
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 stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Schramm Holding AG, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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



SCHRAMM HOLDING AG
星亮控股股份公 司*

(A joint stock company incorporated under the laws of Germany)

(Stock Code: 955)

**APPROVAL OF THE ELECTION OF A DIRECTOR
ELECTION OF SUPERVISORS
GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
INVITATION TO ANNUAL GENERAL MEETING**

An invitation to the annual general meeting of Schramm Holding AG to be held at the office of Norton Rose LLP at Theatinerstrasse 11, 80333 Munich, Germany at 8:00 a.m. (CEST) on 11 June 2010 (which can be viewed live at Fountains Room 1–2, LG/F, Hotel Nikko Hongkong, 72 Mody Road, Tsimshatsui East, Kowloon, Hong Kong at 2:00 p.m. (Hong Kong time) on 11 June 2010) for the purpose of convening the annual general meeting under German law is set out on pages 19 to 35 of this circular. The invitation is also published on the websites of the Company at www.schramm-holding.com/en_generalmeeting2010.html and of the Stock Exchange at www.hkexnews.hk.

A form of proxy for use in connection with the annual general meeting is enclosed herewith. Please complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not later than 48 hours before the time appointed for such meeting (i.e. not later than 8:00 a.m. (CEST) on 9 June 2010/2:00 p.m. (Hong Kong time) on 9 June 2010). Whether or not you intend to attend the AGM, you are advised to complete and return the enclosed form of proxy in accordance with the instructions printed thereon.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting to be held in Munich, Germany or viewing the annual general meeting at the Hong Kong venue and voting in person in Hong Kong should you so wish.

* *for identification purposes only*

5 May 2010

CONTENTS

	<i>Page</i>
DEFINITIONS	1
 LETTER FROM THE BOARD	
Introduction	3
Approval of the election of a Director	4
Election of Supervisors	4
General mandates to issue Shares (the creation of new authorised capital 2010/II) and to repurchase Shares	5
Revision of Supervisors' remuneration	6
Amendments to the Articles of Association	6
Final Dividends	7
Annual General Meeting	8
Voting by poll	8
Recommendation	9
General information	9
Responsibility statement	9
 APPENDIX I — DETAILS OF DIRECTOR WHOSE ELECTION SHALL BE APPROVED	 10
 APPENDIX II — DETAILS OF SUPERVISORS PROPOSED FOR ELECTION	 11
 APPENDIX III — EXPLANATORY STATEMENT ON REPURCHASE OF SHARES	 13
 APPENDIX IV — AMENDMENTS TO THE ARTICLES OF ASSOCIATION ..	 16
 INVITATION TO THE ANNUAL GENERAL MEETING UNDER GERMAN LAW	 19

DEFINITIONS

In this circular, the following expressions have the following meanings unless the context otherwise requires:

“AGM”	the Annual General Meeting of the Company to be held at the office of Norton Rose LLP at Theatinerstrasse 11, 80333 Munich, Germany at 8:00 a.m. (CEST) on 11 June 2010 (which can be viewed live at Fountains Room 1–2, LG/F, Hotel Nikko Hongkong, 72 Mody Road, Tsimshatsui East, Kowloon, Hong Kong at 2:00 p.m. (Hong Kong time) on 11 June 2010) for the purpose of considering and if thought fit, approving, inter alia, the Resolutions
“Articles of Association”	the existing articles of association of the Company
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board” or “Management Board”	the management board of the Company
“CEST”	Central European Summer Time
“Company”	Schramm Holding AG, a joint stock company incorporated under the laws of Germany, the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the member(s) of the Management Board
“Group”	Schramm Holding AG and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Supervisor(s)”	member(s) of the Supervisory Board who meet(s) the independence requirements as provided under Rule 3.13 of the Listing Rules
“Invitation”	the invitation to the AGM for the purpose of convening the AGM under German law as set out on pages 19 to 35 of this circular

DEFINITIONS

“Issue Mandate”	an authorization proposed to be granted to the Directors at the AGM to increase the share capital of the Company and a general unconditional mandate proposed to be granted to the Directors at the AGM to allot and issue Shares in the course of such increase, once or several time, up to 3,981,000 Shares of an aggregate nominal value of €3,981,000, namely, nominal value of the Shares under the said mandate will not be exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of the passing of the relevant resolution approving the Issue Mandate. Such mandate if approved at the AGM could only be exercised by the Directors with the approval of the Supervisory Board
“Latest Practicable Date”	30 April 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to enable them to repurchase Shares on the Stock Exchange with an aggregate nominal amount of up to €1,990,500, such that the aggregate nominal value of the Shares to be repurchased under such mandate will be not more than 10% of the aggregate nominal value of the Company’s share capital in issue as at the date of the passing of the relevant resolution approving the Repurchase Mandate
“Resolution(s)”	the resolution(s) proposed in the Invitation
“Share(s)”	the share(s) of EUR1.00 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the member(s) of the Supervisory Board
“Supervisory Board”	the supervisory board of the Company
“€” or “EUR”	the lawful currency of the member states of the European Union



SCHRAMM HOLDING AG

星亮控股股份有限公司*

(A joint stock company incorporated under the laws of Germany)

(Stock Code: 955)

Members of the Management Board:

Mr. Peter BRENNER
Mr. Kyung Seok CHAE
Mr. Kyung Hwan YEO

Registered Office:

Kettelerstraße 100
63075 Offenbach am Main
Germany

Members of the Supervisory Board:

Mr. Jung Hyun OH, *Chairman*
Mr. Suk Whan CHANG, *Vice Chairman*
Mr. Jeong Ghi KOO

Independent members of the Supervisory Board:

Mr. Kun Hwa PARK
Mr. Choong Min LEE
Mr. Kiyoung SHIN

5 May 2010

To the Shareholders

Dear Sirs or Madams,

**APPROVAL OF THE ELECTION OF A DIRECTOR
ELECTION OF SUPERVISORS
GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
INVITATION TO ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions relating to (i) the approval of the election of Mr. Kyung Hwan YEO who is due to retire at the AGM; (ii) the election of Mr. Bang Seon KO as a member of the Supervisory

* *for identification purposes only*

LETTER FROM THE BOARD

Board and an Independent Supervisor; (iii) the election of Mr. Min Koo SOHN as a member of the Supervisory Board; (iv) the granting of the Issue Mandate; (v) the granting of the Repurchase Mandate and (vi) the proposed amendments to the Articles of Association, all to be proposed and dealt with at the AGM.

APPROVAL OF THE ELECTION OF A DIRECTOR

Reference is made to the announcement of the Company dated 17 March 2010 in relation to, inter alia, the appointment of Mr. Kyung Hwan YEO as a Director and the chief financial officer of the Company with effect from 17 March 2010.

A resolution for the approval of the election of Mr. Kyung Hwan YEO will be proposed at the AGM. Biographical details of Mr. Kyung Hwan YEO are included in Appendix I to this circular.

ELECTION OF SUPERVISORS

- (i) Pursuant to an announcement of the Company dated 8 April 2010, the Board announced that Mr. Kun Hwa PARK has tendered his resignation from the positions as an Independent Supervisor and a member of each of the audit committee and the remuneration committee of the Company, which will take effect from the conclusion of the AGM.

At the AGM, a separate resolution will be put forward to the Shareholders in relation to the proposed election of Mr. Bang Seon KO as a member of the Supervisory Board who should act as Independent Supervisor with effect from the date of the AGM.

The biographical details of Mr. Bang Seon KO are set out in Appendix II to this circular in accordance with the relevant requirements of the Listing Rules.

- (ii) Pursuant to an announcement of the Company dated 5 May 2010, the Board announced that Mr. Suk Whan CHANG has tendered his resignation from the position as vice-chairman and a member of the Supervisory Board, which will take effect from the conclusion of the AGM.

At the AGM, a separate resolution will be put forward to the Shareholders in relation to the proposed election of Mr. Min Koo SOHN as a member of the Supervisory Board with effect from the date of the AGM.

The biographical details of Mr. Min Koo SOHN are set out in Appendix II to this circular in accordance with the relevant requirements of the Listing Rules.

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE SHARES (THE CREATION OF NEW AUTHORISED CAPITAL 2010/II) AND TO REPURCHASE SHARES

On 2 December 2009, the Directors were given an authorization to increase the share capital of the Company and a general mandate to allot and issue Shares in the course of such increase with the approval of the Supervisory Board once or several time up to the aggregate nominal value of the Shares not exceeding 2,981,000 Shares of an aggregate nominal value of €2,981,000, being 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing of the resolution. The Shareholders have also granted the Directors a general mandate to exercise all its powers to repurchase and cancel Shares with an aggregate nominal value of not more than 10% of the aggregate nominal value of the Company's share capital in issue as at the date of passing of the resolution. Based on 14,905,000 Shares in issue as at the date of the Shareholders' approval on 2 December 2009, the Management Board was authorised to repurchase and cancel up to 1,490,500 Shares of an aggregate nominal value of €1,490,500. These general mandates to issue Shares and to repurchase Shares will be revoked at the AGM and replaced by (if approved at the AGM) the Issue Mandate and the Repurchase Mandate.

The Issue Mandate and the Repurchase Mandate, being the new general mandates to allot, issue and deal with and repurchase Shares as set out in Resolutions 12 and 18 respectively in the Invitation, will be proposed at the AGM.

As at the Latest Practicable Date, 19,905,000 Shares of an aggregate nominal value of €19,905,000 were in issue. On the basis of 19,905,000 Shares in issue (assuming no further Shares will be issued or repurchased after the Latest Practicable Date and up to the date of passing Resolutions 12 and 18 as set out in the Invitation), the Directors would be authorised under the Issue Mandate to allot, issue and deal with a maximum of 3,981,000 Shares of an aggregate nominal value of €3,981,000 and under the Repurchase Mandate to repurchase a maximum of 1,990,500 Shares of an aggregate nominal value of €1,990,500.

The Issue Mandate and Repurchase Mandate will (if approved at the AGM) remain effective until 30 June 2011 unless they are otherwise revoked.

The Directors have no immediate plan to issue or repurchase any securities of the Company pursuant to the Issue Mandate or Repurchase Mandate. The Issue Mandate and the Repurchase Mandate will only be exercised in full or in part(s) with the approval of the Supervisory Board. An explanatory statement containing the particulars required by the Listing Rules to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the AGM in relation to the Repurchase Mandate is set out in Appendix III to this circular.

LETTER FROM THE BOARD

Expiry of General Mandates

Rule 13.36(3) of the Listing Rules provides that a general mandate given under Rule 13.36(2) shall only continue in force until the earlier of:

- (a) the conclusion of the first annual general meeting of the issuer following the passing of the resolution at which time it shall lapse, unless the mandate is renewed by shareholders in general meeting; and
- (b) revoked or varied by ordinary resolution of the shareholders in general meeting.

Rule 10.06(1)(c)(ii) of the Listing Rules provides for similar expiry date for general mandate granted to the board of directors for repurchase of the listed issuer's own shares.

Pursuant to the internal rules of the Supervisory Board, the Management Board shall ensure the compliance with the relevant Listing Rules regarding expiry of the general mandates. In the event that the next annual general meeting of the Company takes place before the expiry date of the general mandates as approved by the Shareholders (i.e. 30 June 2011), the Management Board shall procure that a resolution be proposed in the annual general meeting of the Company, for (i) revocation and termination of the existing general mandate, or (ii) renewal or grant of a new general mandate with an expiry date determined by the Shareholders.

REVISION OF SUPERVISORS' REMUNERATION

Having regard to the remuneration offered to supervisors and similar positions in comparable companies, on 17 March 2010 the remuneration committee of the Company resolved to increase the annual remuneration of the members of the Supervisory Board to €10,000 ("Fixed Compensation") with retrospective effect of 1 January 2010, and as such the remuneration for the chairman of the Supervisory Board will be €20,000 which equals to 2 times of the Fixed Compensation, and the remuneration for the vice chairman of the Supervisory Board will be €15,000 which equals to 1.5 times of the Fixed Compensation.

An amendment to the Articles of Association as set out in Resolution 17 in the Invitation will be proposed at the AGM to revise the remuneration for the members of the Supervisory Board. Details relating to the proposed amendments to the Articles of Association are set out in Appendix IV to this circular.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board proposes to seek the approval of the Shareholders at the AGM for the amendments to the Articles of Association, in summary, as follows:

- (i) amendment to section 4(11) of the Articles of Association to revise the number of shares to be issued under the Issue Mandate and the expiry date for the Issue Mandate. The proposed amendment is conditional upon the passing of the resolution in respect of the Issue Mandate at the Annual General Meeting;

LETTER FROM THE BOARD

- (ii) amendment to section 12(1) of the Articles of Association to revise the remuneration system for the members of the Supervisory Board by increasing the annual remuneration of the members of the Supervisory Board to €10,000 with retrospective effect of 1 January 2010. Details of the proposed revision of the remuneration system for the members of the Supervisory Board are set out in the above section;
- (iii) amendment to section 14(1) of the Articles of Association to revise the closure date of the Company's share register such that the book closure date will start from the beginning of the third market day prior to the day of the general meetings until and including the end of the general meetings. The proposed amendment is for administration purposes;
- (iv) addition of section 14(5) of the Articles of Association to provide for the language to be used in the general meetings. The medium of language proposed to be used is English and if the Management Board considers appropriate and upon request by the Shareholders, with Chinese interpretation being made available; and
- (v) addition of section 15a of the Articles of Association to limit the time of the Shareholders' right to speak at the general meetings. The proposed amendments is for administration only which practice is common in Germany stock companies and is consistent with the German Act on Corporate Integrity and Modernisation of the Right of Avoidance (Gesetz zur Unternehmensintegrität und Modernisierung des Anfechtungsrechts — UMAG) which covers the limitation of the shareholders' rights to speak at general meetings on the basis of time.

Details relating to the proposed amendments to the Articles of Association are set out in Appendix IV to this circular.

FINAL DIVIDENDS

The Supervisory Board agrees with the Board's recommendation to pay to the Shareholders a final dividend of €0.07 per Share for the year ended 31 December 2009. Payment of the final dividend is subject to the approval of the Company's German GAAP financial statements by the Supervisory Board and the approval of the 2009 final dividend by the Shareholders being obtained at the AGM. At the meeting of the Supervisory Board held on 19 April 2010, the Company's German GAAP financial statements were approved by the Supervisory Board. It is expected that the 2009 final dividend will be paid by 2 July 2010 to those Shareholders whose names appear on the register of members of the Company on 11 June 2010.

According to section 43(1) sentence 1 No. 1 in conjunction with section 43a(1) sentence 1 No. 1 of the German Income Tax Act and section 1 in conjunction with section 3(1) No. 5 of the German Solidarity Surcharge Act, the Company must withhold and remit to the German tax authorities a withholding tax in the amount of 25% on dividends it distributes plus solidarity surcharge of 5.5% on the amount of the withholding tax (i.e. a total of 26.375% on dividends declared by the Company). The assessment basis for the withholding tax is the dividend resolved in the AGM to be distributed to the Shareholders. The capital gain

LETTER FROM THE BOARD

withholding tax is withheld irrespective of whether and to what extent the dividend is tax exempt at the level of the Shareholder and whether the Shareholder is a resident of Germany or abroad. For details of the German withholding tax and the possible dispensation with or reduction of the German withholding tax pursuant to the applicable legislation or double tax treaty, please refer to “Appendix VI — Taxation in Germany” to the prospectus of the Company issued on 15 December 2009. Please note that the information presented in this circular is not a substitute for legal and/or tax advice. If you are in any doubt about legal or tax requirements and implications, you should consult your professional accountants or other professional advisers.

The register of members of the Company will be closed from 8 June 2010 to 11 June 2010, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend and be entitled to vote at the AGM, all transfers accompanied by the relevant share certificates and properly completed transfer forms must be lodged with the Company’s Hong Kong share registrar, 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 7 June 2010.

ANNUAL GENERAL MEETING

The Company will convene the AGM in Munich, Germany at the office of Norton Rose LLP at Theatinerstrasse 11, 80333 Munich, Germany at 8:00 a.m. (CEST) on 11 June 2010 (which can be viewed live at Fountains Room 1–2, LG/F, Hotel Nikko Hongkong, 72 Mody Road, Tsimshatsui East, Kowloon, Hong Kong at 2:00 p.m. (Hong Kong time) on 11 June 2010). Resolutions will be proposed at the AGM for the purpose of considering and if thought fit, approving, inter alia, the Resolutions. The Invitation is set out on pages 19 to 35 of this circular.

A form of proxy for use in connection with the AGM is enclosed herewith. You are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon which must be deposited at the offices of the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong or sent to the E-mail address of the Company at shareholder@schramm-holding.de at least 48 hours before the time for holding the above meeting (i.e. not later than 8:00 a.m. (CEST) on 9 June 2010/ 2:00 p.m. (Hong Kong time) on 9 June 2010) or any adjourned meeting thereof. Whether or not you intend to attend the AGM, you are advised to complete and return the enclosed form of proxy in accordance with the instructions printed thereon.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM in Munich, Germany or viewing the AGM at the Hong Kong venue and voting in person in Hong Kong should you so wish.

VOTING BY POLL

Each of the Resolutions will be voted on by poll. Results of the poll voting will be published on the Company’s website at www.schramm-holding.com/en_generalmeeting2010.html and the website of Stock Exchanges at www.hkexnews.hk after the AGM.

LETTER FROM THE BOARD

RECOMMENDATION

The Supervisory Board considers that the proposed resolutions in respect of (i) the approval of the election of Mr. Kyung Hwan YEO; and (ii) the election of Mr. Bang Seon KO as a member of the Supervisory Board and an Independent Supervisor; and (iii) the election of Mr. Min Koo SOHN as a member of the Supervisory Board are each in the best interests of the Company and the Shareholders as a whole, and accordingly, recommend the Shareholders to vote in favour of these resolutions to be proposed at the AGM.

In addition, the Directors and the Supervisory Board consider that the proposed resolutions in respect of (i) the granting of the Issue Mandate; (ii) the granting of the Repurchase Mandate; and (iii) the amendments to the Articles of Association are each in the best interests of the Company and the Shareholders as a whole, and accordingly, recommend the Shareholders to vote in favour of these resolutions to be proposed at the AGM.

GENERAL INFORMATION

Your attention is drawn to the appendices to this circular.

RESPONSIBILITY STATEMENT

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

Yours faithfully,
By order of the Board
Peter BRENNER
Director and Chief Executive Officer

APPENDIX I DETAILS OF DIRECTOR WHOSE ELECTION SHALL BE APPROVED

This Appendix contains details of Mr. Kyung Hwan YEO who offered himself for election:

Mr. Yeo, aged 40, is a director and the chief financial officer of the Company. Mr. Yeo obtained a bachelor's degree in International Business from Korea University in 1996. He has over ten years' finance experience. Before joining the Company, he had been a general manager of Seoul Media Group, a media company engaged in internet, mobile and publication business, from 2005 to February 2010 to manage its finance and planning team which was responsible for financial auditing, preparing financial budgeting and feasibility study on new investments. From 2003 to 2005, he has been a vice president of Triz Corporation, a company engaged in development and production of ADSL modem and ISDN modem for Korean Telecom Corporation, and was responsible for overseeing its finance and planning team in preparing financial auditing, accounts, and feasibility study on information technology investments. From 1999 to 2002, Mr. Yeo served as a manager in international finance team and steel trade team of Halla Group, a multi-business company in Korea which businesses include construction and manufacturing of auto-parts for automotives.

Save as disclosed, Mr. Yeo does not hold any other position in the Company or any of its subsidiaries nor did he hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas as at the Latest Practicable Date. As at the Latest Practicable Date, Mr. Yeo does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong.

Subject to the Shareholders' approval at the AGM, taking into account Mr. Yeo's experience and qualifications and the industry practice, the Company will enter into a service contract with Mr. Yeo for a specific term of two years. Mr. Yeo's remuneration packages include an annual emolument of EUR200,000 and an appropriate housing allowance for his relocation to Hong Kong.

Save as disclosed above, Mr. Yeo does not have any relationship with any other directors, senior management or any substantial or controlling shareholders of the Company.

Mr. Yeo confirmed that, save as disclosed above, there is no information which is discloseable nor is/was Mr. Yeo involved in any of the matters required to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters concerning him that need to be brought to the attention of the Shareholders.

APPENDIX II DETAILS OF SUPERVISORS PROPOSED FOR ELECTION

This Appendix contains (i) details of Mr. Bang Seon KO who offered himself for election as a member of the Supervisory Board and an Independent Supervisor at the AGM, and (ii) details of Mr. Min Koo SOHN who offered himself for election as member of the Supervisory Board at the AGM.

Mr. Bang Seon KO

Mr. Ko, aged 41, obtained a Bachelor's degree in Business Administration from Korea University in 1999. Mr. Ko has over 11 years' accounting and finance experience. He is currently the chief executive officer of GAUL Accounting Corp., an accounting firm where he is actively involved in financial auditing, financial due diligence review and provision of merger and acquisition advisory services. From 1999 to 2007, he has been a manager in the audit department of KPMG Samjong Accounting Corp, a company engaged in the provision of audit, audit related advisory services, due diligence, and risk advisory services, where Mr. Ko was responsible for performing and providing auditing, financial due diligence and financial advisory services to a number of listed and unlisted companies. Mr. Ko has been a member of Korean Institute of Certified Public Accountants.

Mr. Ko does not hold any other position in the Company or any of its subsidiaries nor did he hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas. As at the date of this circular, Mr. Ko does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong. Save as disclosed above, Mr. Ko does not have any relationship with any other directors, senior management or any substantial or controlling shareholders of the Company.

Mr. Ko confirmed that, save as disclosed above, there is no information which is discloseable nor is/was Mr. Ko involved in any of the matters required to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning him that need to be brought to the attention of the Shareholders.

There is no service contract entered into between the Company and Mr. Ko. Subject to passing of the resolution with respect to the proposed amendment to the Articles of Association in respect of the revision of Supervisors' remuneration in the AGM, Mr. Ko's emoluments will be €10,000 per year pursuant to the Articles of Association. Subject to passing of the resolution for the appointment of Mr. Ko as a member of the Supervisor Board and as an Independent Supervisor in the AGM, the appointment of Mr. Ko is for a term commencing from the AGM and ending at the conclusion of the annual general meeting of the Company for the financial year ending 31 December 2013.

Mr. Min Koo SOHN

Mr. Sohn, aged 43, obtained a Bachelor's degree in Commerce & Trade from University of Cheon-Nam, Korea in 1993. Mr. Sohn has over 17 years' experience in sales planning and business and customer support. Mr. Sohn joined SSCP Co., Ltd., the controlling shareholder of the Company, in 2000 and has acted as a deputy manager of SSCP Co., Ltd.'s customer support team, sales planning team and business support team respectively since his employment. Mr. Sohn is currently a director and the chief of coating business unit of SSCP Co., Ltd.. Before joining SSCP Co., Ltd., he had been an assistant manager of distribution sales in special business unit of Dong-Won Industries Co., Ltd., a corporation engages in manufacturing of food and beverage products, from 1993 to 2000.

Mr. Sohn does not hold any other position in the Company or any of its subsidiaries nor did he hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas. As at the date of this circular, Mr. Sohn does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong. Save as disclosed above, Mr. Sohn does not have any relationship with any other directors, senior management or any substantial or controlling shareholders of the Company.

Mr. Sohn confirmed that, save as disclosed above, there is no information which is discloseable nor is/was Mr. Sohn involved in any of the matters required to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning him that need to be brought to the attention of the Shareholders.

There is no service contract entered into between the Company and Mr. Sohn. Subject to passing of the resolution with respect to the proposed amendment to the Articles of Association in respect of the revision of Supervisors' remuneration in the AGM, the emoluments of Mr. Sohn acting as a Supervisor will be €10,000 per year pursuant to the Articles of Association. Subject to passing of the resolution for the appointment of Mr. Sohn as a member of the Supervisor Board in the AGM, the appointment of Mr. Sohn will be for a term commencing from the AGM and ending at the conclusion of the annual general meeting of the Company for the financial year ending 31 December 2013.

The information set out in this appendix serves as the explanatory statement required under Rule 10.06(1)(b) of the Listing Rules in connection with the Repurchase Mandate.

(a) RELEVANT LEGAL AND REGULATORY REQUIREMENTS

The Listing Rules permit the Shareholders to grant to the Directors a general mandate to exercise all the Company's powers to repurchase and cancel Shares that are listed on the Stock Exchange. Such mandate is required to be given by way of an ordinary resolution passed by the Shareholders at a general meeting.

(b) SOURCE OF FUNDS

The repurchase of the Shares listed on the Stock Exchange must be funded out of funds legally available for the purpose in accordance with the Articles of Association and the applicable laws and regulations including German laws and the requirements of the Listing Rules. The Company may not repurchase the Shares on the Stock Exchange for consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange and German laws. Subject to the foregoing, the Company may make repurchases out of the Group's profit or out of the proceeds of a fresh issue of Shares for the purpose of the repurchase. Any amount of premium payable on the purchase over the par value of the Shares to be repurchased must be out of profits of the Company or out of the Company's share premium account. If authorised by the Articles of Association and subject to the German laws, repurchase may also be made out of capital.

(c) REASONS FOR REPURCHASES

The Directors believe that it is in the Company and the Shareholders' best interests for the Directors to have general authority to execute repurchases of the Shares in the market. 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 earnings per Share and will only be made where the Directors believe that such repurchases will benefit the Company and the Shareholders.

(d) FUNDING OF REPURCHASES

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with all applicable laws and regulations, including the Articles of Association, the German laws and the Listing Rules.

The Repurchase Mandate will only be exercised with the approval of the Supervisory Board.

On the basis of the current financial position of the Company and taking into account the current working capital position of the Company, the Directors believe that, if the repurchase mandate was to be exercised in full, it might have a material adverse effect on the Company's working capital and/or the gearing position. 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 the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

(e) SHARE CAPITAL

As at the Latest Practicable Date, there were 19,905,000 Shares in issue.

On the basis of 19,905,000 Shares in issue and assuming no further Shares will be issued or repurchased after the Latest Practicable Date and up to the date of the AGM, the Company will be authorised to repurchase and cancel up to 1,990,500 Shares in the event that the current repurchase mandate is exercised in full.

(f) SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) from the date of listing of the Shares on 29 December 2009 to the Latest Practicable Date.

(g) SHARE PRICES

The Shares are trading on the Stock Exchange and the highest and lowest prices at which the Shares have been traded on the Stock Exchange from the date of listing of the Shares on 29 December 2009 to the Latest Practicable Date are as follows:

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
December 2009	42.30	36.70
January 2010	36.95	27.30
February 2010	28.50	24.20
March 2010	29.00	24.80
April 2010 (up to the Latest Practicable Date)	27.70	25.80

(h) GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates currently intends to sell any of the Shares to the Company. 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 Listing Rules and Articles of Association and any other applicable laws of the German laws.

If, as a result of any repurchase of the Shares, a Shareholder's proportionate interest in the Company's voting rights is increased, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged

to make a mandatory offer in accordance with rule 26 of the Takeovers Code. The Directors are not aware of any consequences of repurchases which would arise under the Takeovers Code.

The Directors will not exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

No connected person as defined by the Listing Rules has notified the Company that he has a present intention to sell his Shares to the Company, or has undertaken not to do so, if the repurchase mandate is exercised.

This appendix sets out the proposed amendments to the Articles of Association as follows:

1. SECTION 4 STATED CAPITAL, SHARES

by deleting Section 4(11) in its entirety and replacing it with the following:

“(11) With the approval of the Supervisory Board, the Management Board shall be authorised to increase the share capital of the Company by up to an aggregate amount of EUR 3,981,000.00 (in accordance with Rules 13.36(2) and (3) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited) until 30 June 2011 (inclusive) by issue of up to 3,981,000 new registered par-value shares against contribution in cash, either in a single issue or in several issues (Authorised Capital 2010/II).

With the approval of the Supervisory Board, the Management Board shall further be authorised to resolve an exclusion of subscription rights and to determine the further details of the respective capital increase, the conditions for the share issue and the content of the rights attached to the shares.

The Management Board shall in particular be authorised to exclude statutory shareholder subscription rights in order to:

- a) exempt fractional amounts from shareholder subscription rights,
- b) cover an over-allotment at the placement of shares of Schramm Holding AG in connection with the public offering of the shares of Schramm Holding AG for quotation at the Stock Exchange of Hong Kong Limited by the bookrunning banks,
- c) acquire enterprises or investments in enterprises by issue of shares against cash or contributions in kind, provided that the acquisition of such enterprises or investments in enterprises is for the due benefit of the Company,
- d) issue shares to banks in conjunction with a capital increase against cash insofar as the banks have committed themselves to publicly offer the acquired shares for sale and to return the difference between the issue price and the offering price to the Company.”

2. SECTION 12 REMUNERATION

by deleting section 12(1) in its entirety and replacing it with the following:

“(1) The members of the Supervisory Board receive an annual compensation in a gross amount of EUR 10,000.00 (“Fixed Compensation”) with retrospective effect as of 01 January 2010. The chairman receives twice the Fixed Compensation, each vice chairman receives one and a half times the Fixed Compensation.”

3. SECTION 14 CONDITIONS FOR PARTICIPATION

by deleting section 14(1) in its entirety and replacing it with the following:

“Only those shareholders who are registered in the share register as such at the end of the third market day prior to the day of the General Meeting are entitled to participate and exercise their voting right in the General Meeting. Beginning with the third market day prior to the day of the General Meeting until and including the end of the General Meeting the share register is closed for new registrations and any transfer of shares will not be registered on the share register during such period.”

4. SECTION 14 CONDITIONS FOR PARTICIPATION

By adding section 14(5) as follows:

“(5) The General Meetings of the Company shall be conducted in English language. If considered appropriate by the Management Board and upon request of the shareholders a Chinese translation will be made available.”

5. SECTION 15 CHAIRMANSHIP

By adding section 15a as follows:

“Section 15a Limitation of shareholders’ right to speak and ask questions at general meetings

- (1) The chairman of the general meeting is entitled to limit the time to speak and ask questions allotted to the shareholders in accordance with the following provisions:
 - (a) If, according to the agenda (including any minority requests pursuant to section 122 German Stock Corporation Act), resolutions are to be passed only with respect to the items: appropriation of net profit; formal ratification of the actions of the members of the management board; formal ratification of the actions of the members of the supervisory board; appointment of the auditor and authorization to acquire own shares, or some of those items, the chairman of the general meeting may limit the time to speak and ask questions allotted to the shareholders such that the duration of the general meeting will not exceed six hours. In calculating the duration of the general meeting, any periods attributable to interruptions of the general meeting, the speech of the management board, and the statements by the chairman of the meeting before the commencement of the general debate will not be counted.
 - (b) If, according to the agenda (including any minority requests pursuant to section 122 German Stock Corporation Act), resolutions are also to be passed with respect to items other than those referred to in paragraph (a) above, the chairman of the general meeting may limit the time to speak and

ask questions allotted to the shareholders such that the duration of the general meeting will not exceed ten hours. The second sentence of paragraph (a) above applies mutatis mutandis.

- (c) The chairman of the general meeting may limit the time to speak and ask questions allotted to a shareholder to 15 minutes per request to speak, and to 10 minutes, if at least three additional speakers have requested to speak at the time when the shareholder was permitted to speak. The chairman of the general meeting may limit the total time to speak and ask questions allotted to one shareholder during the meeting to 45 minutes.
 - (d) The limitations as per paragraphs (a) through (c) above may be directed by the chairman of the general meeting at any time, including at the beginning of and during the general meeting.
 - (e) Any limitations as per paragraphs (a) through (d) above are deemed reasonable for the purposes of section 131(2) sentence 2 German Stock Corporation Act.
- (2) Notwithstanding the right of the chairman of the general meeting to limit the shareholders' right to speak and ask questions as per paragraph (1) above, the chairman of the meeting may declare the end of the debate at 10:30 p.m. of the date of the meeting and start the voting with respect to the items on the agenda. After the end of the debate has been so declared, no additional questions may be asked in cases of sentence 1.
- (3) The right of the chairman of the general meeting to limit the shareholders' right to speak and ask questions beyond the scope of the provisions of paragraphs (1) and (2) above in accordance with statutory regulations or other principles acknowledged according to court rulings, remains unaffected by the provisions of paragraphs (1) and (2) above."

INVITATION TO THE ANNUAL GENERAL MEETING UNDER GERMAN LAW

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



SCHRAMM HOLDING AG

星亮控股股份公司*

(A joint stock company incorporated under the laws of Germany)

(Stock Code: 955)

ISIN: DE000A0L1JZ7

**Invitation to the Annual General Meeting of
Schramm Holding AG**

Offenbach/Main

We hereby invite our shareholders to the

Annual General Meeting

which will be held

at 8:00 a.m. (Central European Summer Time) on Friday 11 June 2010

in the conference room of Norton Rose LLP at Theatinerstrasse 11, 80333 Munich, Germany

and which will be broadcasted by video screen and can be viewed live at Fountains Room 1-2, LG/F, Hotel Nikko Hongkong, 72 Mody Road, Tsimshatsui East, Kowloon, Hong Kong at 2:00 p.m. (Hong Kong time) on Friday 11 June 2010.

Agenda

- 1. Presentation of the Report of the Supervisory Board for the business year ending 31 December 2009.**

* *for identification purposes only*

- 2. Presentation of the confirmed annual financial statements, the approved consolidated financial statements and the group report for Schramm Holding AG as well as the proposal of the management board for the appropriation of the net profit for the business year ending 31 December 2009.**

The documents referred to in Agenda items 1 and 2 are available for inspection on the internet at

www.schramm-holding.com/en_generalmeeting2010.html

and at the business premises at the registered office of Schramm Holding AG, Kettelerstraße 100, 63075 Offenbach/Main. Upon request, a copy of the documents will be sent to the shareholders. In addition, the documents will be available and explained in more detail at the Annual General Meeting. In accordance with the applicable statutory provisions in Germany, no resolution by the general meeting on the Agenda items 1 and 2 is required, since the Supervisory Board has already approved the annual and the consolidated financial statements.

- 3. Resolution on the appropriation of the net profit of Schramm Holding AG and on the payment of a dividend for the year ending 31 December 2009.**

The Management Board and the Supervisory Board propose that from the net profit of Schramm Holding AG as set out in the annual financial statements for the year ending 31 December 2009 amounting to €2,679,528.10 a dividend in the amount of €0.07 for each non-par value share entitled to a dividend shall be distributed to the shareholders, i.e. in total €1,393,350.00 on the entire share capital entitled to a dividend in the amount of €19,905,000.00, and the remaining net profit in the amount of €1,286,178.10 shall be carried forward onto a new account.

The dividend shall be payable by Friday, 2 July 2010.

- 4. Resolution on the ratification of the actions of the members of the Management Board**

The Supervisory Board and the Management Board propose that the actions of the current members of the Management Board in the financial year ending 31 December 2009 be ratified.

- 5. Resolution on the ratification of the actions of the members of the Supervisory Board**

The Management Board and the Supervisory Board propose that the actions of the current members of the Supervisory Board in the financial year ending 31 December 2009 be ratified.

6. Resolution on the election of Mr. Bang Seon KO as a new member of the Supervisory Board (*independent supervisor*)

The member of the Supervisory Board and *independent supervisor*, Mr. Kun Hwa PARK, has resigned from his mandate with effect as of the end of the next, i.e. this, Annual General Meeting due to personal reasons.

With effect as of this time Mr. Bang Seon KO shall be elected as new member of the Supervisory Board of Schramm Holding AG for the remaining period of the mandate of Mr. Kun Hwa PARK. In particular, he shall act out the function of an *independent supervisor* pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

According to section 7(1) of the Articles of Association of Schramm Holding AG (“Articles of Association”), the Supervisory Board has six members. At least three of the six members of the Supervisory Board have to comply with the requirements of “independent non-executive directors” (*independent supervisors*) according to section 7 (2) of the Articles of Association.

The Supervisory Board proposes to pass the following resolution:

“Mr. Bang Seon KO, CPA, CEO von Gaul Accounting Corp., Seoul, Korea, shall be appointed as successor of the resigning member of the Supervisory Board Mr. Kun Hwa PARK for his remaining office term as a new member of the Supervisory Board, i.e. for a term until the end of the Annual General Meeting which passes the resolution on the ratification of the acts of the Supervisory Board for the financial year ending on 31 December 2013. In particular, he shall act out the function of an *independent supervisor* pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.”

Mr. Bang Seon KO is not a member in other supervisory boards which have to be established pursuant to statutory law.

Mr. Bang Seon KO is also not a member in comparable domestic and international supervisory bodies of business enterprises.

The general meeting is not bound to the proposals for election.

7. Resolution on the election of Mr. Min Koo SOHN as a new member of the Supervisory Board

The member of the Supervisory Board, Mr. Suk Whan CHANG, has resigned from his mandate with effect as of the end of the next, i.e. this, Annual General Meeting.

With effect as of this time Mr. Min Koo SOHN shall be elected as new member of the Supervisory Board of Schramm Holding AG for the remaining period of the mandate of Mr. Suk Whan CHANG.

INVITATION TO THE ANNUAL GENERAL MEETING UNDER GERMAN LAW

According to section 7(1) of the Articles of Association of Schramm Holding AG (“Articles of Association”), the Supervisory Board has six members.

The Supervisory Board proposes to pass the following resolution:

“Mr. Min Koo SOHN, Director and chief of Coating business unit of SSCP Korea, Ansan, Korea, shall be appointed as successor of the resigning member of the Supervisory Board Mr. Suk Whan CHANG for his remaining office term as a new member of the Supervisory Board, i.e. for a term until the end of the Annual General Meeting which passes the resolution on the ratification of the acts of the Supervisory Board for the financial year ending on 31 December 2013.”

Mr. Min Koo SOHN is not a member in other supervisory boards which have to be established pursuant to statutory law.

Mr. Min Koo SOHN is also not a member in comparable domestic and international supervisory bodies of business enterprises.

The general meeting is not bound to the proposals for election.

8. Resolution on the appointment of auditors for the audit of the annual and the consolidated financial statements and for the review of any interim financial statements and any reports

The Supervisory Board, based on the recommendation of the Audit Committee, proposes that the following resolutions be passed:

- “a) PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft, Siegen is appointed as auditor of Schramm Holding AG for the annual and the consolidated financial statements for the financial year ending 31 December 2010, to fulfil the statutory requirements in Germany.
- b) PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft, Siegen is appointed as auditor to review any financial statements and any interim management report of Schramm Holding AG for the six months ending 30 June 2010, to fulfil the statutory requirements in Germany.”

9. Resolution on the appointment of auditors for the audit of the annual and the consolidated financial statements according to the requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited

The Supervisory Board, based on the recommendation of the Audit Committee, proposes that the following resolutions be passed:

“To appoint PricewaterhouseCoopers Hong Kong, Certified Public Accountants, as the auditor of Schramm Holding AG as regards the consolidated financial statements of Schramm Holding AG for the financial year ending 31 December 2010 in

accordance with International Financial Reporting Standards to fulfil the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited until the execution of the next annual general meeting.”

10. Resolution on the approval of the election of Mr. Kyung Hwan YEO as a member of the Management Board and the Chief Financial Officer of Schramm Holding AG

On the 17 March 2010 the Supervisory Board passed a resolution to release the former member of the Management Board and Chief Financial Officer (CFO) of Schramm Holding AG, Mr. Sung Yoon KIM, from his office with effect as of the same day.

On the same day the Supervisory Board passed a resolution on the appointment of Mr. Kyung Hwan YEO as a new member of the Management Board and the CFO of Schramm Holding AG.

The Supervisory Board proposes to pass the following resolution:

“In confirmation of the resolution of the Supervisory Board the Annual General Meeting declares its approval with the appointment of Mr. Kyung Hwan YEO as a new member of the Management Board and the CFO of Schramm Holding AG.”

11. Resolution on the approval of the remuneration system for the members of the Management Board

The German Act on the Appropriateness of the Remuneration of the Management Board (VorstAG) that came into effect on August 5, 2009 enables the general meeting to resolve on the approval of the remuneration system for the members of the Management Board. This possibility should be made use of.

The resolution proposed under this item of the agenda refers to the present remuneration system at Schramm Holding AG which was the basis for determining the remuneration for the members of the Management Board for the financial year ending 31 December 2009. Details are presented in the Compensation Report which is a part of the documents that are available for inspection on the internet at www.schramm-holding.com/en_generalmeeting2010.html and at the business premises at the registered office of Schramm Holding AG, Kettelerstraße 100, 63075 Offenbach/Main. Upon request, a copy of the documents will be sent to the shareholders. In addition, the documents will be available and explained in more detail at the Annual General Meeting.

The Supervisory Board and the Management Board propose that the remuneration system for the members of the Management Board be approved.

12. Resolution on the creation of a new Authorised Capital 2010/II

The authorisation given to the Management Board pursuant to section 4(11) of the Articles of Association to increase the share capital (Authorised Capital 2009/II) with the consent of the Supervisory Board expires on 30 June 2010. This authorisation has not been made use of to date.

Conditional upon the passing of the resolution as set out in item 13 of the agenda below, the Supervisory Board and Management Board propose to pass the following resolution:

“With the approval of the Supervisory Board, the Management Board shall be authorised to increase the share capital of Schramm Holding AG by up to an aggregate amount of EUR 3,981,000.00 (in accordance with Rules 13.36(2) and (3) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited) until 30 June 2011 (inclusive) by issue of up to 3,981,000 new registered par-value shares against contribution in cash, either in a single issue or in several issues (Authorised Capital 2010/II).

With the approval of the Supervisory Board, the Management Board shall further be authorised to resolve an exclusion of subscription rights and to determine the further details of the respective capital increase, the conditions for the share issue and the content of the rights attached to the shares.

The Management Board shall in particular be authorised to exclude shareholder subscription rights in order to:

- a) exempt fractional amounts from shareholder subscription rights,
- b) cover an over-allotment at the placement of shares of Schramm Holding AG in connection with the public offering of the shares of Schramm Holding AG for quotation at the Stock Exchange of Hong Kong Limited by the bookrunning banks,
- c) acquire enterprises or investments in enterprises by issue of shares against cash or contributions in kind, provided that the acquisition of such enterprises or investments in enterprises is for the due benefit of Schramm Holding AG,
- d) issue shares to banks in conjunction with a capital increase against cash insofar as the banks have committed themselves to publicly offer the acquired shares for sale and to return the difference between the issue price and the offering price to Schramm Holding AG.”

13. Resolution on amendment to the Articles of Association for the creation of a new Authorised Capital 2010/II

Conditional upon the passing of the resolution as set out in item 12 of the agenda above the Supervisory Board and the Management Board propose to pass a resolution on the following amendment to the Articles of Association:

The Authorised Capital 2009/II previously specified in section 4(11) of the Articles of Association is deleted in its entirety and section 4(11) of the Articles of Association is rephrased as follows:

“(11) With the approval of the Supervisory Board, the Management Board shall be authorised to increase the share capital of the Company by up to an aggregate amount of EUR 3,981,000.00 (in accordance with Rules 13.36(2) and (3) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited) until 30 June 2011 (inclusive) by issue of up to 3,981,000 new registered par-value shares against contribution in cash, either in a single issue or in several issues (Authorised Capital 2010/II).

With the approval of the Supervisory Board, the Management Board shall further be authorised to resolve an exclusion of subscription rights and to determine the further details of the respective capital increase, the conditions for the share issue and the content of the rights attached to the shares.

The Management Board shall in particular be authorised to exclude statutory shareholder subscription rights in order to:

- a) exempt fractional amounts from shareholder subscription rights,
- b) cover an over-allotment at the placement of shares of Schramm Holding AG in connection with the public offering of the shares of Schramm Holding AG for quotation at the Stock Exchange of Hong Kong Limited by the bookrunning banks,
- c) acquire enterprises or investments in enterprises by issue of shares against cash or contributions in kind, provided that the acquisition of such enterprises or investments in enterprises is for the due benefit of the Company,
- d) issue shares to banks in conjunction with a capital increase against cash insofar as the banks have committed themselves to publicly offer the acquired shares for sale and to return the difference between the issue price and the offering price to the Company.”

Report of the Management Board to the general meeting of Schramm Holding AG on agenda items 12 and 13 according to section 203(2) sentence 2, section 186(4) sentence 2 German Stock Corporation Act

The new Authorised Capital 2010/II is to replace the existing Authorised Capital 2009/II which will expire on 30 June 2010 and of which Schramm Holding AG has made no use to date. The Authorised Capital 2010/II serves to provide opportunities to Schramm Holding AG to respond to the share price movement as a result of market developments and to enable capital increase for cash as well as capital increase in kind. Therefore, it is necessary for the shareholder subscription rights to be excluded.

14. Resolution on amendment to the Articles of Association on the use of the English language in all general meetings

The Supervisory Board and the Management Board propose to pass a resolution on the following amendment to the Articles of Association:

Section 14 of the Articles of Association shall be amended by adding section 14(5) as follows:

“(5) The General Meetings of the Company shall be conducted in English language. If considered appropriate by the Management Board and upon request of the shareholders a Chinese translation will be made available.”

15. Resolution on amendment to the Articles of Association on the limitation of the shareholders’ right to speak and ask questions at general meetings

The Supervisory Board and the Management Board propose to pass a resolution on the following amendment to the Articles of Association:

The Articles of Association shall be amended by adding section 15a as follows:

“Section 15a Limitation of shareholders’ right to speak and ask questions at general meetings

(1) The chairman of the general meeting is entitled to limit the time to speak and ask questions allotted to the shareholders in accordance with the following provisions:

- (a) If, according to the agenda (including any minority requests pursuant to section 122 German Stock Corporation Act), resolutions are to be passed only with respect to the items: appropriation of net profit; formal ratification of the actions of the members of the management board; formal ratification of the actions of the members of the supervisory board; appointment of the auditor and authorization to acquire own shares, or some of those items, the chairman of the general meeting may limit the time to speak and ask questions allotted to the shareholders such that the duration of the general meeting will not exceed six hours. In calculating the duration of the general meeting, any periods attributable to interruptions of the general meeting, the speech of the management board, and the statements by the chairman of the meeting before the commencement of the general debate will not be counted.

INVITATION TO THE ANNUAL GENERAL MEETING UNDER GERMAN LAW

- (b) If, according to the agenda (including any minority requests pursuant to section 122 German Stock Corporation Act), resolutions are also to be passed with respect to items other than those referred to in paragraph (a) above, the chairman of the general meeting may limit the time to speak and ask questions allotted to the shareholders such that the duration of the general meeting will not exceed ten hours. The second sentence of paragraph (a) above applies mutatis mutandis.
 - (c) The chairman of the general meeting may limit the time to speak and ask questions allotted to a shareholder to 15 minutes per request to speak, and to 10 minutes, if at least three additional speakers have requested to speak at the time when the shareholder was permitted to speak. The chairman of the general meeting may limit the total time to speak and ask questions allotted to one shareholder during the meeting to 45 minutes.
 - (d) The limitations as per paragraphs (a) through (c) above may be directed by the chairman of the general meeting at any time, including at the beginning of and during the general meeting.
 - (e) Any limitations as per paragraphs (a) through (d) above are deemed reasonable for the purposes of section 131 (2) sentence 2 German Stock Corporation Act.
- (2) Notwithstanding the right of the chairman of the general meeting to limit the shareholders' right to speak and ask questions as per paragraph (1) above, the chairman of the meeting may declare the end of the debate at 10:30 p.m. of the date of the meeting and start the voting with respect to the items on the agenda. After the end of the debate has been so declared, no additional questions may be asked in cases of sentence 1.
- (3) The right of the chairman of the general meeting to limit the shareholders' right to speak and ask questions beyond the scope of the provisions of paragraphs (1) and (2) above in accordance with statutory regulations or other principles acknowledged according to court rulings, remains unaffected by the provisions of paragraphs (1) and (2) above."

16. Resolution on the amendment to the Articles of Association with regard to the cancellation of the requirement of application prior to the Annual General Meeting and with regard to the closure of the share register beginning at the third market day prior to the day of the Annual General Meeting until and including the end of the Annual General Meeting

The Supervisory Board and the Management Board propose to pass a resolution on the following amendment to the Articles of Association:

The requirement to register in order to be entitled to participate and exercise one's voting rights in the Annual General Meeting previously specified in section 14(1) of the Articles of Association is deleted in its entirety, a blackout for new registrations in the share register is included and accordingly section 14(1) of the Articles of Association is rephrased as follows:

“Only those shareholders who are registered in the share register as such at the end of the third market day prior to the day of the General Meeting are entitled to participate and exercise their voting right in the General Meeting. Beginning with the third market day prior to the day of the General Meeting until and including the end of the General Meeting the share register is closed for new registrations and any transfer of shares will not be registered on the share register during such period.”

17. Resolution on amendment to the Articles of Association for the adjustment of the remuneration of the Supervisory Board members with retrospective effect as of 01 January 2010

The amount of the remuneration of the Supervisory Board members shall be adjusted to the amount which supervisory board members of similar sized companies to Schramm Holding AG receive. The adjustment of the amount of the remuneration of the Supervisory Board members shall take retrospective effect as of 01 January 2010.

Therefore, the Supervisory Board and the Management Board propose to pass a resolution on the following amendment to the Articles of Association:

The annual remuneration previously specified in section 12(1) of the Articles of Association is deleted in its entirety and section 12(1) of the Articles of Association is rephrased as follows:

“(1) The members of the Supervisory Board receive an annual compensation in a gross amount of EUR 10,000.00 (“Fixed Compensation”) with retrospective effect as of 01 January 2010. The chairman receives twice the Fixed Compensation, each vice chairman receives one and a half times the Fixed Compensation.”

18. Resolution on the authorisation to acquire own shares and to cancel the acquired own shares (general mandate to repurchase share capital of Schramm Holding AG according to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited)

The Management Board and Supervisory Board propose to pass the following resolution:

“(a) The Management Board is authorised pursuant to section 71(1) no. 8 German Stock Corporation Act to acquire own shares of Schramm Holding AG ensuring the principle of equal treatment of the shareholders (section 53 a German Stock Corporation Act).

The authorisation is limited to the acquisition of own shares with a nominal amount of up to EUR 1,990,500.00 in total, i.e. 10% of the registered share capital of Schramm Holding AG of EUR 19,905,000.00 at the time of the passing of this resolution.

The number of shares purchased according to this authorisation together with any shares which Schramm Holding AG already purchased or still owns or which are attributed to it pursuant to sections 71d, 71e German Stock Corporation Act may never exceed 10 % of the respective registered share capital of Schramm Holding AG in total at any time (section 71(2) sentence 1 German Stock Corporation Act).

The authorisation may be exercised in total or partially, once or several times in pursuit of the aforementioned purpose or other purposes in compliance with statutory provisions, including the provisions of the German Stock Corporation Law and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The authorisation shall be valid until 30 June 2011.

(b) The acquisition shall be made on a stock exchange. The consideration paid by Schramm Holding AG per share shall not exceed and not fall below the average closing price of the shares of Schramm Holding AG at the electronic trading system at the Main Board of the Stock Exchange of Hong Kong Limited by more than 10% for the three preceding trading days prior to the acquisition of own shares (excluding acquisition ancillary costs).

(c) The Management Board is authorised to redeem own shares of Schramm Holding AG which were acquired on grounds of this authorisation and to reduce the share capital of Schramm Holding AG simultaneously without requiring a further resolution of the general meeting for the redemption or its execution. The authorisation to redeem can be exercised in total or partially.

The Supervisory Board is authorised to amend the articles of association of Schramm Holding AG following the implementation of the redemption of shares.”

INVITATION TO THE ANNUAL GENERAL MEETING UNDER GERMAN LAW

Actual Annual General Meeting in Munich with live video screen broadcast to Hong Kong

The Annual General Meeting will actually be held in the conference room of Norton Rose LLP at Theatinerstrasse 11, 80333 Munich, Germany at 8:00 a.m. (Central European Summer Time) on Friday, 11 June 2010. It will be broadcasted live by video screen and can be viewed at Fountains Room 1-2, LG/F, Hotel Nikko Hongkong, 72 Mody Road, Tsimshatsui East, Kowloon, Hong Kong at 2:00 p.m. (Hong Kong time) on Friday, 11 June 2010.

The Annual General Meeting will be conducted in English.

Shareholders or other persons attending the Annual General Meeting to be held in Munich, Germany shall be responsible for their own travel and accommodation expenses.

Participation requirements

Only those shareholders are entitled to attend and vote at the Annual General Meeting who are registered as shareholders of Schramm Holding AG in the share register on **11 June 2010**.

The share register will be closed from 8 June 2010 to 11 June 2010, both days inclusive, during which period no transfer of shares will be effected and no applications for transfer of shares will be accepted. Hence, transactions of shares made during this period of time do not impact the entitlement to attend the Annual General Meeting.

The share register will re-open on 12 June 2010 to process the respective transfer of shares.

Contrary to section 14(1) of the Articles of Association a notice prior to the Annual General Meeting is not required. With regard to item 15 of the agenda (see above) and in order to facilitate the participation of the shareholders at the Annual General Meeting the Management Board and the Supervisory Board have agreed on this proceeding.

If a custodian (such as a bank) is registered in the share register, the custodian is not entitled to vote such shares not owned by it unless it has the respective shareholder's authority.

Voting and voting by proxy

Those shareholders who are physically present at the actual Annual General Meeting in Munich or at the venue in Hong Kong in which the Annual General Meeting is broadcasted live by video screen are entitled to vote in person.

Shareholders who do not participate in person at the Annual General Meeting in Munich nor view the Annual General Meeting at the Hong Kong venue may exercise their voting right via a person of their own choice or via a proxyholder nominated by

INVITATION TO THE ANNUAL GENERAL MEETING UNDER GERMAN LAW

Schramm Holding AG. Only those shareholders who are entitled to attend and vote at the Annual General Meeting and whose names appear on the register of members of Schramm Holding AG on 11 June 2010 are entitled to appoint proxies who attend and vote in their stead.

The assignment of a proxy, its revocation and the proof of a proxy towards Schramm Holding AG must be in text form, if neither a credit institution, nor a shareholder association nor any other institution or person which is correspondingly treated pursuant to section 135(8) and (10) German Stock Corporation Act are assigned as proxy.

If voting proxies are assigned to credit institutions or institutions or companies treated correspondingly (sections 135(10), 125(5) German Stock Corporation Act) as well as shareholder associations or persons pursuant to section 135(8) and (10) German Stock Corporation Act, there is no text form requirement, but the proxy declaration has to be recorded in a verifiable manner; it also has to be complete and may only contain declarations which are connected with the exercise of the votes. We therefore kindly ask the shareholders who wish to assign a proxy to a credit institution, a shareholder association or any other institute, company or persons which are treated correspondingly pursuant to section 135 German Stock Corporation Act to arrange themselves with the intended proxyholder about the formal requirements of the proxy.

Proofs regarding the appointment of a proxyholder can be transferred electronically to the following e-mail address of Schramm Holding AG:

shareholder@schramm-holding.de

Schramm Holding AG offers the shareholders the special option to exercise their voting rights via proxyholders nominated by Schramm Holding AG. The proxyholders nominated by Schramm Holding AG have to be granted a proxy form with explicit and clear instructions for the relevant cast of the vote. The proxyholders nominated by Schramm Holding AG are obligated to cast the relevant vote according to the instruction as set out in the proxy form. They are not allowed to cast the vote in their sole discretion. In case an instruction to any of the items of the agenda has not or not explicitly been made the proxyholders nominated by Schramm Holding AG are insofar not allowed to and hence will not cast the relevant vote.

If the proxyholders are not the persons nominated by Schramm Holding AG, nor credit institution(s) (as defined in section 135 German Stock Corporation Act), nor professional agent(s) (as defined in section 135 German Stock Corporation Act), failure to give clear instructions as to how to cast the vote(s) will entitle the proxyholders to cast the vote(s) at their discretion.

The delivery of a proxy form shall not preclude a shareholder from attending the Annual General Meeting and voting in person. For clarification purposes, the shareholder should revoke the proxy towards the proxyholder and Schramm Holding AG and achieve a return of the proxy form.

INVITATION TO THE ANNUAL GENERAL MEETING UNDER GERMAN LAW

The document to be used for assigning a proxy and giving voting instructions to the proxyholders nominated by Schramm Holding AG as well as to any other proxyholder apart from credit institutions or institutions or companies treated correspondingly (sections 135(10), 125(5) German Stock Corporation Act) as well as shareholder associations or persons pursuant to section 135(8) and (10) German Stock Corporation Act is enclosed to this invitation and is also available on the homepage of Schramm Holding AG under

www.schramm-holding.com/en_generalmeeting2010.html

and the website of the Stock Exchange of Hong Kong Limited at www.hkexnews.hk.

The proof regarding the assignment of any of the above described proxies as well as the relevant voting instructions with regard to the relevant items of the agenda to the proxyholders nominated by Schramm Holding AG, shall be received 48 hours prior to the beginning of the Annual General Meeting, i.e. **not later than on 9 June 2010 at 8:00 a.m. (Central European Summer Time) or 2:00 p.m. (Hong Kong time)** by

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

or sent by E-mail to:

shareholder@schramm-holding.de

Otherwise the proxy and the instructions to the proxyholders nominated by Schramm Holding AG cannot be considered.

Right of the shareholders to request supplementary motions to the agenda (section 122(2) German Stock Corporation Act)

Shareholders, whose combined shares amount in aggregate to one-twentieth of the share capital (**corresponds to €995.250**) or represent an amount of the share capital corresponding to €500.000,00 may demand according to section 122(2) German Stock Corporation Act in writing that items are to be put on the agenda of the Annual General Meeting and to be published; such demand shall be addressed to the Management Board. Each new item on the agenda shall be accompanied by an explanation or a draft proposal for a resolution. The applicants shall prove that they have been shareholders of Schramm Holding AG for at least three months before the day of the Annual General Meeting, i.e. **since 11 March 2010**, and that they will hold the shares until a decision has been made on the request for a supplementary motion. The request must be received by Schramm Holding AG by no later than 30 days prior to the Annual General Meeting; the day of receipt and the day of the Annual General Meeting shall not be included in the calculation. Hence, last possible day for the

INVITATION TO THE ANNUAL GENERAL MEETING UNDER GERMAN LAW

receipt of the request for a supplementary motion is **Tuesday, 11 May 2010, at 12:00 p.m. (Central European Summer Time)/Wednesday, 12 May 2010, at 06:00 a.m. (Hong Kong time)**.

Further explanations to the shareholder rights pursuant to section 122 (2) German Stock Corporation Act are available on the website of Schramm Holding AG at

www.schramm-holding.com/en_generalmeeting2010.html.

Shareholders' rights to announce motions and proposals for the election (sections 126(1), 127 German Stock Corporation Act)

According to section 126(1) German Stock Corporation Act motions by shareholders together with the shareholder's name, the grounds and any position taken by the Management Board and/or Supervisory Board shall be made available to the persons entitled pursuant to section 125(1) to (3) German Stock Corporation Act under the requirements stated therein if at least 14 days prior to the Annual General Meeting, **i.e. at the latest on the 27 May 2010, 12:00 p.m. (Central European Summer Time) or 28 May 2010, 06:00 a.m. (Hong Kong time)**, the shareholder sends a counter motion with its grounds to a proposal of the Management Board and Supervisory Board as to an item of the agenda to the address indicated in the invitation convening the Annual General Meeting (see further below). The day of receipt and the day of the Annual General Meeting shall not be taken into account. A counter motion and its grounds do not need to be made available, if the requirements according to section 126(2) German Stock Corporation Act have been met. According to section 127 German Stock Corporation Act section 126 German Stock Corporation Act shall apply analogously with regard to the proposal of a shareholder for the election of the members of the Supervisory Board or the appointment of the auditor. It is not necessary to include grounds for the proposal. The Management Board is not obliged to make the proposal for the election available if the proposal does not contain the information according to section 124(3) sentence 3 German Stock Corporation Act and section 125(1) sentence 5 German Stock Corporation Act.

Shareholders' motions and proposals for the election shall be addressed to the following address:

Schramm Holding AG
Kettelerstraße 100
63075 Offenbach/Main
Fax: +49 69 8603 229

INVITATION TO THE ANNUAL GENERAL MEETING UNDER GERMAN LAW

Motions and proposals for elections which have been addressed elsewhere will not be considered. Such motions and proposals for elections which have been addressed to this address in time, i.e. which Schramm Holding AG has received at the latest until **27 May 2010 at 12:00 p.m. (Central European Summer Time) or 28 May 2010, at 06:00 a.m. (Hong Kong time)** will be immediately made available endorsed with a possible comment by the Management Board and/or Supervisory Board according to the statutory provisions on Schramm Holding AG's website as follows:

www.schramm-holding.com/en_generalmeeting2010.html.

Further explanations to the shareholder rights pursuant to sections 126(1), 127 German Stock Corporation Act are available on the website of Schramm Holding AG at

www.schramm-holding.com/en_generalmeeting2010.html.

Shareholders' right to information at the Annual General Meeting (section 131(1) German Stock Corporation Act)

Each shareholder shall upon request be provided with information at the Annual General Meeting by the Management Board regarding Schramm Holding AG's affairs to the extent such information is necessary to permit a proper evaluation of the relevant item on the agenda. The obligation to provide information shall also cover Schramm Holding AG's legal and business relations with any affiliated enterprise. If Schramm Holding AG makes use of the simplified procedure pursuant to section 266(1) sentence 3, section 276 or section 288 German Commercial Code, each shareholder may request at the Annual General Meeting that the annual financial statements be presented to him at the Annual General Meeting on such annual financial statements in the form which would have been used if such provisions on simplified procedure were not applied. A parent enterprise's (section 290(1) and (2) German Commercial Code) Management Board's obligation to inform the shareholders at the Annual General Meeting that considers the consolidated financial statement and consolidated management report shall extend to the situation of the group and the enterprises included in the consolidated financial statement.

Further explanations to the shareholder rights pursuant to section 131(1) German Stock Corporation Act are available on the website of Schramm Holding AG at www.schramm-holding.com/en_generalmeeting2010.html.

Total number of shares and voting rights at the time of the convention of the Annual General Meeting

At the time of the publication of the convention of the Annual General Meeting in the German Federal Electronic Gazette the share capital of Schramm Holding AG amounts to EUR 19,905,000.00 and is divided in 19,905,000 par value shares with the nominal value of EUR 1.00 each. The shares are registered shares. Each share confers the shareholders with one vote (section 16(1) Articles of Association). Therefore, the

INVITATION TO THE ANNUAL GENERAL MEETING UNDER GERMAN LAW

total number of votes in Schramm Holding AG at the time of the publication of the convention of the Annual General Meeting in the German Federal Electronic Gazette amounts to 19,905,000. To Schramm Holding AG's knowledge no voting right will be extinguished at the time of the convention of the Annual General Meeting.

Publication on the website of Schramm Holding AG

Immediately after the convention of the Annual General Meeting its content, the above mentioned documents as well as the total number of shares and voting rights at the time of the convention of the Annual General Meeting as well as any other information according to section 124a German Stock Corporation Act shall be made available on Schramm Holding AG's website as follows:

www.schramm-holding.com/en_generalmeeting2010.html

After the Annual General Meeting the voting results will be published on the same website. The documents which have to be made accessible will also be available during the Annual General Meeting on 11 June 2010.

Further, the invitation to the Annual General Meeting was published in the electronic Federal Gazette on 05 May 2010 and on the website of the Hong Kong Stock Exchange under www.hkexnews.hk and transmitted to such media for publication, regarding which it can be assumed that they disseminate the information throughout the European Union.

Only the German version of this invitation is relevant. The English translation serves for information purposes only.

Offenbach/Main, in May 2010

Schramm Holding AG

— **Management Board** —

Schramm Holding AG
Kettelerstraße 100
63075 Offenbach/Main
Tel: +49 69 8603-0
Fax: +49 69 8603 229

As at the date of this document, the members of the Management Board of Schramm Holding AG are Mr. Peter BRENNER, Mr. Kyung Seok CHAE and Mr. Kyung Hwan YEO; the members of the Supervisory Board of Schramm Holding AG are Mr. Jung Hyun OH, Mr. Suk Whan CHANG, Mr. Jeong Ghi KOO, Mr. Kun Hwa PARK, Mr. Choong Min LEE and Mr. Kiyoung SHIN (whereas the last-mentioned three act out the function of an independent supervisor pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).