
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Golden Meditech Company Limited (the “Company” and, together with its subsidiaries, the “Group”), you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



GOLDEN MEDITECH COMPANY LIMITED

金衛醫療科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8180)

PROPOSALS FOR

(1) RE-ELECTION OF RETIRING DIRECTORS

AND

(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

A letter from the Chairman of the Company is set out on pages 1 to 3 of this circular. A notice convening the annual general meeting (the “AGM” or the “Meeting”) of the shareholders of the Company (the “Shareholders”) to be held at Taishan Room (Level 5), Island Shangri-La, Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Wednesday, 10 September 2008 at 10:00 a.m. is set out on pages 10 to 13 of this circular.

A form of proxy for the AGM is enclosed with this circular. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited (the “Branch Registrar”), at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the Meeting. The completion and return of a form of proxy will not preclude you from attending and voting at the Meeting in person.

This circular, for which the directors of the Company (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules (the “GEM Listing Rules”) Governing the Listing of Securities on the Growth Enterprise Market (the “GEM”) of the Stock Exchange 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:

- (a) the information contained in this circular is accurate and complete in all material respects and not misleading;
- (b) there are no other matters the omission of which would make any statement in this circular misleading; and
- (c) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This circular will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the Company’s website at <http://www.goldenmeditech.com>.

21 July 2008

CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the GEM website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

LETTER FROM THE CHAIRMAN



GOLDEN MEDITECH COMPANY LIMITED

金衛醫療科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8180)

Executive Directors:

Mr. KAM Yuen (*Chairman*)
Ms. JIN Lu
Mr. LU Tian Long
Ms. ZHENG Ting

Independent Non-executive Directors:

Prof. CAO Gang
Mr. GAO Zong Ze
Prof. GU Qiao

Registered office:

Appleby Corporate Services
(Cayman) Limited
P.O. Box 1350 GT, Clifton House
75 Fort Street, George Town
Grand Cayman, Cayman Islands
British West Indies

*Head office and principal place of
business in the PRC:*

Room 11, 7/F
Tower E1, Beijing Oriental Plaza
No. 1 East Chang An Ave.
Dong Cheng District
Beijing, 100738 China

*Principal place of business
in Hong Kong:*

48/F
Bank of China Tower
1 Garden Road
Central
Hong Kong

21 July 2008

To the Shareholders and for information only, optionholders

Dear Sir or Madam,

**PROPOSALS FOR
(1) RE-ELECTION OF RETIRING DIRECTORS
AND
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM involving (1) the re-election of retiring Directors and (2) the general mandates to allot, issue and deal with additional shares of HK\$0.1 each in the share capital of the Company (the “Shares”) and to repurchase Shares.

LETTER FROM THE CHAIRMAN

(1) RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 108 of the Articles, Ms. JIN Lu (Executive Director), Mr. LU Tian Long (Executive Director) and Prof. GU Qiao (Independent Non-Executive Director) shall retire by rotation at the AGM and, being eligible, offer themselves for re-election at the AGM.

Particulars on each of the retiring Directors as required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules are set out in Appendix I of this circular.

(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 3 September 2007, the then Shareholders passed resolutions granting general mandates to the Directors to allot, issue, and deal with and repurchase Shares respectively. These general mandates will lapse at the conclusion of the AGM. Resolutions will therefore be proposed at the AGM to renew the grant of these general mandates. The relevant resolutions, in summary, are:

- an ordinary resolution to give the Directors a general and unconditional mandate to allot, issue, and deal with additional securities of the Company (including, inter alia, offers, agreements, options, warrants or similar rights in respect thereof) not exceeding twenty per cent. of the aggregate nominal value of the Company's issued share capital as at the date of passing the relevant resolution (being 307,521,125 Shares on the basis that the Shares in issue as at the date of the AGM is 1,537,605,625 Shares) for the period from the close of the AGM until the conclusion of the next annual general meeting of the Company (or such earlier period as stated in the resolution) (the "Issue Mandate");
- an ordinary resolution to give the Directors a general and unconditional mandate to exercise all the powers of the Company to repurchase such number of Shares not exceeding ten per cent. of the aggregate nominal value of the Company's issued share capital as at the date of passing the relevant resolution for the period from the close of the AGM until the conclusion of the next annual general meeting of the Company (or such earlier period as stated in the resolution) (the "Repurchase Mandate"); and
- conditional on the passing of the resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution to authorise the Directors to exercise the powers to allot, issue, and deal with additional securities under the Issue Mandate by adding those Shares repurchased by the Company pursuant to the Repurchase Mandate.

LETTER FROM THE CHAIRMAN

The explanatory statement providing the requisite information regarding the Repurchase Mandate as required to be sent to Shareholders under the GEM Listing Rules is set out in Appendix II to this circular.

AGM AND POLL PROCEDURES

The full text of the resolutions in relation to the granting of the Issue Mandate and the Repurchase Mandate is set out in the notice convening the AGM on pages 10 to 13 of this circular. No Shareholder is required to abstain from voting on any of the resolutions to be proposed at the AGM. Shareholders should note that the English text of the proposed resolutions contained in the notice convening the AGM shall prevail over the Chinese text.

Details of the poll procedures are set out in Appendix IV to this circular.

RECOMMENDATION

The Directors consider that the proposed resolutions regarding the re-election of retiring Directors and the granting of the Issue Mandate and the Repurchase Mandate are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of the proposed resolutions.

Yours faithfully,
KAM Yuen
Chairman

APPENDIX I PARTICULARS CONCERNING RETIRING DIRECTORS

In relation to the re-election of retiring Directors as referred to in item no. 2 of the notice convening the AGM, Ms. JIN Lu, Mr. LU Tian Long and Prof. GU Qiao retire by rotation in accordance with Article 108 of the Articles. All retiring Directors, being eligible, offer themselves for re-election at the AGM.

The following are the particulars of the above mentioned retiring Directors as required to be disclosed under rule 17.50(2) of the GEM Listing Rules:

Ms. JIN Lu

Ms. JIN Lu, aged 42, is an Executive Director and a director of certain subsidiaries of the Company, namely China Bright Group Co., Limited, Golden Meditech (BVI) Company Limited, Golden Meditech Stem Cells (BVI) Company Limited, Golden Meditech Medical Devices Distribution (BVI) Company Limited and Golden Meditech Herbal Treatment (BVI) Company Limited. She joined the Group in June 2000 and is in charge of the general administration and daily operations of the Group. Ms. Jin received her EMBA degree from Peking University's Guanghua School of Management, the PRC (北京大學光華管理學院), in 2005, and received her bachelor's degree from the Beijing Second Foreign Languages Institute, the PRC, (北京第二外國語學院) in 1987. She has extensive experience in marketing and business planning.

Ms. Jin did not hold any directorship in any listed company in the last three years, and does not have any relationship with any Directors, senior management or substantial or controlling Shareholders (as defined in the GEM Listing Rules).

As at 17 July 2008, the latest practicable date prior to the printing of this circular (the "Latest Practicable Date"), Ms. Jin did not have any interests (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) in the Shares.

Ms. Jin has entered into a service contract with the Company, commencing on 1 April 2005, which will continue until terminated by either party giving to the other not less than 90 days' notice in writing. Subject to Ms. Jin's service contract, after her re-election at the AGM, Ms. Jin will continue to serve on the board of Directors of the Company (the "Board") until she becomes due to retire by rotation again in accordance with the Articles. Pursuant to Ms. Jin's service contract, she is entitled to an annual salary of HK\$650,000 and an annual discretionary bonus of such amount as determined at the sole discretion of the Board. A discretionary bonus of HK\$7,000,000 and a housing allowance of approximately HK\$579,600 for the year ended 31 March 2008 have been approved by the remuneration committee of the Company for payment to Ms. Jin.

Mr. LU Tian Long

Mr. LU Tian Long, aged 56, has been an Executive Director since September 2001. He is a director and the general manager of Beijing Jingjing Medical Equipment Co., Ltd. ("Jingjing"), a subsidiary of the Company. Mr. Lu is responsible for the production, operations and management of Jingjing. He has substantial experience in business management.

APPENDIX I PARTICULARS CONCERNING RETIRING DIRECTORS

Mr. Lu did not hold any directorship in any listed company in the last three years, and does not have any relationship with any Directors, senior management or substantial or controlling Shareholders (as defined in the GEM Listing Rules). As at the Latest Practicable Date, Mr. Lu was interested (within the meaning of Part XV of the SFO) in 400,000 underlying Shares in respect of share options granted under the share option scheme adopted by the Company on 30 July 2002. Such options were granted to Mr. Lu by the Company on 4 March 2005 at an exercise price of HK\$1.6 per Share.

Mr. Lu has entered into a service contract with the Company, commencing on 1 April 2005, which will continue thereafter until terminated by either party giving to the other not less than 90 days' notice in writing. Subject to Mr. Lu's service contract, after his re-election at the AGM, Mr. Lu will continue to serve on the Board until he becomes due to retire by rotation again in accordance with the Articles. Pursuant to Mr. Lu's service contract, he is entitled to an annual salary of HK\$650,000 and an annual discretionary bonus of such amount as determined at the sole discretion of the Board. A discretionary bonus of HK\$2,000,000 has been approved by the remuneration committee of the Company for payment to Mr. Lu for the year ended 31 March 2008.

Prof. GU Qiao

Prof. Gu, aged 61, was appointed as an independent non-executive Director in September 2001. He is also a member of the audit committee and the remuneration committee of the Company. Prof. Gu is a scientist in quantum-optics, biophysics and biological photonics and an Associate Professor of the Northwest University, the PRC (中國西北大學). He is also a member of the International Institute of Biophysics, Germany. Prof. Gu received his doctoral degree from the Northwest University, the PRC, in 1989.

Prof. Gu did not hold any directorship in any listed company in the last three years, and does not have any relationship with any Directors, senior management or substantial or controlling Shareholders (as defined in the GEM Listing Rules). As at the Latest Practicable Date, Prof. Gu did not have any interest (within the meaning of Part XV of the SFO) in the Shares.

Prof. Gu has entered into a service contract with the Company for a term of one year commencing on 28 December 2004 and will continue thereafter until terminated by either party giving to the other not less than 30 days' notice in writing. Subject to Prof. Gu's service contract, after his re-election at the AGM, Prof. Gu will continue to serve on the Board until he becomes due to retire by rotation again in accordance with the Articles. Pursuant to Prof. Gu's service contract, he is entitled to an annual director's fee of HK\$60,000. A discretionary bonus in the amount of HK\$100,000 was also paid to Prof. Gu for the year ended 31 March 2008.

General

- (i) The emoluments of the Directors are determined with reference to the Directors' duties and responsibilities, the Company's performance as well as remuneration benchmark in the industry and the prevailing market conditions.
- (ii) Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders or other information that should be disclosed under Rule 17.50(2) of the GEM Listing Rules in relation to the re-election of the retiring Directors.

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

This is the explanatory statement required by Rule 13.08 of the GEM Listing Rules to be given to all Shareholders relating to a resolution to be proposed at the AGM authorising the Repurchase Mandate.

1. EXERCISE OF THE REPURCHASE MANDATE

Exercise in full of the Repurchase Mandate, on the basis of 1,537,605,625 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be issued or repurchased by the Company before the AGM, could result in up to 153,760,562 Shares being repurchased by the Company during the period from the passing of the resolution relating to the Repurchase Mandate up to 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 or any applicable laws to be held; and (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting.

2. REASONS FOR REPURCHASES

Repurchases of Shares will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share.

3. FUNDING OF REPURCHASES

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

4. GENERAL

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 latest published audited accounts as contained in the 2007/2008 Annual Report) in the event that the Repurchase Mandate is exercised in full. However, the Directors 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 on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. DIRECTORS AND CONNECTED PERSONS

As at the Latest Practicable Date, to the best knowledge of the Directors having made all reasonable enquiries, none of the Directors and their respective associates has a present intention, in the event that the Repurchase Mandate is approved and exercised, to sell Shares to the Company. No connected persons have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved and exercised.

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

6. UNDERTAKING

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

7. THE HONG KONG CODE ON TAKEOVERS AND MERGERS

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, 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.

According to the registers maintained by the Company pursuant to Sections 336 and 352 of the SFO, as at the Latest Practicable Date, the following interests in the Shares and underlying Shares were recorded:

Name of Shareholders	No. of Shares	No. of underlying Shares held under equity derivatives
Bio Garden Inc. (<i>Note</i>)	433,916,000	—
Mr. KAM Yuen	433,916,000 (corporate interest)	63,206,245 (beneficial owner)

Note: As at the Latest Practicable Date, Bio Garden Inc., a company incorporated in the British Virgin Islands, was wholly-owned by Mr. KAM Yuen. The corporate interest disclosed under Mr. KAM Yuen represents his deemed interest in the Shares by virtue of his interest in Bio Garden Inc.

Therefore, as at the Latest Practicable Date, according to the registers maintained by the Company pursuant to Sections 336 and 352 of the SFO, Bio Garden Inc. and Mr. KAM Yuen (by virtue of his interest in Bio Garden Inc.) were interested in approximately 28.22% of the existing issued share capital of the Company. In the event that the Directors exercise in full the Repurchase Mandate (if so approved), their interests will be increased to approximately 31.36% of the existing issued share capital of the Company and accordingly, they would be obliged to make a mandatory offer under rule 26 of the Takeovers Code in this respect.

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

As at the Latest Practicable Date, Mr. KAM Yuen had beneficial interest in 63,206,245 underlying Shares in respect of an option (the “Kam Share Option”) granted by the Company under the share option scheme approved by the Shareholders at the extraordinary general meeting held on 30 March 2005 (the “Effective Date”). Pursuant to the terms of the Kam Share Option, up to 20% of the Kam Share Option may be exercised after 6 months from the Effective Date and up to 60% of the Kam Share Option may be exercised after 18 months from the Effective Date. Up to 100% of the Kam Share Option may be exercised after 30 months from the Effective Date, but before the close of business on the business day immediately preceding 4 March 2015.

In the event that the Directors exercise in full the Repurchase Mandate (if so approved) and on the basis of 63,206,245 Shares are issued under the Kam Share Option, the total interests of Bio Garden Inc. and Mr. KAM Yuen in the issued share capital of the Company would be increased from approximately 28.22% to approximately 34.35% and such increase would give rise to an obligation to make a mandatory offer under rule 26 of the Takeovers Code.

However, the Directors have no present intention to exercise the Repurchase Mandate to such an extent as would result in takeover obligations. The Directors will not exercise the Repurchase Mandate to such an extent that the number of listed Shares in the hands of the public will fall below the prescribed 25% as determined by the Stock Exchange.

8. SHARES REPURCHASES MADE BY THE COMPANY

The Company has repurchased a total of 39,560,000 Shares on the Stock Exchange during the six months immediately preceding the Latest Practicable Date. Details of which are as follows:

Date of Repurchase	Number of Shares Repurchased	Price of the Repurchased Shares	
		Highest (HK\$)	Lowest (HK\$)
14 March 2008	9,308,000	3.00	2.60
17 March 2008	10,348,000	2.70	2.25
18 March 2008	13,988,000	2.83	2.52
26 June 2008	460,000	2.64	2.64
27 June 2008	556,000	2.61	2.55
30 June 2008	20,000	2.55	2.52
2 July 2008	524,000	2.60	2.53
3 July 2008	792,000	2.54	2.40
4 July 2008	1,248,000	2.50	2.39
7 July 2008	500,000	2.45	2.35
8 July 2008	520,000	2.35	2.21
9 July 2008	436,000	2.32	2.24
10 July 2008	860,000	2.33	2.13

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

9. SHARE PRICES

The highest and lowest prices at which the Shares were traded on GEM during each of the previous twelve months up to the Latest Practicable Date were as follows:

	Highest <i>(HK\$)</i>	Lowest <i>(HK\$)</i>
July, 2007	4.660	3.400
August, 2007	4.100	2.620
September, 2007	3.790	3.050
October, 2007	3.840	3.200
November, 2007	3.810	3.140
December, 2007	3.750	3.230
January, 2008	3.500	2.780
February, 2008	3.160	2.620
March, 2008	3.000	2.140
April, 2008	2.750	2.280
May, 2008	3.150	2.520
June, 2008	3.150	2.470
July, 2008 (up to the Latest Practicable Date)	2.600	2.040

**GOLDEN MEDITECH COMPANY LIMITED****金衛醫療科技有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8180)

NOTICE IS HEREBY GIVEN that the annual general meeting of Golden Meditech Company Limited (the “Company”) for the year 2008 will be held at Taishan Room (Level 5), Island Shangri-La, Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Wednesday, 10 September 2008 at 10:00 a.m. for the following purposes:

1. to consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “Directors”) of the Company and of the auditors for the year ended 31 March 2008;
2. to re-elect retiring Directors;
3. to authorise the Directors to fix the Directors’ remuneration;
4. to re-appoint the retiring auditors, KPMG, and to authorise the Directors to fix their remuneration;
5. as special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) of this Resolution, the board of Directors (the “Board”) be and is hereby granted an unconditional general mandate to exercise during the Relevant Period (as defined in paragraph (d) of this Resolution) all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the Company (the “Shares”) or securities convertible or exchangeable into Shares, and to make or grant offers, agreements, options, warrants or similar rights in respect thereof;
- (b) the mandate referred to in paragraph (a) shall authorise the Board during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such power after the end of the Relevant Period;

- (c) the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted or issued or dealt with (whether pursuant to options or otherwise) by the Board pursuant to the mandate referred to in paragraph (a) above, otherwise than pursuant to:
- (i) a Rights Issue;
 - (ii) the exercise of the subscription rights under options granted under any option scheme or similar arrangement for the time being adopted by the Company for the grant or issue to officers and/or employees and/or consultants and/or advisors of the Company and/or any of its affiliates of Shares or rights to subscribe for Shares;
 - (iii) any scrip dividend or similar arrangement providing for the allotment and issue of Shares or other securities of the Company in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association of the Company; or
 - (iv) any issue of Shares pursuant to the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes and other securities of the Company which carry rights to subscribe for or are convertible into Shares shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution and the said approval in paragraph (a) shall be limited accordingly;
- (d) for the purpose of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution 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 any applicable law or the Articles of Association of the Company to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting,

whichever is the earliest;

“**Rights Issue**” means an offer of Shares, or an offer of warrants, options or other securities of the Company giving rights to subscribe for Shares, open for a period fixed by the Board to holders of Shares on the register of members on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Board 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 applicable to the Company).”

6. as special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Board of all the powers of the Company during the Relevant Period (as defined in paragraph (c) of this Resolution) to repurchase Shares be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be repurchased by the Company on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Repurchases pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing 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 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 any applicable law or the Articles of Association of the Company to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting,

whichever is the earliest.”

7. as special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of Resolutions Nos. 5 and 6 set out in this notice, of which this Resolution forms part, the aggregate nominal amount of share capital of the Company that may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Board pursuant to and in accordance with the mandate granted under

Resolution No. 5 be and is hereby increased and extended by the addition thereto of the aggregate nominal amount of Shares repurchased by the Company pursuant to and in accordance with the mandate granted under Resolution No. 6, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution”.

By Order of the Board
KONG Kam Yu
Company Secretary

Hong Kong, 21 July 2008

Notes:

1. The register of members of the Company will be closed from Monday, 8 September 2008 to Wednesday, 10 September 2008, both days inclusive, during which period no transfer of Shares can be registered. In order to qualify for attending and voting at the annual general meeting convened by the above notice, all transfer forms must be lodged for registration with the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 5 September 2008.
2. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or, if he holds two or more Shares, more proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
3. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, 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 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 a member from attending and voting in person.
4. If two or more persons are joint holders of a Share, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the other joint holder(s). For this purpose, seniority shall be determined by the order in which the names stand in the principal or branch register of members of the Company in respect of the joint holding.
5. The translation into Chinese language of the above notice is for reference only. In case of any inconsistency, the English version shall prevail.

Articles 72, 74 and 75 of the Articles set out the procedures under which a poll may be demanded.

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is required under the applicable rules of the stock exchange in the Relevant Territory* or a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (a) by the chairman of the meeting; or
- (b) by at least 5 Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (d) by any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and holding Shares in the Company conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that rights.

If a poll is demanded as aforesaid, it shall (subject as hereinafter provided) be taken in such manner as the Chairman of the meeting directs. No notice need to be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn, with the consent of the chairman, at any time before the close of the meeting at which the poll was demanded or the taking of the poll, whichever is the earlier.

Any poll duly demanded on the election of a chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.

* *Relevant Territory means Hong Kong or such other territory as the Directors may from time to time decide if the issued ordinary shares are listed on a stock exchange in such territory.*