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## **Zhejiang Shibao Company Limited\***

### **浙江世寶股份有限公司**

*(a joint stock company incorporated in the People’s Republic of China with limited liability)*

*(Stock Code: 8331)*

#### **POLL RESULTS OF EXTRAORDINARY GENERAL MEETING HELD ON 4 NOVEMBER 2009 AND CHANGE OF DIRECTORS**

Reference is made to the announcement dated 28 August 2009, the circular dated 14 September 2009 and the notice of the extraordinary general meeting dated 14 September 2009 (“EGM Notice”) of Zhejiang Shibao Company Limited (the “Company”).

#### **POLL RESULTS OF EGM**

The board of directors (the “Board”) of the Company is pleased to announce the poll results in respect of the resolutions proposed at the extraordinary general meeting of the Company held on 4 November 2009 (“EGM”). All the proposed resolutions set out in the EGM Notice were voted by way of poll.

<b>Ordinary resolutions</b>		<b>Number of votes cast and approximate percentage of total number of votes cast</b>		<b>Total number of votes cast</b>
		<b>For</b>	<b>Against</b>	
1.	To approve the appointment of Mr. Lou Run Zheng as non-executive director of the Company; and	175,943,855 (100%)	0 (0%)	175,943,855
2.	To approve the appointment of Mr. Chau Kam Wing, Donald as independent non-executive director of the Company.	175,943,855 (100%)	0 (0%)	175,943,855

As at the date of the EGM, the issued share capital of the Company was 262,657,855 shares, which was the total number of shares entitling the holders to attend and vote for or against the resolutions at the EGM. There were no restrictions on shareholders to cast votes on any of the resolutions at the EGM. Shareholders of the Company and authorized proxies holding an aggregate of 175,943,855 shares, representing approximately 66.99% of the total issued shares of the Company, were present at the EGM.

The Company's domestic auditors, Ernst & Young Hua Ming, Certified Public Accountants, was appointed as scrutineer at the EGM for the purpose of vote-taking.

As more than one half of the total number of the votes held by the shareholders and authorized proxies who attended the EGM were cast in favour of the resolution nos.1 to 2 in the EGM Notice, these resolutions were duly passed by shareholders as ordinary resolutions.

## **CHANGES IN DIRECTORS**

The Board also announces that the following changes in directors of the Company (the "**Directors**") took effect from the close of business on 4 November 2009: -

### **(i) Resignation**

In accordance with the announcement published on 28 August 2009, Mr. Gu Qun ("Mr. Gu") and Mr. Lui Wing Hong, Edward ("Mr. Lui") will resign as non-executive Director and independent non-executive Director respectively for the reason that they both wish to devote more time to their full time employment upon the election of new Directors for replacement at the general meeting of the Company. Mr. Lui will also resign as chairman of the audit committee and remuneration committee of the Company. Accordingly, Mr. Gu's and Mr. Lui's resignation took effect from the close of business on 4 November 2009. Both Mr. Gu and Mr. Lui have confirmed that they have no disagreements with the Board, and there are no matters that need to be brought to the attention of the shareholders of the Company.

### **(ii) Appointment**

- (a) Mr. Lou Run Zheng ("Mr. Luo") was appointed as non-executive Director in place of Mr. Gu with effect from the close of business on 4 November 2009. The particulars of the newly elected non-executive Director are set out below:

Mr. Lou, aged 45, obtained a bachelor's degree from the Zhejiang University and a master's degree in business administration from the Open University of Hong Kong, and has attended the courses for master of law in Zhejiang University. Mr. Lou is the vice president of Zhejiang Yuan Zheng Hotel Management Company Limited.

Mr. Lou will enter into a service agreement with the Company for the remaining term of the resigning Director for about two years and seven months and shall be eligible for re-election. It is proposed that the annual remuneration of Mr. Lou is RMB80,000 (including basic salary, other benefits and pension contributions) and the exact amount will be determined by the Board with reference to his responsibility, experience, workload and the time devoted to the Group.

- (b) Mr. Chau Kam Wing, Donald (“Mr. Chau”) was appointed as independent non-executive Director in place of Mr. Lui with effect from the close of business on 4 November 2009. Mr. Chau was also appointed by the Board as chairman of the audit committee and remuneration committee of the Company with effect from the close of business on 4 November 2009. The particulars of the newly elected independent non-executive Director are set out below:

Mr. Chau, aged 46, obtained a master’s degree in business administration from the University of San Francisco, USA and is a fellow member of the Association of Chartered Certified Accountants and a practising member of Hong Kong Institute of Certified Chartered Accountants. He is now practising as a Certified Public Accountant in Hong Kong and is a council member of the Society of Chinese Accountants & Auditors in Hong Kong. He has over 20 years’ experience in auditing, taxation and financial management of various listed companies. Mr. Chau is currently an independent non-executive director of China Water Affairs Group Limited, a company listed on the main board of the Stock Exchange. He is also an independent non-executive of Eco-Tek Holdings Limited and China Nonferrous Metals Company Limited and both companies are listed on the Growth Enterprise Market (“GEM”) of the Stock Exchange.

Mr. Chau will enter into a service agreement with the Company for the remaining term of the resigning Director for about two years and seven months and shall be eligible for re-election. It is proposed that the annual remuneration of Mr. Chau is RMB120,000 (including basic salary, other benefits and pension contributions) and the exact amount will be determined by the Board with reference to his responsibility, experience, workload and the time devoted to the Group.

Save as disclosed above, to the best knowledge and belief of the Board, (i) Mr. Lou and Mr. Chau have not been a director of any other listed company in the past three years; (ii) Mr. Lou and Mr. Chau have no relationships with any members of the Board, Supervisors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company; (iii) Mr. Lou and Mr. Chau do not have any interests in shares of the Company (within the meanings of Part XV of the Securities and Futures Ordinance; and (iv) Mr. Lou and Mr. Chau do not hold any other position in the Company and its subsidiaries as at the date of this announcement.

Save as disclosed herein, there are no information relating to Mr. Lou's and Mr. Chau's appointments that are required to be disclosed under Rule 17.50(2)(h) to (v) of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange ("**GEM Listing Rules**"), nor any other matters that need to be brought to the attention of the shareholders of the Company.

The Board would like to express its sincere gratitude to Mr. Gu and Mr. Lui for their contributions to the Company during their tenure of service. The Board would also like to express its welcome to Mr. Lou and Mr. Chau for joining the Board.

By order of the Board  
**Zhejiang Shibao Company Limited**  
**Zhang Shi Quan**  
*Chairman and General Manager*

Hangzhou, Zhejiang, the PRC  
4 November 2009

*As at the date of this announcement, the Board of the Company comprises Mr. Zhang Shi Quan, Mr. Zhang Bao Yi, Mr. Tang Hao Han, Mr. Zhu Jie Rong and Ms. Zhang Lan Jun as executive Directors, Mr. Zhang Shi Zhong, Ms. Zhang Mei Jun and Mr. Lou Run Zheng as non-executive Directors, and Mr. Zhao Chun Zhi, Mr. Chen Guo Feng, and Mr. Chau Kam Wing, Donald as independent non-executive Directors.*

*This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

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*\* For identification purpose only*