
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold all your shares in China Dongxiang (Group) Co., Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

DONGXIANG
China Dongxiang (Group) Co., Ltd.
中國動向（集團）有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3818)

**RE-ELECTION OF DIRECTORS
GENERAL MANDATE TO ISSUE SHARES
GENERAL MANDATE TO REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of China Dongxiang (Group) Co., Ltd. to be held at Everest Room, Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, Hong Kong on Thursday, 14 May 2009 at 10:00 a.m. is set out in this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE CHAIRMAN	2
APPENDIX I — DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION	5
APPENDIX II — EXPLANATORY STATEMENT	8
NOTICE OF ANNUAL GENERAL MEETING	11

DEFINITIONS

In this circular, unless the context states otherwise, the following expressions have the following meaning:

“2008 Annual Report”	the annual report of the Company for the financial year ended 31 December 2008 dispatched to the Shareholders together with this circular
“AGM”	the annual general meeting of the Company to be held at Everest Room, Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, Hong Kong on Thursday, 14 May 2009 at 10:00 a.m., notice of which is set out in this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors of the Company
“Company”	China Dongxiang (Group) Co., Ltd. (中國動向 (集團) 有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Hong Kong Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“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
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	27 March 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s) in issue
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.



China Dongxiang (Group) Co., Ltd.

中國動向（集團）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3818)

Executive Directors:

Mr. Chen Yihong (陳義紅) (*Chairman*)

Mr. Qin Dazhong (秦大中)

Non-Executive Director:

Mr. Gao Yu (高煜)

Independent Non-Executive Directors:

Mr. Mak Kin Kwong (麥建光)

Dr. Xiang Bing (項兵)

Mr. Xu Yudi (徐玉棣)

Registered Address:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Principal place of business in

Hong Kong:

Office Unit 9, 13/F

Tower Two, Lippo Centre

No. 89 Queensway

Hong Kong

7 April 2009

To the Shareholders

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS
GENERAL MANDATE TO ISSUE SHARES
GENERAL MANDATE TO REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give Shareholders information on matters to be dealt with at the forthcoming AGM, which include the (i) re-election of Directors; and (ii) grant of general mandates to issue and repurchase Shares.

RE-ELECTION OF DIRECTORS

In relation to resolution No. 3(a) in the notice of the AGM, Mr. Mak Kin Kwong (an independent non-executive Director) and Dr. Xiang Bing (an independent non-executive Director) shall retire at the AGM by rotation pursuant to Article 87 of the Articles of Association and the Code on Corporate Governance Practices set out in Appendix 14 of the

LETTER FROM THE CHAIRMAN

Listing Rules and, being eligible, offer themselves for re-election. The biographical details and interests in the Shares of all retiring Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

By an ordinary resolution passed by the Shareholders on 15 May 2008, general and unconditional mandates were granted to the Directors to issue and repurchase Shares.

For the year ended 31 December 2008, the Company repurchased a total of 12,649,000 Shares at an aggregate purchase price of approximately HK\$38,392,994 on the Hong Kong Stock Exchange. Details of the repurchases were as follows:

Months of repurchase	Number of Shares repurchased	Price per Share		Approximate aggregate purchase price HK\$
		Lowest HK\$	Highest HK\$	
June 08	5,165,000	3.12	3.22	16,360,891
July 08	<u>7,484,000</u>	2.86	3.03	<u>22,032,103</u>
Total	<u>12,649,000</u>			<u>38,392,994</u>

All the 12,649,000 Shares repurchased for the year ended 31 December 2008 had been cancelled and the issued share capital of the Company was reduced by the par value thereof accordingly. The above repurchases were effected by the Directors, pursuant to the mandate from Shareholders, with a view to benefiting shareholders as a whole in enhancing the net assets and/or earnings per Share of the Company.

Saved as disclosed above, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of any listed securities of the Company for the year ended 31 December 2008.

The Directors believe that renewal of such general mandates is in the interest of the Company and the Shareholders. Accordingly, the following ordinary resolutions will be proposed at the AGM in order to grant to the Directors the new general and unconditional mandates to exercise the powers of the Company to issue and repurchase Shares:

- (i) an ordinary resolution (resolution No. 5) to grant to the Directors a general and unconditional mandate to authorise them to allot, issue and deal with the additional Shares up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM (the “Issue Mandate”);
- (ii) an ordinary resolution (resolution No. 6) to grant to the Directors a general and unconditional mandate to authorise them to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM (the “Repurchase Mandate”); and

LETTER FROM THE CHAIRMAN

- (iii) conditional upon the passing of the resolutions No. 5 and No. 6 as stated above, an ordinary resolution (resolution No. 7) to extend the Issue Mandate by an amount representing the aggregate nominal amount of Shares purchased by the Company under the Repurchase Mandate provided that such aggregated amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM.

On the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed to allot and issue a maximum of 1,133,160,200 Shares under the Issue Mandate and to repurchase a maximum of 566,580,100 Shares under the Repurchase Mandate.

Shareholders are invited to refer to the notice of the AGM set out in this circular for details of the abovementioned ordinary resolutions. An explanatory statement, as required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate, is also set out in Appendix II to this circular. Such Appendix contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether or not to vote for or against the ordinary resolution to grant the Repurchase Mandate at the AGM.

ANNUAL GENERAL MEETING

Set out on pages 11 to 14 of this circular is the notice of the AGM to be held on 14 May 2009. A form of proxy for use in connection with the AGM is enclosed. Whether or not you are able to attend the AGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1806–1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the commencement 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.

In accordance with Rule 13.39(4) of the Listing Rules, all votes of the Shareholders to be taken at the AGM shall be taken by poll.

RECOMMENDATION

The Directors believe that the proposals mentioned above, including the proposals for the re-election of the retiring Directors, the grant of the general mandates to issue, allot and repurchase Shares and the extension of the Issue Mandate are in the interests of the Company and the Shareholders. The Directors recommend the Shareholders to vote in favour of all the relevant resolutions to be proposed at the AGM.

Yours faithfully,
Chen Yihong
Chairman

INDEPENDENT NON-EXECUTIVE DIRECTORS

The following are particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the AGM.

Mr. Mak Kin Kwong (麥建光), aged 47, is our independent non-executive Director. Mr. Mak is the managing director of Venfund Investment, a Shenzhen based mid-market M&A investment banking firm specializing in cross-border mergers and acquisitions, corporate restructuring, capital raising and international financial advisory services for Chinese privately-owned clients, which he co-founded in late 2001. Prior to 2001, he was a partner of Arthur Andersen Worldwide and the managing partner of Arthur Andersen Southern China. Mr. Mak serves as an independent non-executive director and the audit committee chairman of Trina Solar Limited (天合光能有限公司), China GrenTech Corp. Ltd. (國人通信股份有限公司) and Dragon Pharmaceutical Inc. (凱龍藥業股份有限公司), all of which are companies listed in the U.S., Gemdale Industries Ltd (金地集團股份有限公司), which is listed on the Shenzhen Stock Exchange, and Huabao International Holdings Ltd (華寶國際控股有限公司), Pou Sheng International Holdings Limited (寶勝國際(控股)有限公司), all of which are listed on the Hong Kong Stock Exchange. Mr. Mak is also a non-executive director of Bright World Precision Machinery Ltd. (沃得精機股份有限公司), a company listed in the Republic of Singapore. Mr. Mak is a graduate of the Hong Kong Polytechnic University and a fellow member of the Association of Chartered Certified Accountants, United Kingdom, and the Hong Kong Institute of Certified Public Accountants.

Between 2002 and 2007, Mr. Mak was an independent non-executive director and the audit committee chairman of Shenzhen Victor Onward Textile Industrial Co., Ltd. (深圳中冠紡織印染股份有限公司), a company listed on the Shenzhen Stock Exchange.

Between 2007 and 2008, Mr. Mak was a non-executive director of Vinda International Holdings Limited (維達國際控股有限公司), a company listed on the Hong Kong Stock Exchange.

Save as disclosed, Mr. Mak does not hold directorships in any other listed companies in the last three years preceding the Latest Practicable Date.

Mr. Mak has executed an appointment letter with the Company for an initial term of one year subject to the retirement by rotation and re-election at the annual general meetings of the Company. As at the Latest Practicable Date, Mr. Mak is entitled to an annual remuneration of HK\$200,000.

On 10 October 2007, Mr. Mak was granted a share option to subscribe for 200,000 Shares (which became exercisable on 10 April 2008) at a subscription price of HK\$2.786 per Share. As at the Latest Practicable Date, Mr. Mak has not exercised the share option. Save as disclosed above, Mr. Mak has no other interests in the Shares, underlying Shares and debenture of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is no information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51 of the Listing Rules. There are no other matters concerning Mr. Mak that need to be brought to the attention of the Shareholders of the Company.

Dr. Xiang Bing (項兵), aged 46, is our independent non-executive Director. Dr. Xiang obtained a Doctoral degree in accounting from the University of Alberta in Canada. He has over 11 years of teaching experience in the academic field. Dr. Xiang is currently the founding dean and professor of the Cheung Kong Graduate School of Business (長江商學院). He is an independent non-executive director and committee member of the audit committee and remuneration committee of Dan Form Holdings Company Limited, HC International, Inc., Enerchina Holdings Limited and Sinolink Worldwide Holdings Limited. He is also an independent non-executive director and committee member of remuneration committee of Little Sheep Group Limited. All of the above-mentioned companies are listed on the Hong Kong Stock Exchange.

Dr. Xiang currently serves as independent non-executive director and committee member of audit committee, remuneration committee and nomination committee of LDK Solar Co., Ltd. Dr. Xiang also serves as independent non-executive director and committee member of audit committee of E-House (China) Holdings Limited. All of the above-mentioned companies are listed on the New York Stock Exchange. Dr. Xiang also serves as independent non-executive director and committee member of audit committee and remuneration committee of Perfect World Co., Ltd., a company listed on Nasdaq.

Between 2006 and 2008, Dr Xiang was an independent non-executive director and a committee member of the audit committee of Jutal Offshore Oil Services Limited, a company listed on the Hong Kong Stock Exchange.

Between 2001 and 2007, Dr. Xiang was a director of Shaanxi Qinchuan Machine Development Co., Ltd. (陝西秦川機械發展股份有限公司) and Guangdong Midea Electric Appliances Co., Ltd. (廣東美的電器股份有限公司). Between 2006 and 2008, Dr. Xiang was a director of Shenzhen Terca Technology Co., Ltd. (深圳市特爾佳科技股份有限公司). Between 2004 and 2008, Dr. Xiang was a director of TCL Corporation (TCL集團股份有限公司). All of the above-mentioned companies are listed on the Shenzhen Stock Exchange.

Between 2004 and 2006, Dr. Xiang was a director of Wuhan Jianmin Pharmaceutical Groups Co., Ltd. (武漢健民藥業集團股份有限公司) which is a company listed on the Shanghai Stock Exchange.

Save as disclosed, Dr. Xiang does not hold directorships in any other listed companies in the last three years preceding the Latest Practicable Date.

Dr. Xiang has executed an appointment letter with the Company for an initial term of one year subject to the retirement by rotation and re-election at the annual general meetings of the Company. As at the Latest Practicable Date, Dr. Xiang is entitled to an annual remuneration of HK\$200,000.

On 10 October 2007, Dr. Xiang was granted a share option to subscribe for 200,000 Shares (which became exercisable on 10 April 2008) at a subscription price of HK\$2.786 per Share. As at the Latest Practicable Date, Dr. Xiang has not exercised the share option. Save as disclosed above, Dr. Xiang has no other interests in the Shares, underlying Shares and debenture of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is no information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51 of the Listing Rules. There are no other matters concerning Dr. Xiang that need to be brought to the attention of the Shareholders of the Company.

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to the Shareholders for their consideration of the proposed resolutions in relation to the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 5,665,801,000 Shares. Subject to the passing of resolution No. 6 approving the Repurchase Mandate as set out in the notice of the AGM appearing in this circular and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 566,580,100 Shares until (i) the conclusion of the next annual general meeting; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; or (iii) the revocation by ordinary resolution of Shareholders in general meeting, whichever is the earliest.

REASON FOR REPURCHASES

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

FUNDING OF REPURCHASES

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws of Cayman Islands.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with its financial position as disclosed in the 2007 Annual Report) in the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period. The Directors, however, do not propose to exercise the Repurchase Mandate to such an 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 may from time to time be appropriate for the Company.

TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase in the Shareholder's

interest, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the Takeovers Code and the provision may apply as a result of any such increase.

As at the Latest Practicable Date, according to the register kept by the Company pursuant to Section 336 of the SFO, Mr. Chen Yihong, Chairman of the Company, (through Poseidon Sports Limited) was deemed to be interested in 2,945,101,000 Shares, representing 51.98% of the issued Shares of the Company. Mr. Chen Yihong's deemed interest in the Shares include the interest held by his spouse, Ms. Liu Peiying, through a controlled corporation. In the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, then (assuming Mr. Chen Yihong's present shareholding remains the same) the interest held by Mr. Chen Yihong would be increased to approximately 57.76% of the issued share capital of the Company. The Directors are not aware of any consequence that would give rise to an obligation on the part of Mr. Chen Yihong to make a mandatory offer under Rule 26 of the Takeovers Code. However the public float requirement under Rule 8.08 of the Listing Rule may be breached.

GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) has any present intention to sell any Shares to the Company or its subsidiaries if the Repurchase Mandate is exercised.

No connected person (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell any Share to the Company, or that he/she has undertaken not to do so in the event that the resolution in relation to the Repurchase Mandate is approved by the Shareholders.

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

SHARE REPURCHASE MADE BY THE COMPANY

The Company has not purchased any Share (whether on the Hong Kong Stock Exchange or otherwise) during the 6 months prior to the Latest Practicable Date.

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Hong Kong Stock Exchange during each month prior to the Latest Practicable Date were as follows:

	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2008		
April	4.25	3.10
May	4.02	3.31
June	3.68	2.92
July	3.30	2.75
August	3.20	2.65
September	3.20	2.06
October	2.62	1.68
November	2.66	2.07
December	2.29	1.82
2009		
January	2.28	1.90
February	2.63	2.16
March (up to the Latest Practicable Date)	3.42	2.38

DONGXIANG

China Dongxiang (Group) Co., Ltd.

中國動向（集團）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3818)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of China Dongxiang (Group) Co., Ltd. (the “Company”) will be held at Everest Room, Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, Hong Kong on Thursday, 14 May 2009 at 10:00 a.m. for the following purposes:

As ordinary business:

1. To receive and adopt the audited financial statements and the reports of the directors (“Directors”) and the auditors of the Company for the year ended 31 December 2008.
2. (a) To declare a final dividend for the year ended 31 December 2008 to the shareholders of the Company which shall be paid out of the share premium account of the Company, if necessary, subject to provisions of the Companies Law (2007 revision) of the Cayman Islands.

(b) To declare a final special dividend for the year ended 31 December 2008 to the shareholders of the Company which shall be paid out of the share premium account of the Company, if necessary, subject to provisions of the Companies Law (2007 revision) of the Cayman Islands.
3. (a) To re-elect the following retiring Directors of the Company:
 - (i) Mr. Mak Kin Kwong; and
 - (ii) Dr. Xiang Bing.
(b) To authorise the board of Directors (“Board”) of the Company to fix the directors’ remuneration.
4. To re-appoint Messrs. PricewaterhouseCoopers, Certified Public Accountants, as the auditors of the Company until the conclusion of the next annual general meeting and authorise the Board to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

As special business, to consider and, if thought fit, to pass with or without modification, the following resolutions as ordinary resolutions of the Company:

5. **“THAT:**

- (a) subject to paragraph (c) below, a general mandate be and is hereby unconditionally granted to the Directors to exercise during the Relevant Period (as defined in paragraph (d) below) all the powers of the Company to allot, issue and deal with additional shares of HK\$0.01 in the share capital of the Company (“Shares”) and to make or grant offers, agreements, options or warrants which would or might require the exercise of such powers;
- (b) the mandate in paragraph (a) shall authorise the Directors during the Relevant Period (as defined in paragraph (d) below) to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph (d) below);
- (c) the aggregate nominal value of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the mandate in paragraph (a), otherwise than pursuant to (i) a Right Issue (as defined in paragraph (d) below); or (ii) any option scheme or similar arrangement for the time being adopted by the Company for the purpose of granting or issuing Shares or rights to acquire Shares of the Company to the directors, officers and/or employees of the Company and/or any of its subsidiaries; or (iii) any scrip dividend or similar arrangement pursuant to the articles of association of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution and the said mandate shall be limited accordingly;
- (d) 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 expiration of the period within which the next annual general meeting of the Company required by the Company’s articles of association or any applicable law to be held; or
- (iii) the date on which authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Right 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 exclusion or other arrangements as the

NOTICE OF ANNUAL GENERAL MEETING

Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws, of or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

6. **“THAT**

- (a) a general mandate be and is hereby unconditionally given to the Directors to exercise during the Relevant Period (as defined in paragraph (b) below) all the powers of the Company to purchase or otherwise acquire Shares in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, provided that the aggregate nominal amount of Shares so purchased or otherwise acquired shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution.
- (b) 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 expiration of the period within which the next annual general meeting of the Company is required by the Company’s articles of association or any applicable law to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

7. **“THAT**, conditional upon the passing of resolutions No. 5 and No. 6 above, the aggregate nominal amount of the Shares which are purchased or otherwise acquired by the Company pursuant to resolution No. 6 shall be added to the aggregate nominal amount of the Shares which may be issued pursuant to resolution No. 5, provided that such aggregated amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of this Resolution.”

NOTICE OF ANNUAL GENERAL MEETING

8. “**THAT** the Board be and is hereby authorised to pay out of the share premium account of the Company such interim dividends to shareholders as may be declared from time to time during the period from the passing of this Resolution until 31 December 2009 up to a maximum amount of HK\$500,000,000, subject to provisions of the Companies Law (2007 revision) of the Cayman Islands.”

By order of the Board
Wong Chi Keung
Company Secretary

Hong Kong, 7 April 2009

Notes:

- (1) A shareholder entitled to attend and vote at the above meeting may appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
- (2) A form of proxy for use at the above meeting (or at any adjournment thereof) is enclosed. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Rooms 1806–1807, 18th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the commencement of the meeting or any adjournment thereof.
- (3) The register of members of the Company will be closed from Monday, 11 May 2009, to Thursday, 14 May 2009, (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend and final special dividend and to attend the above meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 8 May 2009.
- (4) An explanatory statement containing further details in respect of resolution 6 is included in this circular.