
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 or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **Changmao Biochemical Engineering Company Limited***, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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



常茂生物化學工程股份有限公司
Changmao Biochemical Engineering Company Limited*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 8208)

**GENERAL MANDATE TO ISSUE NEW SHARES
AND
RE-ELECTION OF DIRECTORS AND SUPERVISORS
AND
NOTICE OF ANNUAL GENERAL MEETING AND CLASS MEETINGS**

Notices convening the AGM, the Class Meeting of H Shareholders and the Class Meeting of Domestic Shareholders and Foreign Shareholders to be held at 10:00 a.m., 11:00 a.m. (or as soon as the AGM to be convened at the same date and place at 10:00 a.m. shall conclude or adjourn), and 11:15 a.m. (or as soon as the Class Meeting of H Shareholders to be convened at the same date and place at 11:00 a.m. shall conclude or adjourn), respectively, on Thursday, 16 May 2013 at United Conference Centre, 10/F United Centre, 95 Queensway, Admiralty, Hong Kong are set out on pages 14 to 23 of this circular.

Reply slips and proxy forms for use at the above meetings are enclosed and are also published on the GEM website. Shareholders who intend to attend the above meetings should complete and lodge the accompanying reply slips and return them, in the case of holders of Domestic Shares and Foreign Shares, to the Company's principal place of business in Hong Kong at Room 54, 5th Floor, New Henry House, 10 Ice House Street, Central, Hong Kong, and, in the case of holders of H Shares, to the Company's H share registrar, being Computershare Hong Kong Investor Services Limited located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, on or before 25 April 2013.

Whether or not you are able to attend the above meetings, please complete and return the enclosed proxy forms, in the case of holders of Domestic Shares and Foreign Shares, to the aforementioned principal place of business of the Company in Hong Kong, and, in the case of holders of H Shares, to the Company's H share registrar, as soon as practicable and in any event no later than 24 hours before the time appointed for the holding of the AGM and the relevant Class Meetings.

Completion and return of the proxy forms will not preclude you from attending and voting in person at the AGM and the relevant Class Meetings or any adjourned meetings thereof should you so wish.

This circular will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least seven (7) days from the date of its posting and on the Company's website at www.cmbec.com.hk.

* For identification purpose only

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. 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.

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DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions have the meanings as set out below:

“AGM ”	the annual general meeting of the Company to be held on Thursday, 16 May 2013 at 10:00a.m. at United Conference Centre, 10/F United Centre, 95 Queensway, Admiralty, Hong Kong, notice of which is set out on page 14 to 17 of this circular
“Board”	the board of the Directors
“Class Meetings”	collectively, the Class Meeting of Domestic Shareholders and Foreign Shareholders and the Class Meeting of H Shareholders
“Class Meeting of Domestic Shareholders and Foreign Shareholders”	the general meeting to be convened for Domestic Shareholders and Foreign Shareholders to be held on Thursday, 16 May 2013 at 11:15 a.m. (or as soon as the Class Meeting of H Shareholders to be convened at the same date and place at 11:00 a.m. shall conclude or adjourn) at United Conference Centre, 10/F United Centre, 95 Queensway, Admiralty, Hong Kong, notice of which is set out on page 21 to 23 of this circular
“Class Meeting of H shareholders”	the general meeting to be convened for H Shareholders to be held on Thursday, 16 May 2013 at 11:00 a.m. (or as soon as the AGM to be convened at the same date and place at 10:00 a.m. shall conclude or adjourn) at United Conference Centre, 10/F United Centre, 95 Queensway, Admiralty, Hong Kong, notice of which is set out on page 18 to 20 of this circular
“Company”	常茂生物化學工程股份有限公司 (Changmao Biochemical Engineering Company Limited*), a joint stock limited company incorporated in the PRC with the H Shares currently listed on the GEM (stock code: 8208)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) with a par value of RMB0.10 each in the capital of the Company which is(are) subscribed for in RMB by PRC citizens and/or entities
“Domestic Shareholder(s)”	holder(s) of Domestic Share(s)
“Foreign Share(s)”	ordinary share(s) with a par value of RMB0.10 each in the capital of the Company which is(are) subscribed for in a currency other than RMB by non-PRC citizens and/or entities
“Foreign Shareholder(s)”	holder(s) of Foreign Share(s)

* For identification purpose only

DEFINITIONS

“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“H Share(s)”	ordinary share(s) in the capital of the Company which is(are) subscribed for and traded in HK\$ and listed on the GEM
“H Shareholder(s)”	holder(s) of H Share(s)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	15 March 2013, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Share(s)”	collectively, Domestic Share(s), Foreign Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to allot, issue and deal with the Foreign Shares, Domestic Shares and H Shares with an aggregate nominal amount of up to but not exceeding 20% of the aggregate nominal amount of each of the Foreign Shares, Domestic Shares and/or H Shares respectively in issue as at the date of passing of the proposed special resolution
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC

LETTER FROM THE BOARD



常茂生物化學工程股份有限公司
Changmao Biochemical Engineering Company Limited*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 8208)

Executive Directors:

Mr. Rui Xin Sheng (*Chairman*)
Mr. Pan Chun

Non-executive Directors:

Mr. Zeng Xian Biao
Mr. Yu Xiao Ping
Mr. Wang Jian Ping
Ms. Leng Yi Xin

Independent non-executive Directors:

Prof. Ouyang Ping Kai
Prof. Yang Sheng Li
Ms. Wei Xin

Head office and legal address:

No. 1228 Chang Jiang Bei Road
New North Zone
Changzhou City
Jiangsu Province, 213034
The PRC

*Principal place of business
in Hong Kong:*

Room 54, 5th Floor
New Henry House
10 Ice House Street
Central
Hong Kong

19 March 2013

To the Shareholders

Dear Sir/Madam

**GENERAL MANDATE TO ISSUE NEW SHARES
AND
RE-ELECTION OF DIRECTORS AND SUPERVISORS
AND
NOTICE OF ANNUAL GENERAL MEETING AND CLASS MEETINGS**

1. INTRODUCTION

The purpose of this circular is to provide you with the notice of the AGM and Class Meetings and information regarding resolutions to be proposed at the AGM and Class Meetings relating to the approval of, including but not limited to: (i) the Share Issue Mandate; and (ii) the Re-election of Directors and Supervisors.

* For identification purpose only

LETTER FROM THE BOARD

2. SHARE ISSUE MANDATE

At the AGM and the Class Meetings, a special resolution will be proposed to renew the unconditional general mandate given to the Directors to issue, allot and deal with additional Foreign Shares, Domestic Shares and/or H Shares respectively thereof not exceeding 20% of the aggregate nominal amount of each of the Foreign Shares, Domestic Shares and/or H Shares in issue on the date of passing of the special resolution in relation to the Share Issue Mandate.

The Share Issue Mandate will be valid from the date of the passing of the special resolution in relation to the Share Issue Mandate until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the date on which the powers granted by the special resolution in relation to the Share Issue Mandate is revoked or varied by a special resolution of the Company in general meeting.

As at the Latest Practicable Date, there were in issue in aggregate of 343,500,000 Foreign Shares, 2,500,000 Domestic Shares and 183,700,000 H Shares. Assuming no additional Foreign Shares, Domestic Shares and/or H Shares will be allotted or issued and no existing Foreign Shares, Domestic Shares and/or H Shares are repurchased by the Company after the Latest Practicable Date but prior to the date of the AGM, if the Share Issue Mandate is fully exercised, the Company will be authorized to issue an additional of 68,700,000 Foreign Shares, 500,000 Domestic Shares and 36,740,000 H Shares respectively. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the Share Issue Mandate. The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to issue Shares at such time as the Directors think fit without the need to convene a general meeting to approve issue of Shares.

3. RE-ELECTION OF DIRECTORS AND SUPERVISORS

The terms of the existing Directors and Supervisors who are the representatives of the Shareholders will expire on 17 June 2013. All retiring Directors and Supervisors who are the representatives of the Shareholder are eligible and will offer themselves for re-election at the AGM. Further information on the candidates for re-election of Directors and Supervisors who are representatives of Shareholders are set out in Appendix I to this circular. In accordance with the articles of association of the Company, if the Directors and Supervisors who are representatives of Shareholders are re-elected at the AGM, their terms of service would be from 18 June 2013 to 17 June 2016.

Independent non-executive Directors

Although Prof. Ouyang Ping Kai, Prof. Yang Sheng Li and Ms. Wei Xin have served as independent non-executive Directors for more than 9 years, they meet the independence factors set out in Rule 5.09 of the GEM Listing Rules and are not involved in the daily management of the Company, nor in any relationships or circumstances which would interfere with the exercise of their independent judgment. In addition, they continue to demonstrate the attributes of independent non-executive directors and there is no evidence that their tenures have had any impact on their independence. Taking into account the above, the Board is of the opinion that Prof. Ouyang Ping Kai, Prof. Yang Sheng Li and Ms. Wei Xin remain

LETTER FROM THE BOARD

independent notwithstanding the length of their service and it believes that their valuable knowledge and experience in the Group's business and their general business acumen continue to generate significant contribution to the Company.

4. FINAL DIVIDEND

As stated in the results announcement of the Company for the year ended 31 December 2012 dated 6 March 2013, the Directors recommend the payment of a final dividend of Rmb0.028 (inclusive of tax) per share in cash, totalling approximately Rmb14,832,000 for the year ended 31 December 2012. The proposed dividend is subject to approval by the Shareholders at the AGM. It is intended that the dividend will be payable on 31 July 2013 to the holders of Domestic Shares, Foreign Shares and H Shares whose names appear on the register of member of the Company at 4:30 p.m. on 28 May 2013.

The H Share register of shareholders of the Company will be closed from 23 May 2013 to 28 May 2013 (both days inclusive), during which no transfer of H Shares will be effected. In order to qualify for the final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 22 May 2013.

5. AGM AND CLASS MEETINGS

The AGM will be convened for the purpose of considering and, if thought fit, passing the ordinary resolutions relating to the ordinary businesses of the Company, which include but not limited to the re-election of Directors of the fifth session of the Board and the Supervisors who are representatives of the Shareholders for the fifth session of the supervisory committee of the Company, and the special resolution granting the Directors the Share Issue Mandate.

The Class Meetings will be convened for the purpose of considering and, and, if thought fit, passing the special resolution granting the Directors the Share Issue Mandate.

Notices convening the AGM, the Class Meeting of H Shareholders and the Class Meeting of Domestic Shareholders and Foreign Shareholders to be held at 10:00 a.m., 11:00 a.m. (or as soon as the AGM to be convened at the same date and place at 10:00 a.m. shall conclude or adjourn), and 11:15 a.m. (or as soon as the Class Meeting of H Shareholders to be convened at the same date and place at 11:00 a.m. shall conclude or adjourn), respectively, on Thursday, 16 May 2013 at United Conference Centre, 10/F United Centre, 95 Queensway, Admiralty, Hong Kong are set out on pages 14 to 23 of this circular.

Reply slips and proxy forms for use at the above meetings are enclosed and are also published on the GEM website.

Shareholders who intend to attend the above meetings should complete and lodge the accompanying reply slips and return them, in the case of holders of Domestic Shares and Foreign Shares, to the Company's principal place of business in Hong Kong at Room 54, 5th Floor, New Henry House, 10 Ice House Street, Central, Hong Kong, and, in the case of holders of H Shares, to the Company's H share registrar, being Computershare Hong Kong Investor Services Limited located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, on or before 25 April 2013.

LETTER FROM THE BOARD

Whether or not you are able to attend the above meetings, please complete and return the enclosed proxy forms, in the case of holders of Domestic Shares and Foreign Shares, to the aforementioned principal place of business of the Company in Hong Kong, and, in the case of holders of H Shares, to the Company's H share registrar, as soon as practicable and in any event no later than 24 hours before the time appointed for the holding of the AGM and the relevant Class Meetings.

Completion and return of the proxy forms will not preclude you from attending and voting in person at the AGM and at the relevant Class Meetings or any adjourned meetings thereof should you so wish.

6. VOTING BY POLL

Pursuant to rule 17.47(4) of the GEM Listing Rules, all votes at the AGM and the relevant Class Meetings will be taken by poll and the Company will announce the results of the poll in the manner prescribed under rule 17.47(5) of the GEM Listing Rules.

7. CLOSURE OF REGISTER OF MEMBERS

Holders of H Shares are advised that the register of members of the Company will close from 16 April 2013 to 16 May 2013 (both days inclusive), during which time no transfer of H Shares will be effected and registered. Shareholders whose names appear on the register of members of the Company at the close of business on 15 April 2013 are entitled to attend the AGM and the relevant Class Meetings. In order to qualify for attendance at the AGM and the relevant Class Meetings, instruments of transfer accompanied by share certificates and other appropriate documents must be lodged with the Company's share registrar and transfer office for H shares, Computershare Hong Kong Investor Services Limited, by 4:30 p.m. on 15 April 2013.

8. RECOMMENDATIONS

The Board considers that the Share Issue Mandate and the re-election of Directors and Supervisors, and all other resolutions set out in the Notice of AGM and the relevant Class Meetings are all in the best interest of the Company and its Shareholders. Accordingly, the Directors recommend that you vote in favour of the resolutions set out in the notice of AGM and the relevant Class Meetings.

By order of the Board
Changmao Biochemical Engineering Company Limited*
Rui Xin Sheng
Chairman

* For identification purpose only

Profile of Candidates for re-election of Directors and Supervisors who are Representatives of Shareholders*Candidates for Executive Directors*

Mr. Rui Xin Sheng (芮新生), aged 56, is the Chairman of the Board, the general manager and the compliance officer of the Company. He is a researcher and a senior engineer of the Company. He was one of the founders of the Company. Mr. Rui graduated from 江蘇石油化工學院 (Jiangsu Institute of Petrochemical Technology) (“JSIPT”) with a bachelor degree in organic synthesis in 1982. He obtained an executive master of business administration in Nanjing University in 2005. He is the vice chairman of the Committee of Biochemical Engineering of the Chemical Industry and Engineering Society of China, the deputy managing director of 中國生物化工協會 (The Association of Biochemistry of China), the deputy managing director of Jiangsu Commission of Biotechnology and a part-time professor at Nanjing University of Technology. Owing to his significant achievement in the field of biochemistry, Mr. Rui received numerous awards including 常州市技術改造一等獎 (The First Class Award of Scientific Development and Technology Improvement in Changzhou) and 常州市科技進步二等獎 (The Second Prize of Changzhou City Scientific and Technological Achievement) in 1997. The concurrent production technology for the production of fumaric acid and malic acid (the “Concurrent Production Technology”) invented by Mr. Rui, Ms. Leng Yi Xin and Mr. Jiang Jun Jie obtained patent in 1998. Other awards obtained by Mr. Rui include 常州市第四屆傑出科技人員 (The Fourth Annual Excellent Scientists of Changzhou City) in 1999, DuPont Innovation Award and 江蘇省有突出貢獻的中青年專家 (Youth Expert with Excellent Contribution in Jiangsu Province) in 2000, 國家科技進步一等獎 (The First Class Award of State Technological Achievement) in 2001, 江蘇省創新創業人才獎 (Innovative Entrepreneur of Jiangsu Province), 中國石油化學工業行業科技進步二等獎 (The Second Class Award of Petrol Chemical Industry Technological Achievement in the PRC) in 2003 and 江蘇省科學技術進步一等獎 (The First Class Award of Jiangsu Province Technological Achievement) in 2005. He is currently a director and a board committee member of 常州曙光化工廠 (Changzhou Shuguang Chemical Factory or “Shuguang Factory”). Mr. Rui is the spouse of Ms. Leng Yi Xin (a non-executive Director).

Mr. Pan Chun (潘春), aged 43, is an executive director and a deputy general manager of the Company. He obtained a bachelor degree in applied chemistry from Nanjing University of Technology in 1993. Mr. Pan is recognised as a senior engineer by the Jiangsu Provincial Personnel Department (江蘇省人事廳). Mr. Pan is responsible for the management of production, safety and environment protection of the Company. Mr. Pan received 常州市技術改進一等獎 (The First Class Award of Changzhou Technological Achievement) in 1997. Mr. Pan joined the Company in August 1993.

Candidates for Non-Executive Directors

Mr. Zeng Xian Biao (曾憲彪), aged 70, is a non-executive Director. Mr. Zeng graduated from 南京石油工業學校 (Nanjing Petrochemistry School) in 1961. He has extensive experience engaging in research, development and production management in the field of chemistry. Mr. Zeng received various awards including 順酐2000t/a 技改省金牛獎 (The Golden Prize of Technological Improvement-Maleic Anhydride 2000t/a) from the State Economic Commission, 3000t/a 順酐重點技改先進個人 (Maleic Anhydride 3000t/a Technology Improvement), 市九五跨世紀奉獻獎 (Changzhou Contribution Award for the Ninth Five-year Period and the Millennium) and 省第二次合理化建議科技成果獎 (The Second Annual State and City Award for Technological Development). Mr. Zeng joined the Company in December 1992.

Mr. Yu Xiao Ping (虞小平), aged 57, is a non-executive Director. Mr. Yu graduated from East China Normal University with a bachelor degree in English in 1977. He holds director positions in various pharmaceutical and investment companies in the PRC. Besides his experience in trading of pharmaceutical products, he has experience in promoting and facilitating the inspection and approval from the FDA for various PRC pharmaceutical products, of which he became the executive agent for these pharmaceutical products and has established a trading business in the United States. Mr. Yu joined the Company in December 1992.

Mr. Wang Jian Ping (王建平), aged 51, is a non-executive Director, was graduated from Shanghai Jiao Tong University with a bachelor degree in refrigerating engineering in 1983 and subsequently obtained a master degree in thermal engineering from Shanghai Jiao Tong University in 1986. Mr. Wang is currently a deputy general manager of Shanghai Technology Investment Company Limited. Mr. Wang has been a director of the 704 Research Centre, the seventh institute of the China Shipping Company and visiting scholar of the energy department in University of Leeds. Mr. Wang was appointed as a non-executive Director in June 2007.

Ms. Leng Yi Xin (冷一欣), aged 51, is a non-executive Director. She graduated from the Organic Chemistry Department of JSIPT with a bachelor degree in 1982 and subsequently obtained a master degree in chemical engineering from Nanjing University of Technology in 1996 and obtained a doctorate in 2006. She is also a professor of the chemical engineering department of Jiangsu Polytechnic University. Ms. Leng has participated in various research projects and published more than 20 theses. As mentioned above, Ms. Leng is one of the inventors of the Concurrent Production Technology. Ms. Leng participated in a project relating to the synthesis of chlorinated rubber by solvent method in the PRC and such project was awarded 江蘇省科學技術三等獎 (The Third Class Award of Jiangsu Technological Achievement) and 常州市科學進步三等獎 (The Third Class Award of Changzhou City Technological Achievement) in 1999 and 1998 respectively. She obtained 技術發明二等獎 (The Second Class Award of Technological Invention) from China Petroleum and Chemical Industry Association in 2004. She also obtained 江蘇省科學技術進步一等獎 (The First Class Award of Jiangsu Province Technological Achievement) in 2005. She is the wife of Mr. Rui. She joined the Company in June 2001.

Candidates for Independent Non-executive Directors

Prof. Ouyang Ping Kai (歐陽平凱), aged 67, is an independent non-executive Director. He graduated from Tsinghua University with a bachelor degree in 1968 and subsequently obtained a master degree in Chemistry Research from the same university in 1981. From 1985 to 1987, he was a visiting scholar of the University of Waterloo, Ontario, Canada. Prof. Ouyang is an academician of the Chinese Academy of Engineering and the President of Nanjing University of Technology and instructed dozens of master students. He also holds memberships and positions in various science and academic institutions. Prof. Ouyang obtained various awards including 國家科技進一等獎 (The First Prize of the State Technological Achievement) in 2001, 科技進步獎 (Technology Achievement Award) from the Ho Leung Ho Lee Foundation, Dupont Innovation Award and several other awards of national level. Prof. Ouyang published more than 180 theses and two publications. Prof. Ouyang was first appointed as an independent non-executive Director in June 2001.

Prof. Yang Sheng Li (楊勝利), aged 72, is an independent non-executive Director. Prof. Yang is a professor of Shanghai Research Center of Biotechnology Chinese Academy of Science. In 1997, he became the academician of the Chinese Academy of Engineering. Prof. Yang has long been engaging in research relating to genetic function and structure and genetic engineering. He instructed dozens of master students and doctorate students and published more than 80 theses. Prof. Yang received 科技進步一等獎 (The First Class Award of Technological Achievement) from the Science Institute of the PRC in 1988, 第二屆億利達科技獎 (The Second Prize of Yilide Technology) from the Science Institute of the PRC in 1989, and 先進工作者一等獎 (The First Prize of Innovative Worker) from the Committee of the Ministry of Science and Technology of the PRC. Prof. Yang was first appointed as an independent non-executive Director in June 2001.

Ms. Wei Xin (衛新), aged 45, is an independent non-executive Director. Ms. Wei is a Certified Public Accountant in the PRC. She graduated from Soochow University in accountancy in 1989. She has over fifteen years of experience in auditing and accounting. Ms. Wei is currently the partner of a Certified Public Accounting firm in the PRC. Ms. Wei was first appointed as an independent non-executive Director in September 2004.

Candidates for Supervisors

Ms. Zhou Rui Juan (周瑞娟), aged 58, is the chairman of the Company's supervisory committee of the Company. She graduated from Changzhou Light Industrial School specialising in corporate management in 1988. Ms. Zhou passed the State Examination for Assistant Accountant in 1997. She was a financial accountant, the vice manager of the labour department and the director of the administrative department of the Company. Ms. Zhou was recognised as an activist of the Labour Union and an advanced worker. She joined the Company in January 1993.

Mr. Lu He Xing (陸和興), aged 68, is a supervisor of the Company (the "Supervisor"). Mr. Lu is recognised as an advanced manufacturer of the Bureau of Chemical Industry, a model worker of Changzhou and Jiangsu and one of the Ten Best Leaders from Changzhou City of Chemical Commission. Mr. Lu is currently the director of Shuguang Factory. Mr. Lu joined the Company in December 1992.

Candidates for Independent Supervisors

Prof. Jiang Yao Zhong (蔣耀忠), aged 76, is an independent Supervisor. He graduated from the Chemistry department of Peking University in 1957. He has been the vice president of the 中國科學院成都分院 (Chengdu branch of the Chinese Academy of Sciences) during 1990 to 1994. He was also the president of 中國科學院成都有機化學研究所 (Chengdu Institute of Organic Chemistry, the Chinese Academy of Sciences) during 1992 to 1997 and the scientific consultant of the Government of Sichuan from 1988 to 1998. He is a researcher and an instructor of doctorate students. He is a committee member of 中國化學會 (Chemistry Society of China), a deputy director of 有機化學委員會 (Committee of the Organic Chemistry), and a foreign member of the American Chemical Society. Prof. Jiang was recognised as the 四川省學術和技術帶頭人 (Leader of Academy and Technology in Sichuan) in 1998 and awarded with 中國化學會有機合成創造獎 (Prize of Creation in Organic Synthesis by the Chemistry Society of China) in 2000. Prof. Jiang was first appointed as an independent Supervisor in June 2004.

Mr. Geng Gang (耿剛), aged 52, is an independent Supervisor. He graduated from 江蘇化工學院 (Jingsu Institute of Chemistry) in 1982. He possesses over 20 years of experience in the field of chemical industry. Mr. Geng is recognised as a senior engineer by the Jiangsu Provincial Personnel Department (江蘇省人事廳). Mr. Geng is currently a deputy chief engineer, a director of laboratory and senior engineer of a chemical company. He obtained 江蘇省科技進步三等獎 (the third class award of Jiangsu Science and technology Progress) and 無錫市科技進步二等獎 (the second class award of Wuxi Science and technology Progress) for his research on the pilot-scale project of making viscose-styrene grafting fiber in 1990. He obtained the award of 無錫市優秀科技工作者稱號 (Wuxi Excellent Scientific Workers) in 1991 and the award of 無錫市中青年專業技術拔尖人才 (Wuxi Top Youth Expert) in 1992. Mr. Geng was first appointed as an independent Supervisor in June 2010.

Remunerations of Directors and Supervisors

The remunerations payable to the Directors and Supervisors are determined by the Remuneration Committee, with reference to their contribution of time, effort and expertise on the Company's matters and are as follows:

- (a) Mr. Rui Xin Sheng is entitled to an annual salary (on the basis of 12 calendar months per year) of Rmb800,000 for 2013, subject to adjustment of not more than 10% per annum for each of the subsequent calendar years;
- (b) Mr. Pan Chun is entitled to an annual salary (on the basis of 12 calendar months per year) of Rmb250,000 for 2013, subject to adjustment of not more than 10% per annum for each of the subsequent calendar years;
- (c) Each of Ms. Zhou Rui Juan and Mr. Lu He Xing is entitled to (in addition to their remuneration in respect of their respective office with the Company which shall not, in any event, exceed Rmb250,000 per annum (without annual adjustment for each Supervisor) an annual Supervisor's fee (on the basis of 12 calendar month per year) of Rmb15,000 and Rmb6,000 respectively for the calendar year 2013, subject to adjustment of not more than 10% per annum for each of the subsequent calendar years;
- (d) Each of the non-executive Directors will for the year 2013 (on the basis of 12 calendar months each year) be paid a Director's fee of Rmb50,000 per annum; each of the independent non-executive Directors will for the year 2013 (on the basis of 12 calendar months each year) be paid a Director's fee of Rmb60,000 per annum; and each of the independent Supervisors will for the year 2013 (on the basis of 12 calendar months each year) be paid a supervisor's fee of Rmb15,000 per annum, subject to an increment of not more than 10% per annum for each of the subsequent years;
- (e) Apart from and in addition to the above salary, each Directors (other than the independent non-executive Directors) and each Supervisor (other than the independent Supervisors) is entitled to an incentive bonus each year, which is determined by the Remuneration Committee with reference to the profitability of the Company and its subsidiaries and the market conditions.

Each of Mr. Rui Xin Sheng, Mr. Pan Chun and Ms. Zhou Rui Juan will entered into a service agreement with the Company for a term from 18 June 2013 to 17 June 2016. Save as disclosed above, there will be no service contract between other Directors/Supervisors and the Company.

INTERESTS AND SHORT POSITIONS OF THE CANDIDATES FOR RE-ELECTION OF DIRECTORS AND SUPERVISORS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at the Latest Practicable Date, the interests (including interests in shares and short positions) of the candidates for re-election of Directors and Supervisors in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) pursuant to Part XV of the SFO were as follows:

Long positions in Shares:

	Capacity	Number of Domestic Shares	Approximate Percentage shareholding in the Domestic Shares (Note (k))	Number of Foreign Shares	Approximate Percentage shareholding in the Foreign Shares (Note (l))
<i>Candidate for Director</i>					
Mr. Rui Xin Sheng	Interest of spouse, interest of controlled corporation, trustee (other than a bare trustee) and custodian (Note (a))	2,500,000	100%	135,000,000	39.30%
Ms. Leng Yi Xin	Interest of spouse and interest of controlled corporation (Note (b))	2,500,000	100%	135,000,000	39.30%
Mr. Pan Chun	(Note (c))	–	–	(Note (c))	(Note (c))
Mr. Zeng Xian Biao	(Note (d))	–	–	(Note (d))	(Note (d))

APPENDIX 1
**INFORMATION ON THE CANDIDATES FOR
RE-ELECTION OF DIRECTORS AND SUPERVISORS**

	Capacity	Number of Domestic Shares	Approximate Percentage shareholding in the Domestic Shares (Note (k))	Number of Foreign Shares	Approximate Percentage shareholding in the Foreign Shares (Note (l))
Mr. Yu Xiao Ping	Interest of spouse and interest of controlled corporation (Note (e))	–	–	66,000,000	19.21%
Prof. Ouyang Ping Kai	(Note (f))	–	–	(Note (f))	(Note (f))
Prof. Yang Sheng Li	(Note (g))	–	–	(Note (g))	(Note (g))
<i>Candidate for Supervisor</i>					
Ms. Zhou Rui Juan	(Note (h))	–	–	(Note (h))	(Note (h))
Mr. Lu He Xing	(Note (i))	–	–	(Note (i))	(Note (i))
Prof. Jiang Yao Zhong	(Note (j))	–	–	(Note (j))	(Note (j))

Notes:

- (a) The 135,000,000 foreign shares of the Company (“Foreign Shares”) are held by Hong Kong Xinsheng Pioneer Investment Company Limited (“HK Xinsheng Ltd”) and the 2,500,000 domestic shares of the Company (“Domestic Shares”) are held by 常州新生生化科技開發有限公司 (“Changzhou Xinsheng”). The issued share capital in HK Xinsheng Ltd comprises 170,000 Class “A” shares of HK\$1 each and 100,000 Class “B” shares of HK\$1 each. Mr. Rui is the registered holder and beneficial owner of 96,500 Class “A” shares. He is also the registered holder of 53,000 Class “B” shares and holds such shares as trustee in respect of a discretionary trust for the group of persons who made contribution to the Company or who from time to time make contribution to the Company. Mr. Rui is the registered holder and beneficial owner of 70% of the registered capital of Changzhou Xinsheng. Ms. Leng, a Director and the spouse of Mr. Rui, is also interested in HK Xinsheng Ltd and Changzhou Xinsheng, details of which are set out in Note (b) below.
- (b) Ms. Leng is the registered holder and beneficial owner of 73,500 Class “A” shares of HK\$1 each in HK Xinsheng Ltd, which is the registered holder and beneficial owner of 135,000,000 Foreign Shares. The issued share capital in HK Xinsheng Ltd comprises 170,000 Class “A” shares of HK\$1 each and 100,000 Class “B” shares of HK\$1 each. Ms. Leng is the registered holder and beneficial owner of 30% of the registered capital of Changzhou Xinsheng, which is the registered holder and beneficial owner of 2,500,000 Domestic Shares. Mr. Rui, a Director and the spouse of Ms. Leng, is also interested in HK Xinsheng Ltd and Changzhou Xinsheng, details of which are set out in Note (a) above.
- (c) Mr. Pan is the registered holder and beneficial owner of 2,000 Class “B” shares of HK\$1 each in HK Xinsheng Ltd, which is the registered holder and beneficial owner of 135,000,000 Foreign Shares. The issued share capital in HK Xinsheng Ltd comprises 170,000 Class “A” shares of HK\$1 each and 100,000 Class “B” shares of HK\$1 each. He is also the registered holder and beneficial owner of 200,000 shares of HK\$0.01 each in Hong Kong Bio-chemical Advanced Technology Investment Company Limited (“HK Biochem Ltd”), which is the registered holder and beneficial owner of 67,500,000 Foreign Shares. The total number of issued shares in HK Biochem Ltd is 6,750,000 shares of HK\$0.01 each.

- (d) Mr. Zeng is the registered holder and beneficial owner of 380,000 shares of HK\$0.01 each in HK Biochem Ltd, which is the registered holder and beneficial owner of 67,500,000 Foreign Shares. The total number of issued shares in HK Biochem Ltd is 6,750,000 shares of HK\$0.01 each. Mr. Zeng is also the registered holder and beneficial owner of 2,000 Class “B” shares of HK\$1 each in HK Xinsheng Ltd, which is the registered holder and beneficial owner of 135,000,000 Foreign Shares. The issued share capital in HK Xinsheng Ltd comprises 170,000 Class “A” shares of HK\$1 each and 100,000 Class “B” shares of HK\$1 each.
- (e) Mr. Yu and his wife (who is not a Director) taken together are interested in the entire issued capital of Jomo Limited which is the registered holder and beneficial owner of 66,000,000 Foreign Shares.
- (f) Prof. Ouyang is the registered holder and beneficial owner of 4,000 Class “B” shares of HK\$1 each in HK Xinsheng Ltd, which is the registered holder and beneficial owner of 135,000,000 Foreign Shares. The issued share capital in HK Xinsheng Ltd comprises 170,000 Class “A” shares of HK\$1 each and 100,000 Class “B” shares of HK\$1 each.
- (g) Prof. Yang is the registered holder and beneficial owner of 2,000 Class “B” shares of HK\$1 each in HK Xinsheng Ltd, which is the registered holder and beneficial owner of 135,000,000 Foreign Shares. The issued share capital in HK Xinsheng Ltd comprises 170,000 Class “A” shares of HK\$1 each and 100,000 Class “B” shares of HK\$1 each.
- (h) Ms. Zhou is the registered holder and beneficial owner of 220,000 shares of HK\$0.01 each in HK Biochem Ltd, which is the registered holder and beneficial owner of 67,500,000 Foreign Shares. The total number of issued shares in HK Biochem Ltd is 6,750,000 shares of HK\$0.01 each.
- (i) Mr. Lu is the registered holder and beneficial owner of 220,000 shares of HK\$0.01 each in HK Biochem Ltd, which is the registered holder and beneficial owner of 67,500,000 Foreign Shares. The total number of issued shares in HK Biochem Ltd is 6,750,000 shares of HK\$0.01 each.
- (j) Prof. Jiang is the registered holder and beneficial owner of 2,000 Class “B” shares of HK\$1 each in HK Xinsheng Ltd, which is the registered holder and beneficial owner of 135,000,000 Foreign Shares. The issued share capital in HK Xinsheng Ltd comprises 170,000 Class “A” shares of HK\$1 each and 100,000 Class “B” shares of HK\$1 each.
- (k) The percentage is calculated based on the 2,500,000 Domestic Shares in issue at the Latest Practicable Date.
- (l) The percentage is calculated based on the 343,500,000 Foreign Shares in issue at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the candidates for re-election of Directors and Supervisors have other interests in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (including interests in shares and short positions) pursuant to Part XV of the SFO.

Ms. Leng Yi Xin is the wife of Mr. Rui Xiu Sheng. Save for the above, each of the candidates for re-election of Directors or Supervisors has no relationship with any Directors, Supervisors or the senior management of the Company, or with any substantial shareholders or controlling shareholders of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Each of the candidates of Directors or Supervisors does not hold any directorship in any other listed company in the last three years.

There is no other matters relating to the election of the fifth session of the Directors and Supervisors apart from the above that need to be brought to the attention of the Shareholders. There is no information apart from the above which is discloseable pursuant to any of the requirements set out in Rule 17.50(2) of the GEM Listing Rules (particularly in relation to sub-paragraphs (h) to (x) of the rule.)

NOTICE OF ANNUAL GENERAL MEETING



常茂生物化學工程股份有限公司
Changmao Biochemical Engineering Company Limited*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 8208)

NOTICE IS HEREBY GIVEN that the annual general meeting (“AGM”) of Changmao Biochemical Engineering Company Limited (“**Company**”) will be held at 10:00 a.m. on Thursday, 16 May 2013 at United Conference Centre 10/F United Centre, 95 Queensway, Admiralty, Hong Kong for the following purposes:

As ordinary resolution:

1. To receive the audited consolidated financial statements of the Company, together with the report of the Directors, the report of the Supervisory Committee and the international independent auditor's report for the year ended 31 December 2012;
2. To consider and approve the final dividend distribution proposal for the year ended 31 December 2012;
3. To consider and approve the appropriation to statutory common reserve for the year ended 31 December 2012;
4. To elect the directors of the fifth session of the board (“Board”) of directors of the Company (the “Directors”), namely Mr. Rui Xin Sheng and Mr. Pan Chun as the executive Directors, Mr. Zeng Xian Biao, Mr. Yu Xiao Ping, Mr. Wang Jian Ping and Ms. Leng Yi Xin as the non-executive Directors, Prof. Ouyang Ping Kai, Prof. Yang Sheng Li and Ms. Wei Xin as the independent non-executive Directors, for a term of three years from 18 June 2013 to 17 June 2016, and to authorise the Board to fix their remuneration (Each as a separate resolution);
5. To elect the supervisors who are representatives of the shareholders of the Company for the fifth session of the supervisory committee of the Company, namely Ms. Zhou Rui Juan and Mr. Lu He Xing as the Supervisors of the Company (“Supervisors”), Prof. Jiang Yao Zhong and Mr. Geng Gang as the independent Supervisors, for a term of three years from 18 June 2013 to 17 June 2016, and to authorise the Board to fix their remuneration (Each as a separate resolution);
6. To consider the re-appointment of PricewaterhouseCoopers as the international auditor of the Company for the year 2013 and 江蘇公証會計師事務所有限公司 (Jiangsu Gongzheng Certified Public Accountants Co., Ltd.) as the People's Republic of China (“PRC”) auditor of the Company for the year 2013 and to authorise the Board to fix their remunerations;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

7. To transact any other business.

As special resolution:

1. To consider and pass the following resolution as a special resolution:
- (a) **“THAT** subject to the limitations imposed by (c) and (d) below and in accordance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“GEM Listing Rules”), the Company Law of the PRC, and other applicable laws and regulations (in each case as amended from time to time), a general unconditional mandate be and is hereby granted to the board of directors to exercise once or more during the “Relevant Period” (as defined below) all the powers of the Company to allot and issue new shares on such terms and conditions the board of directors may determine and that, in the exercise of their powers to allot and issue shares, the authority of the board of directors shall include (without limitation):
 - (i) the determination of the class and number of the shares to be allotted;
 - (ii) the determination of the issue price of the new shares;
 - (iii) the determination of the opening and closing dates of the issue of new shares;
 - (iv) the determination of the class and number of new shares (if any) to be issued to the existing shareholders;
 - (v) to make or grant offers, agreements and options which might require the exercise of such powers; and
 - (vi) in the case of an offer or issue of shares to the shareholders of the Company, excluding shareholders who are residents outside the PRC or the Hong Kong Special Administrative Region, on account of prohibitions or requirements under overseas laws or regulations or for some other reasons which the board of directors consider expedient;
 - (b) upon the exercise of the powers granted under paragraph (a), the board of directors of the Company may during the “Relevant Period” make or grant offers, agreements and options which might require the shares relating to the exercise of the authority there under being allotted and issued after the expiry of the “Relevant Period”;
 - (c) the aggregate amount of the Foreign Shares, Domestic Shares and/or overseas listed foreign shares (“H Shares”) to be allotted or conditionally or unconditionally agreed to be allotted (whether pursuant to the exercise of options or otherwise) by the board of directors of the Company pursuant to the authority granted under paragraph (a) above (excluding any shares which may be allotted upon the conversion of the

NOTICE OF ANNUAL GENERAL MEETING

common reserve (公積金) into capital in accordance with the Company Law of the PRC or the Articles of Association of the Company) shall not exceed twenty per cent (20%) of the amount of the Foreign Shares, Domestic Shares and/or H Shares of the Company separately in issue as at the date of passing of this Resolution;

- (d) the board of directors of the Company in exercising the powers granted under paragraph (a) above shall (i) comply with the Company Law of the PRC, other applicable laws and regulations of the PRC, and the GEM Listing Rules (in each case, as amended from time to time) and (ii) be subject to the approvals of the China Securities Regulatory Commission and relevant authorities of the PRC;
- (e) for the purposes of this Resolution: “Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the date on which the powers granted by this Resolution is revoked or varied by a special resolution of the Company in general meeting;
- (f) the board of directors shall, subject to the relevant approvals of the relevant authorities and the exercise of the power granted under paragraph (a) above in accordance with the Company Law and other applicable laws and regulations of the PRC, increase the Company’s registered capital corresponding to the relevant number of shares allotted upon the exercise of the powers granted under paragraph (a) of this Resolution, provided that the registered capital of the Company shall not exceed 120% of the amount of registered capital of the Company as at the date of passing of this Resolution;
- (g) the board of directors be and they are hereby authorised to amend, as they may deem appropriate and necessary, relevant articles of the Articles of Association of the Company to reflect the change in the share capital structure of the Company in the event of an exercise of the powers granted under paragraph (a) to allot and issue new shares.”

By order of the Board
Rui Xin Sheng
Chairman

The PRC, 19 March 2013

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Holders of H Shares are advised that the register of members of the Company will close from 16 April 2013 to 16 May 2013 (both days inclusive), during which time no transfer of H Shares will be effected and registered. Shareholders whose names appear on the register of members of the Company at the close of business on 15 April 2013 are entitled to attend the AGM. In order to qualify for attendance at the AGM, instruments of transfer accompanied by share certificates and other appropriate documents must be lodged with the Company's share registrar and transfer office for H shares, Computershare Hong Kong Investor Services Limited, by 4:30 p.m. on 15 April 2013.
2. Shareholders who intend to attend the AGM should complete and lodge the accompanying reply slip and return it on or before 25 April 2013. The completed reply slip may be delivered by hand, by post or by fax, in the case of holders of Domestic Shares and Foreign Shares, to the Company's principal place of business in Hong Kong; in the case of holders of H Shares, to the Company's H share registrar, Computershare Hong Kong Investor Services Limited. Completion and return of the reply slip do not affect the right of a shareholder to attend the AGM.
3. Every shareholder who has the right to attend and vote at the AGM is entitled to appoint one or more proxies, whether or not they are shareholders of the Company, to attend and vote on his behalf at the AGM.
4. A proxy shall be appointed by an instrument in writing. Such instrument shall be signed by the appointer or his attorney duly authorised in writing. If the appointer is a legal person, then the instrument shall be signed under a legal person's seal or signed by its director or an attorney duly authorised in writing. The instrument appointing the proxy shall be deposited, in the case of holders of Domestic Shares and Foreign Shares, at the Company's principal place of business in Hong Kong; in the case of holders of H Shares, at the Company's H share registrar not less than 24 hours before the time appointed for the holding of the AGM. If the instrument appointing the proxy is signed by a person authorised by the appointer, the power of attorney or other document of authority under which the instrument is signed shall be notarised. The notarised power of attorney or other document of authority shall be deposited together and at the same time with the instrument appointing the proxy, in the case of holders of Domestic Shares and Foreign Shares, at the Company's principal place of business in Hong Kong; in the case of holders of H Shares, at the Company's H share registrar.
5. The purpose of having special resolution number 1 is to grant a general power to the Board to allot and issue new shares subject to applicable laws, regulations and rules.
6. Shareholders and their proxies attending the AGM shall be responsible for their own travelling and accommodation expenses.
7. According to the Article 63 of the Articles of Association of the Company, when the Company convenes a shareholders' annual general meeting, shareholder(s) holding 5% or more of the total shares carrying voting rights of the Company are entitled to propose new matters in writing to be considered, and the Company shall include in the agenda of that meeting those matters contained in the proposal which are within the scope of the duties of the general meeting provided that the proposal is delivered to the Company within 30 days from the issue of the notice of the meeting.
8. The address of Computershare Hong Kong Investor Services Limited is:
17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
Tel No.: (852) 2862 8555
Fax No.: (852) 2865 0990

The address of the Company's principal place of business in Hong Kong is:
Room 54, 5th Floor, New Henry House, 10 Ice House Street, Central, Hong Kong
Tel No.: (852) 2525 2242
Fax No.: (852) 2525 6994

NOTICE OF CLASS MEETING OF H SHAREHOLDERS



常茂生物化學工程股份有限公司
Changmao Biochemical Engineering Company Limited*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 8208)

NOTICE IS HEREBY GIVEN that a class meeting (“**Meeting**”) of the holders of overseas listed foreign shares in the capital of 常茂生物化學工程股份有限公司 (Changmao Biochemical Engineering Company Limited*) (“**Company**”) which are denominated in RMB0.10 each and are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“**H Shares**”) will be held at 11:00 a.m. (or as soon as the annual general meeting of the Company to be convened at the same date and place at 10:00 a.m. shall conclude or adjourn) on Thursday, 16 May 2013 at United Conference Centre, 10/F United Centre, 95 Queensway, Admiralty, Hong Kong for the purpose of considering and, if thought fit, with or without amendments, passing the following special resolution:

SPECIAL RESOLUTION

1. To consider and pass the following resolution as a special resolution:
 - (a) “**THAT** subject to the limitations imposed by (c) and (d) below and in accordance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”), the Company Law of the PRC, and other applicable laws and regulations (in each case as amended from time to time), a general unconditional mandate be and is hereby granted to the board of directors to exercise once or more during the “**Relevant Period**” (as defined below) all the powers of the Company to allot and issue new shares on such terms and conditions the board of directors may determine and that, in the exercise of their powers to allot and issue shares, the authority of the board of directors shall include (without limitation):
 - (i) the determination of the class and number of the shares to be allotted;
 - (ii) the determination of the issue price of the new shares;
 - (iii) the determination of the opening and closing dates of the issue of new shares;
 - (iv) the determination of the class and number of new shares (if any) to be issued to the existing shareholders;
 - (v) to make or grant offers, agreements and options which might require the exercise of such powers; and

* For identification purpose only

NOTICE OF CLASS MEETING OF H SHAREHOLDERS

- (vi) in the case of an offer or issue of shares to the shareholders of the Company, excluding shareholders who are residents outside the PRC or the Hong Kong Special Administrative Region, on account of prohibitions or requirements under overseas laws or regulations or for some other reasons which the board of directors consider expedient;
- (b) upon the exercise of the powers granted under paragraph (a), the board of directors of the Company may during the “Relevant Period” make or grant offers, agreements and options which might require the shares relating to the exercise of the authority there under being allotted and issued after the expiry of the “Relevant Period”;
- (c) the aggregate amount of the Foreign Shares, Domestic Shares and/or overseas listed foreign shares (“H Shares”) to be allotted or conditionally or unconditionally agreed to be allotted (whether pursuant to the exercise of options or otherwise) by the board of directors of the Company pursuant to the authority granted under paragraph (a) above (excluding any shares which may be allotted upon the conversion of the common reserve (公積金) into capital in accordance with the Company Law of the PRC or the Articles of Association of the Company) shall not exceed twenty per cent (20%) of the amount of the Foreign Shares, Domestic Shares and/or H Shares of the Company separately in issue as at the date of passing of this Resolution;
- (d) the board of directors of the Company in exercising the powers granted under paragraph (a) above shall (i) comply with the Company Law of the PRC, other applicable laws and regulations of the PRC, and the GEM Listing Rules (in each case, as amended from time to time) and (ii) be subject to the approvals of the China Securities Regulatory Commission and relevant authorities of the PRC;
- (e) for the purposes of this Resolution: “Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the date on which the powers granted by this Resolution is revoked or varied by a special resolution of the Company in general meeting;
- (f) the board of directors shall, subject to the relevant approvals of the relevant authorities and the exercise of the power granted under paragraph (a) above in accordance with the Company Law and other applicable laws and regulations of the PRC, increase the Company’s registered capital corresponding to the relevant number of shares allotted upon the exercise of the powers granted under paragraph (a) of this Resolution, provided that the registered capital of the Company shall not exceed 120% of the amount of registered capital of the Company as at the date of passing of this Resolution;

NOTICE OF CLASS MEETING OF H SHAREHOLDERS

- (g) the board of directors be and they are hereby authorised to amend, as they may deem appropriate and necessary, relevant articles of the Articles of Association of the Company to reflect the change in the share capital structure of the Company in the event of an exercise of the powers granted under paragraph (a) to allot and issue new shares.”

By order of the Board
Rui Xin Sheng
Chairman

The PRC, 19 March 2013

Notes:

- (1) The purpose of having special resolution number 1 is to grant a general power to the Board to allot and issue new shares subject to applicable laws, regulations and rules.
- (2) Holders of H Shares are advised that the register of members of the Company will close from 16 April 2013 to 16 May 2013 (both days inclusive), during which time no transfer of H Shares will be effected and registered. Holders of H Shares whose names appear on the register of members of the Company at the close of business on 15 April 2013 are entitled to attend the Meeting. In order to qualify for attendance at the Meeting, instruments of transfer accompanied by share certificates and other appropriate documents must be lodged with the Company's share registrar and transfer office for H shares, Computershare Hong Kong Investor Services Limited, by 4:30 p.m. on 15 April 2013.
- (3) Shareholders who intend to attend the Meeting should complete and lodge the accompanying reply slip and return it to the Company's H share registrar on or before 25 April 2013. The completed reply slip may be delivered by hand, by post or by fax to the Company's H share registrar, Computershare Hong Kong Investor Services Limited. Completion and return of the reply slip do not affect the right of a shareholder to attend the Meeting.
- (4) Every shareholder who has the right to attend and vote at the Meeting is entitled to appoint one or more proxies, whether or not they are shareholders of the Company, to attend and vote on his behalf at the Meeting.
- (5) A proxy shall be appointed by an instrument in writing. Such instrument shall be signed by the appointer or his attorney duly authorised in writing. If the appointer is a legal person, then the instrument shall be signed under a legal person's seal or signed by its director or an attorney duly authorised in writing. The instrument appointing the proxy shall be deposited at the Company's H share registrar not less than 24 hours before the time appointed for the holding of the Meeting. If the instrument appointing the proxy is signed by a person authorised by the appointer, the power of attorney or other document of authority under which the instrument is signed shall be notarised. The notarised power of attorney or other document of authority shall be deposited together and at the same time with the instrument appointing the proxy at the Company's H share registrar.
- (6) Shareholders and their proxies attending the meetings shall be responsible for their own travelling and accommodation expenses.
- (7) The address of Computershare Hong Kong Investor Services Limited is:
17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
Tel No.: (852) 2862 8555
Fax No: (852) 2865 0990

**NOTICE OF CLASS MEETING OF
DOMESTIC SHAREHOLDERS AND FOREIGN SHAREHOLDERS**



常茂生物化學工程股份有限公司
Changmao Biochemical Engineering Company Limited*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 8208)

NOTICE IS HEREBY GIVEN that a class meeting (“**Meeting**”) of the holders of shares in the capital of 常茂生物化學工程股份有限公司 (Changmao Biochemical Engineering Company Limited*) (“**Company**”) which are denominated in RMB0.10 each and which are subscribed for in RMB (“**Domestic Shares**”) and holders of shares in the capital of the Company which are denominated in RMB0.10 each and which are subscribed for in a currency other than RMB (“**Foreign Shares**”) will be held at 11:15 a.m. (or as soon as the class meeting of holders of overseas listed foreign shares (“**H Shares**”) in the capital of the Company to be convened at the same date and place at 11:00 a.m. shall conclude or adjourn) on Thursday, 16 May 2013 at United Conference Centre, 10/F United Centre, 95 Queensway, Admiralty, Hong Kong for the purpose of considering and, if thought fit, with or without amendments, passing the following special resolution:

SPECIAL RESOLUTION

1. To consider and pass the following resolution as a special resolution:
 - (a) “**THAT** subject to the limitations imposed by (c) and (d) below and in accordance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”), the Company Law of the PRC, and other applicable laws and regulations (in each case as amended from time to time), a general unconditional mandate be and is hereby granted to the board of directors to exercise once or more during the “**Relevant Period**” (as defined below) all the powers of the Company to allot and issue new shares on such terms and conditions the board of directors may determine and that, in the exercise of their powers to allot and issue shares, the authority of the board of directors shall include (without limitation):
 - (i) the determination of the class and number of the shares to be allotted;
 - (ii) the determination of the issue price of the new shares;
 - (iii) the determination of the opening and closing dates of the issue of new shares;
 - (iv) the determination of the class and number of new shares (if any) to be issued to the existing shareholders;

* For identification purpose only

NOTICE OF CLASS MEETING OF DOMESTIC SHAREHOLDERS AND FOREIGN SHAREHOLDERS

- (v) to make or grant offers, agreements and options which might require the exercise of such powers; and
 - (vi) in the case of an offer or issue of shares to the shareholders of the Company, excluding shareholders who are residents outside the PRC or the Hong Kong Special Administrative Region, on account of prohibitions or requirements under overseas laws or regulations or for some other reasons which the board of directors consider expedient;
- (b) upon the exercise of the powers granted under paragraph (a), the board of directors of the Company may during the “Relevant Period” make or grant offers, agreements and options which might require the shares relating to the exercise of the authority there under being allotted and issued after the expiry of the “Relevant Period”;
- (c) the aggregate amount of the Foreign Shares, Domestic Shares and/or overseas listed foreign shares (“H Shares”) to be allotted or conditionally or unconditionally agreed to be allotted (whether pursuant to the exercise of options or otherwise) by the board of directors of the Company pursuant to the authority granted under paragraph (a) above (excluding any shares which may be allotted upon the conversion of the common reserve (公積金) into capital in accordance with the Company Law of the PRC or the Articles of Association of the Company) shall not exceed twenty per cent (20%) of the amount of the Foreign Shares, Domestic Shares and/or H Shares of the Company separately in issue as at the date of passing of this Resolution;
- (d) the board of directors of the Company in exercising the powers granted under paragraph (a) above shall (i) comply with the Company Law of the PRC, other applicable laws and regulations of the PRC, and the GEM Listing Rules (in each case, as amended from time to time) and (ii) be subject to the approvals of the China Securities Regulatory Commission and relevant authorities of the PRC;
- (e) for the purposes of this Resolution: “Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earlier of:
- (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the date on which the powers granted by this Resolution is revoked or varied by a special resolution of the Company in general meeting;
- (f) the board of directors shall, subject to the relevant approvals of the relevant authorities and the exercise of the power granted under paragraph (a) above in accordance with the Company Law and other applicable laws and regulations of the PRC, increase the Company’s registered capital corresponding to the relevant number of shares allotted upon the exercise of the powers granted under paragraph (a) of this Resolution, provided that the registered capital of the Company shall not exceed 120% of the amount of registered capital of the Company as at the date of passing of this Resolution;

**NOTICE OF CLASS MEETING OF
DOMESTIC SHAREHOLDERS AND FOREIGN SHAREHOLDERS**

- (g) the board of directors be and they are hereby authorised to amend, as they may deem appropriate and necessary, relevant articles of the Articles of Association of the Company to reflect the change in the share capital structure of the Company in the event of an exercise of the powers granted under paragraph (a) to allot and issue new shares.”

By order of the Board
Rui Xin Sheng
Chairman

The PRC, 19 March 2013

Notes:

- (1) The purpose of having special resolution number 1 is to grant a general power to the Board to allot and issue new shares subject to applicable laws, regulations and rules.
- (2) Holders of Domestic Shares and Foreign Shares whose names appear on the register of members of the Company at the close of business on 15 April 2013 are entitled to attend the Meeting.
- (3) Shareholders who intend to attend the Meeting should complete and lodge the accompanying reply slip and return it to the Company’s principal place of business in Hong Kong on or before 25 April 2013. The reply slip may be delivered by hand, by post or by fax to the Company’s principal place of business in Hong Kong. Completion and return of the reply slip do not affect the right of a shareholder to attend the Meeting.
- (4) Every shareholder who has the right to attend and vote at the Meeting is entitled to appoint one or more proxies, whether or not they are shareholders of the Company, to attend and vote on his behalf at the Meeting.
- (5) A proxy shall be appointed by an instrument in writing. Such instrument shall be signed by the appointer or his attorney duly authorised in writing. If the appointer is a legal person, then the instrument shall be signed under a legal person’s seal or signed by its director or an attorney duly authorised in writing. The instrument appointing the proxy shall be deposited at the Company’s principal place of business in Hong Kong not less than 24 hours before the time appointed for the holding of the Meeting. If the instrument appointing the proxy is signed by a person authorised by the appointer, the power of attorney or other document of authority under which the instrument is signed shall be notarised. The notarised power of attorney or other document of authority shall be deposited together and at the same time with the instrument appointing the proxy at the Company’s principal place of business in Hong Kong.
- (6) Shareholders and their proxies attending the meetings shall be responsible for their own travelling and accommodation expenses.
- (7) The address of the Company’s principal place of business in Hong Kong is:
Room 54, 5th Floor, New Henry House, 10 Ice House Street, Central, Hong Kong
Tel No. (852) 2525 2242
Fax No. (852) 2525 6994