of an aggregate amount of up to 20% of the issued Shares as at the date of granting of the General Mandate.

In addition, a separate ordinary resolution will further be proposed for extending the General Mandate authorising the Directors to allot, issue and deal with Shares to the extent of the Shares repurchased pursuant to the Repurchase Mandate. Details on the Repurchase Mandate are further elaborated below.

As at the Latest Practicable Date, the Company has an aggregate of 1,037,906,250 Shares in issue. Subject to the passing of the resolutions for the approval of the General 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 under the General Mandate to allot, issue and deal with a maximum of 207,581,250 Shares.

Repurchase Mandate

At the AGM, an ordinary resolution will also be proposed such that the Directors be given an unconditional general mandate to repurchase Shares (i.e. the Repurchase Mandate) on the Stock Exchange of an aggregate amount of up to 10% of the issued Shares as at the date of granting of the Repurchase Mandate.

Subject to the passing of the resolution for the approval of 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 under the Repurchase Mandate to repurchase a maximum of 103,790,625 Shares.

LETTER FROM THE BOARD

The General Mandate (including the extended General Mandate) and the Repurchase Mandate shall continue to be in force during the period from the date of passing of the resolutions for the approval of the General Mandate (including the extended General Mandate) and the Repurchase Mandate up to (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 Articles of Association, the Companies Law (Law 3 of 1961, as consolidated and revised) or any applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of the General Mandate (including the extended General Mandate) or the Repurchase Mandate (as the case may be) by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the requisite information required under the Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

RE-ELECTION OF DIRECTORS

According to Article 112, any Director appointed to fill in a casual vacancy or as an additional Director shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting.

According to Article 108, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from office by rotation at every annual general meeting. A retiring Director shall be eligible for re-election.

In accordance with Article 112, Mr. Ying Wei, Ms. Gao Jihong, Ms. Wang Fang and Mr. Chen Ziqiang shall retire from office by rotation at the AGM; whereas in accordance with Article 108, Mr. But Ching Pui, Ms. Leung Wai Ling and Mr. Ip Shing Tong, Francis shall retire from office by rotation at the AGM. Mr. But Ching Pui and Ms. Leung Wai Ling will not offer themselves for re-election as Directors whereas Mr. Ying Wei, Ms. Gao Jihong, Ms. Wang Fang, Mr. Ip Shing Tong, Francis and Mr. Chen Ziqiang will offer himself/herself for re-election as executive/non-executive/independent non-executive Director (as the case may be).

Each of Mr. But Ching Pui and Ms. Leung Wai Ling confirm that he/she has no claims whatsoever against the Company for fees, compensation for loss of office, remuneration, severance payments, pension, expenses or otherwise and there is no disagreement with the Board and there are no matters relating to his/her retirement that need to be brought to the attention of the Shareholders or the Stock Exchange.

At the AGM, ordinary resolutions will be proposed to re-elect each of Mr. Ying Wei, Ms. Gao Jihong, Ms. Wang Fang, Mr. Ip Shing Tong, Francis and Mr. Chen Ziqiang as executive/non-executive/independent non-executive Director (as the case may be).

Particulars relating to each of Mr. Ying Wei, Ms. Gao Jihong, Ms. Wang Fang, Mr. Ip Shing Tong, Francis and Mr. Chen Ziqiang are set out in Appendix II to this circular.

LETTER FROM THE BOARD

AGM

A notice convening the AGM to be held at 2nd Floor, On Shing Industrial Building, Nos. 2-16 Wo Liu Hang Road, Fo Tan, Shatin, New Territories, Hong Kong on Friday, 19 June 2009 at 10:00 a.m. is set out on pages 14 to 18 of this circular. Ordinary resolutions will be proposed at the AGM to approve, among other things, the granting of the General Mandate (including the extended General 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 and such form of proxy is also published at the website of the Stock Exchange at www.hkex.com.hk. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

All the resolutions proposed to be approved at the AGM will be taken by poll and an announcement will be made by the Company after the AGM on the results of the AGM.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors consider the proposed grant of the General Mandate (including the extended General Mandate) and the Repurchase Mandate and the proposed re-election of Directors are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

GENERAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on any resolutions to be proposed at the AGM.

Yours faithfully
For and on behalf of the Board of
China Botanic Development Holdings Limited
But Ka Wai
Chairman

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

1. REPURCHASE OF SECURITIES FROM CONNECTED PARTIES

The Listing Rules prohibit the Company from knowingly purchasing its securities on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective associates (as defined in the Listing Rules) and a connected person is prohibited from knowingly selling to the Company his/her/its securities of the Company.

No connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is passed.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,037,906,250 fully paid Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 103,790,625 fully paid Shares, representing 10% of the issued share capital of the Company as at the date of passing of the resolution.

3. REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and its Shareholders as a whole.

4. FUNDING OF REPURCHASES

Repurchases would be funded entirely from the Company’s available cash flow or working capital facilities which will be funds legally available under the Cayman Islands law and the memorandum of association of the Company and the Articles and for such purpose.

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and gearing position of the Company compared with those as at 31 December 2008, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

5. SHARE PRICES

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

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2008		
April	0.473	0.347
May	0.440	0.350
June	0.367	0.280
July	0.317	0.247
August	0.283	0.220
September	0.230	0.127
October	0.197	0.085
November	0.107	0.077
December	0.100	0.077
2009		
January	0.113	0.087
February	0.112	0.099
March	0.112	0.071
April (up to the Latest Practicable Date)	0.193	0.090

6. DISCLOSURE OF INTERESTS AND MINIMUM PUBLIC HOLDING

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell to the Company or its subsidiaries any of the Shares in the Company if the Repurchase Mandate is approved at the AGM.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and applicable laws of the Cayman Islands.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the following Shareholders are interested in more than 10% of the Shares then in issue:

Name	Number of Shares	Percentage holding
Able Success Group Limited (<i>Note 1</i>)	161,250,000	15.54%
Mr. But Ka Wai (<i>Note 1</i>)	161,562,000	15.57%
Ms. Chan Yuk Ha (<i>Note 1</i>)	161,562,000	15.57%
Sharp Profit Investments Limited (<i>Note 2</i>)	199,500,000	19.22%
China Water Affairs Group Limited (<i>Note 2</i>)	131,284,362	12.65%

Notes:

1. These 161,250,000 Shares are owned by Able Success Group Limited and the entire issued share capital of which is directly held by Mr. But Ka Wai. Ms. Chan Yuk Ha is the wife of Mr. But Ka Wai and is deemed to be interested in the Shares in which Mr. But Ka Wai is interested under the provisions of Divisions 2 and 3 of Part XV of the SFO.
2. Sharp Profit Investments Limited is a wholly-owned subsidiary of China Water Affairs Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability whose shares are listed on the main board of the Stock Exchange (stock code: 855).

In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the total interests of the above Shareholders in the Shares would be increased to:

Name	Percentage holding
Able Success Group Limited	17.26%
Mr. But Ka Wai	17.30%
Ms. Chan Yuk Ha	17.30%
Sharp Profit Investments Limited	21.36%
China Water Affairs Group Limited	14.05%

On the basis of the current shareholdings of the above Shareholders, an exercise of the Repurchase Mandate in full will not result in him/her/it becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

At as the Latest Practicable Date, the Directors have no intention to exercise any of the Repurchase Mandate.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in a requirement of the above Shareholders, or any other persons to make a general offer under the Takeovers Code or the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

7. SHARES REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the previous six months immediately prior to the Latest Practicable Date.

Detail of the Directors who will retire from office at the AGM and being eligible, will offer themselves for re-election at the AGM, are set out below:

(1) Mr. Ying Wei (“Mr. Ying”)

Mr. Ying, aged 42, an executive Director. Mr. Ying holds a master degree of Business Administration from University of San Francisco and a bachelor degree of Economics from the Zhejiang Gongshang University (formerly known as Hangzhou Institute of Commerce). He is a non-practicing member of the China Institute of Certified Public Accountants. Prior to joining the Group, Mr. Ying has worked in China Resources Textiles (Holdings) Company Limited for 18 years as executive director and vice president.

Mr. Ying is not connected with any Directors, senior management or substantial or controlling Shareholders. As at the Latest Practicable Date, Mr. Ying does not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Ying did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

There is no service contract entered into between Mr. Ying and the Company. Mr. Ying does not have a fixed term of service with the Company and he is subject to retirement by rotation in accordance with the Articles of Association and the Listing Rules. Mr. Ying is neither entitled to any Director’s emolument nor bonus payment by the Company.

(2) Ms. Gao Jihong (“Ms. Gao”)

Ms. Gao, aged 46, an executive Director who is an associate professor of economics. She holds a master degree of Business Administration from School of Business, Renmin University of China and a bachelor degree from Foreign Trade & Foreign Language Department of Inner Mongolia Finance and Economics College. Ms. Gao was appointed as director of department of study of party school of the Inner Mongolia Autonomous Region and vice president of Beijing Dongcheng Administration Manage Institute, and was a former visiting professor of business college of Beijing Union University. Ms. Gao is currently responsible for sales and marketing of seabuckthorn section in the PRC.

Ms. Gao is not connected with any Directors, senior management or substantial or controlling Shareholders. As at the Latest Practicable Date, Ms. Gao does not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed, Ms. Gao did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

There is no service contract entered into between Ms. Gao and the Company. Ms. Gao does not have a fixed term of service with the Company and she is subject to retirement by rotation in accordance with the Articles of Association and the Listing Rules. Ms. Gao is neither entitled to any Director’s emolument nor bonus payment by the Company.

(3) Ms. Wang Fang (“Ms. Wang”)

Ms. Wang, aged 40, a non-executive Director who graduated from Shaanxi Institute of Technology majoring in management of industrial enterprises. She has more than 18 years of working experience in manufacturing and selling related business, she was responsible for finance, selling and operation. Ms. Wang is a member of the audit committee, remuneration committee and nomination committee of the Company.

Ms. Wang is not connected with any Directors, senior management or substantial or controlling Shareholders. As at the Latest Practicable Date, save that Ms. Wang is interested in 300,000 share options granted by the Company on 26 November 2007 which entitled Ms. Wang to exercise the share options at the exercise price of HK\$1.21 for the period between 26 November 2008 to 25 November 2010, Ms. Wang does not have any other interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed, Ms. Wang did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

There is no service contract entered into between Ms. Wang and the Company. Ms. Wang does not have a fixed term of service with the Company and she will be subject to retirement by rotation in accordance with the Articles and Listing Rules. Ms. Wang’s remuneration is fixed at HK\$30,000 per annum, which is determined by the Board with reference to her duties and responsibilities within the Company, the Company’s remuneration policy and the prevailing market conditions, and is subject to approval by the remuneration committee of the Company. Ms. Wang is not entitled to any bonus payment to the Company.

(4) Mr. Ip Shing Tong, Francis (“Mr. Ip”)

Mr. Ip, aged 64, is an independent non-executive Director. Mr. Ip served in the Government of Hong Kong from 1963 to 2001, and retired from the position of Superintendent of Environment Health of the Food and Environmental Hygiene Department of the Government of Hong Kong in 2001. He has over 30 years of work experience in the environmental hygiene area. He joined the Group in May 2003 and was appointed as an independent non-executive Director for a term of two years. Mr. Ip is one of the audit committee members of the Company.

Save as disclosed, Mr. Ip did not hold any other directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Mr. Ip has entered into a service agreement with the Company for a term of two years commencing 1 June 2005 with an amount of emoluments of HK\$50,000 per annum, which is determined by the Board with reference to his duties and responsibility. The service contract will be automatically renewed unless terminated by the parties. Mr. Ip is not entitled to any bonus payment to the Company. Save as disclosed, Mr. Ip does not hold any other position in any members of the Group.

Mr. Ip does not have any interests in the Shares within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Ip does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company.

(5) Mr. Chen Ziqiang (“Mr. Chen”)

Mr. Chen, aged 62, an independent non-executive Director who is a professor-level senior engineer. He is the chairman of Jianghe Water Development Center Company Limited. After graduated from the North China University of Water Conservancy and Electric Power (formerly known as Beijing University of Water Conservancy and Electric Power), Mr. Chen had served as the University’s Secretary of Youth League Committee for 22 years. Mr. Chen is very enthusiastic to the development of water resources; he served as director of Department of Personnel, Labor and Education of the Ministry of Water Resources of the PRC, vice president of the Chinese Association of Education of Water Resources, vice president of the Chinese Society on Ideological and Political Work for Water Sector, and the Expert of Professional Certification Committee of the Ministry of Education.

Mr. Chen is not connected with any Directors, senior management or substantial or controlling Shareholders. As at the Latest Practicable Date, Mr. Chen does not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed, Mr. Chen did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

There is no service contract entered into between Mr. Chen and the Company. Mr. Chen does not have a fixed term of service with the Company and he will be subject to retirement by rotation in accordance with the Articles and Listing Rules. Mr. Chen’s remuneration is fixed at HK\$30,000 per annum, which is determined by the Board with reference to his duties and responsibilities within the Company, the Company’s remuneration policy and the prevailing market conditions, and is subject to approval by the remuneration committee of the Company. Mr. Chen is not entitled to any bonus payment to the Company.

There is no information relating to Mr. Ying Wei, Ms. Gao Jihong, Ms. Wang Fang, Mr. Ip Shing Tong, Francis and Mr. Chen Ziqiang that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there is no other matter relating to Mr. Ying Wei, Ms. Gao Jihong, Ms. Wang Fang, Mr. Ip Shing Tong, Francis and Mr. Chen Ziqiang that needs to be brought to the attention of the Shareholders and the Stock Exchange.

NOTICE OF AGM



中國植物開發控股有限公司

CHINA BOTANIC DEVELOPMENT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2349)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of China Botanic Development Holdings Limited (the “**Company**”) will be held at 2nd Floor, On Shing Industrial Building, Nos. 2-16 Wo Liu Hang Road, Fo Tan, Shatin, New Territories, Hong Kong on Friday, 19 June 2009 at 10:00 a.m., to transact the following ordinary business:

1. to receive and consider the audited consolidated financial statements and the reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31 December 2008;
2.
 - (a) to re-elect Mr. Ying Wei as executive Director;
 - (b) to re-elect Ms. Gao Jihong as executive Director;
 - (c) to re-elect Ms. Wang Fang as non-executive Director;
 - (d) to re-elect Mr. Ip Shing Tong, Francis as independent non-executive Director;
 - (e) to re-elect Mr. Chen Ziqiang as independent non-executive Director;
 - (f) to authorise the board of Directors to fix the Directors’ remuneration;
3. to re-appoint auditors of the Company and to authorise the board of Directors to fix their remuneration;

and, as special business, consider and, if thought fit, passing the following resolutions as ordinary resolutions:

NOTICE OF AGM

4. “THAT:

- (a) subject to paragraph (c) below, pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), 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 unissued shares of the Company (the “**Shares**”) and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which 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 (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the existing share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of resolution no. 5),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

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- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 articles of association of the Company, Companies Law (Law 3 of 1961, as consolidated and revised) (“**Companies Law**”) or any other applicable laws of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. “**THAT:**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Law and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. 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 authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

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- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of 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 articles of association of the Company, the articles of association of the Company, Companies Law or any other applicable laws of the Cayman Islands; or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”
6. “**THAT** the Directors be and they are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 4 above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

Yours faithfully
For and on behalf of
the board of directors of
China Botanic Development Holdings Limited
But Ka Wai
Chairman

Hong Kong, 30 April 2009

Registered office:
Cricket Square
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P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

*Head office and principal place
of business in Hong Kong:*
2nd Floor, On Shing Industrial Building
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Fo Tan, Shatin
New Territories
Hong Kong

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Notes:

1. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the annual general meeting to represent the member. 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, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Hong Kong branch share registrar of the Company, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the annual general meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the annual general meeting or any adjournment thereof, should he/she/it so wish.
3. In relation to proposed resolutions nos. 4 and 6 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of shares of the Company under the Listing Rules. The Directors have no immediate plans to issue any new shares of the Company other than Shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme which may be approved by shareholders.
4. In relation to proposed resolution no. 5 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix I to this circular.