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

If you have sold or transferred all your shares in Trauson Holdings Company Limited, you should at once hand this document to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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TRAUSON HOLDINGS COMPANY LIMITED

創生控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 325)

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES
AND
APPOINTMENT OF NON-EXECUTIVE DIRECTOR
AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Trauson Holdings Company Limited (the “Company”) to be held at Regus Business Centre, 35/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Wednesday, 16 May 2012 at 10:00 a.m. is set out on pages 12 to 16 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk). Whether or not you are able to attend the annual general meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting if they so wish.

16 April 2012

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Regus Business Centre, 35/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Wednesday, 16 May 2012 at 10:00 a.m. or any adjournment thereof and notice of which is set out on pages 12 to 16 of this circular
“Articles of Association”	the articles of association of the Company conditionally adopted on 10 June 2010 and became effective on 29 June 2010, being the date of listing of the Company’s Shares on the main board of the Stock Exchange, as amended or supplemented from time to time
“associate”	has the same meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Cayman Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	Trauson Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability on 27 January 2010, with its Shares listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“General Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or deal with Shares not exceeding 20 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting the General Mandate
“Group”	the Company and its Subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	10 April 2012, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“PRC” or “China”	the People’s Republic of China
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting the Repurchase Mandate
“Securities and Futures Ordinance”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
“Share(s)”	ordinary share(s) of nominal value of HK\$0.10 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
“Subsidiary”	has the same meaning ascribed to it in the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers, as amended from time to time

LETTER FROM THE BOARD



TRAUSON HOLDINGS COMPANY LIMITED

創生控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 325)

Executive Directors:

Qian Fu Qing
Cai Yong

Registered office:

PO Box 309 Ugland House
Grand Cayman KY1-1104
Cayman Islands

Non-executive Director:

Xu Yan Hua

*Principal place of business
in Hong Kong:*

8th Floor
Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

Independent Non-executive Directors:

Chan Yuk Tong
Lu Bing Heng
Zhao Zi Lin

16 April 2012

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES
AND
APPOINTMENT OF NON-EXECUTIVE DIRECTOR
AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you the notice of Annual General Meeting and the following proposals to be put forward at the Annual General Meeting: (i) the grant to the Directors of the General Mandate to issue Shares and the Repurchase Mandate to repurchase Shares; (ii) the appointment of a non-executive Director; and (iii) the re-election of the retiring Directors.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

In order to ensure flexibility and give discretion to the Directors, in the event that it becomes desirable for the Company to issue any Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the General Mandate to issue Shares. At the Annual General Meeting, an ordinary resolution no. 5(A) will be proposed to grant the General Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with the additional Shares in the share capital of the Company up to 20 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the resolution in relation to the General Mandate. As at the Latest Practicable Date, the issued share capital of the Company comprised 774,328,625 Shares. Subject to the passing of ordinary resolution no. 5(A) and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the Annual General Meeting, the Company will be allowed to issue a maximum of 154,865,725 Shares.

In addition, subject to a separate approval of ordinary resolution no. 5(C), the number of Shares purchased by the Company under ordinary resolution no. 5(B) will also be added to extend the 20 per cent limit of the General Mandate as mentioned in ordinary resolution no. 5(A) provided that such additional amount shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the resolutions in relation to the General Mandate and Repurchase Mandate.

REPURCHASE MANDATE TO REPURCHASE SHARES

In addition, an ordinary resolution will be proposed to approve the granting of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the resolution in relation to the Repurchase Mandate.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix I to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR

As disclosed in the announcement of the Company dated 1 April 2012, the Board has nominated Mr Wang Chong Guang Charles (王重光先生) (“Mr Wang”) to act as a non-executive Director with effect from 28 June 2012, subject to the approval of the Shareholders at the Annual General Meeting by way of an ordinary resolution. The details of Mr Wang are set out in Appendix II to this circular.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with the Articles of Association, Mr Cai Yong and Ms Xu Yan Hua shall retire from directorship by rotation, and being eligible, offer themselves for re-election at the Annual General Meeting.

Details of the above named Directors who are subject to re-election at the Annual General Meeting are set out in Appendix III to this circular in accordance with the relevant requirements of the Listing Rules.

LETTER FROM THE BOARD

NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 12 to 16 of this circular is the notice of Annual General Meeting at which, *inter alia*, ordinary resolutions will be proposed to the Shareholders to consider and approve the grant to the Directors of the General Mandate to issue Shares, the Repurchase Mandate to repurchase Shares, the appointment of non-executive Director and the re-election of the retiring Directors.

FORM OF PROXY

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk). Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the holding of the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting at the Annual General Meeting if they so wish.

VOTING BY POLL

Pursuant to article 13.6 of the Articles of Association, at any general meeting a resolution put to the vote of the meeting shall be decided on a poll.

On a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy shall have one vote for each Share registered in his name in the register. A Shareholder entitled to more than one vote is under no obligation to cast all his votes in the same way.

The results of the poll will be published by way of an announcement on the Company's website and website of the Stock Exchange in accordance with the requirements of the Listing Rules.

GENERAL

Your attention is also drawn to the additional information set out in the appendices to this circular.

The English text of this circular, the notice of the Annual General Meeting and the form of proxy for use at the Annual General Meeting shall prevail over the Chinese text in case of inconsistency.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief 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 herein or this circular misleading.

RECOMMENDATION

The Directors consider that the proposed resolutions for the granting to the Directors of the General Mandate to issue Shares, the Repurchase Mandate to repurchase Shares, the appointment of non-executive Director and the re-election of the retiring Directors are in the interests of the Group and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully
By order of the Board
Trauson Holdings Company Limited
Qian Fu Qing
Chairman

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 774,328,625 Shares of nominal value of HK\$0.10 each. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 77,432,862 Shares during the period ending on the earlier of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held under any applicable laws or the Articles of Association; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting.

REASONS AND FUNDING OF REPURCHASES

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

Repurchases of Shares will be financed out of funds legally available for the purpose in accordance with the Articles of Association and the applicable laws of the Cayman Islands. The Company may not repurchase the Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that if the Repurchase Mandate was to be exercised in full, it may have a material adverse impact on the working capital or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2011, being the date to which the latest published audited consolidated financial statements of the Company were made up. 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.

GENERAL

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their associates have any present intention to sell any Shares to the Company or its Subsidiaries, if the Repurchase Mandate is approved by the Shareholders.

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

No connected person, as defined in the Listing Rules, has notified the Company that he or she has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholder's interest, 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. Saved as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Ms Xu Yan Hua through her wholly owned company, Luna Group Holdings Limited was interested in 477,945,000 Shares, representing an approximate of 61.72 per cent of the existing issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, Ms Xu's interests in the Company through Luna Group Holdings Limited would be increased to approximately 68.58 per cent of the issued share capital of the Company. The Directors are not aware of such increase would give rise to an obligation to make a mandatory offer under the Takeovers Code.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25 per cent (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares (whether on the Stock Exchange or otherwise) have been made by the Company in the 6 months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous 12 calendar months preceding the Latest Practicable Date were as follows:

Month	Highest prices <i>HK\$</i>	Lowest prices <i>HK\$</i>
2011		
April	3.48	3.15
May	3.34	3.02
June	3.20	2.80
July	3.25	2.99
August	3.08	2.50
September	2.96	1.95
October	2.46	1.84
November	2.40	1.89
December	2.06	1.68
2012		
January	2.49	1.71
February	2.48	2.09
March	2.90	2.16
April (up to the Latest Practicable Date)	2.79	2.43

The following are the particulars of Mr Wang Chong Guang Charles, who is nominated by the Board to be elected as a non-executive Director at the Annual General Meeting.

Mr Wang Chong Guang Charles (王重光先生), aged 46, has been the chief financial officer of the Company since December 2010. Mr Wang has more than 20 years of experience in financial management, corporate finance and mergers and acquisitions. Before joining the Company, Mr Wang served for approximately two years as the chief financial officer of Tongjitang Chinese Medicines Company, a pharmaceutical manufacturer and distributor in the PRC which was listed on the New York Stock Exchange. Prior to that, Mr Wang served for more than nine years as the chief financial officer of a leading medical services group in the Asia-Pacific region. Mr Wang had also previously worked for professional accountancy firms in both England and Hong Kong, as well as for the Asia-Pacific headquarters of an industrial conglomerate, which was listed on the London Stock Exchange. Mr Wang received his bachelor's degree in economics and accountancy from Leeds University in the United Kingdom in 1988 and has been a member of the Institute of Chartered Accountants of England and Wales since 1991.

Save as disclosed above, Mr Wang did not hold any positions with the Company or any other members of the Group, nor has any directorship in other listed public companies in the past three years.

As at the Latest Practicable Date, Mr Wang did not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance nor has any relationships with any other Directors, senior management or substantial Shareholders or controlling Shareholders (having the same meaning ascribed to it in the Listing Rules).

Upon approval of Mr Wang's appointment as a non-executive Director by the Shareholders at the Annual General Meeting, the Company and Mr Wang will enter into an appointment letter commencing 28 June 2012 with no specified length of service, but Mr Wang's appointment will be subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association. Mr Wang will be entitled to such remuneration as determined by the Board with reference to, among other things, his duties and responsibilities with the Company.

Save as disclosed above, there is no other matter that needs to be brought to the attention of the Shareholders and there is no information relating to Mr Wang which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

APPENDIX III DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

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

Mr Cai Yong (蔡勇先生), aged 37, has been an executive Director since 10 June 2010. He joined the Group in 2003 and has been the research and development director of the Group since October 2005. Mr Cai is primarily responsible for the research and development of new products of the Group and the collaboration with university research centres and surgeons on new product research. Mr Cai is a senior engineer with extensive experience in design, research and development. He obtained a junior college qualification jointly granted by Nanjing University and Dongnan University in 2001. Save as disclosed above, Mr Cai did not hold any positions with the Company or any other members of the Group, nor has any directorships in other listed public companies in the past three years.

The Company had entered into a service agreement with Mr Cai for a term of three years with effect from 10 June 2010, subject to re-election in accordance with the Articles of Association and the Listing Rules. Pursuant to his service agreement, Mr Cai is not entitled to receive any director's fee.

As at the Latest Practicable Date, Mr Cai did not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance nor has any relationships with any other Directors, senior management or substantial Shareholders or controlling Shareholders (having the same meaning ascribed to it in the Listing Rules).

Save as disclosed above, there is no other matter that needs to be brought to the attention of the Shareholders and there is no information relating to Mr Cai which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

Ms Xu Yan Hua (徐燕華女士), aged 56, has been a non-executive Director since 27 January 2010. Ms Xu is also the controlling Shareholder and a director of a number of the Company's subsidiaries. In 1991, Ms Xu completed a course on township industry economics and management at Nanjing Normal University. Ms Xu is the spouse of Mr Qian Fu Qing, the chairman, chief executive officer and executive Director of the Company.

Save as disclosed above, Ms Xu did not hold any positions with the Company or any other members of the Group, nor has any directorships in other listed public companies in the past three years.

The Company had entered into a letter of appointment with Ms Xu for a term of three years with effect from 10 June 2010, subject to re-election in accordance with the Articles of Association and the Listing Rules. Pursuant to the supplementary agreement entered into between the Company and Ms Xu on 21 September 2011, she is entitled to receive director's remuneration of RMB400,000 per annum with effect from 30 September 2011, which was determined by the Board with reference to her experience, responsibilities and prevailing market conditions.

As at the Latest Practicable Date, Ms Xu is deemed to be interested in 477,945,000 Shares held by Luna Group Holdings Limited.

Save as disclosed above, there is no other matter that needs to be brought to the attention of the Shareholders and there is no information relating to Ms Xu which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



TRAUSON HOLDINGS COMPANY LIMITED 創生控股有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 325)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Trauson Holdings Company Limited (the “Company”) will be held at Regus Business Centre, 35/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Wednesday, 16 May 2012 at 10:00 a.m. for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolutions:

Ordinary business

1. To receive and adopt the audited consolidated financial statements of the Company and the reports of the directors and auditors for the year ended 31 December 2011.
2. To declare a final dividend of RMB3.79 cents per ordinary share and a special dividend of RMB9.21 cents per ordinary share for the year ended 31 December 2011.
3.
 - a. To consider and approve the appointment of Mr Wang Chong Guang Charles as a non-executive director of the Company.
 - b. To re-elect the following retiring directors of the Company:
 - (i) Mr Cai Yong
 - (ii) Ms Xu Yan Hua
 - c. To authorise the board of directors to fix the remuneration of the directors of the Company.
4. To re-appoint Deloitte Touche Tohmatsu as auditors of the Company and authorise the board of directors to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, to pass, with or without modification, the following resolutions as ordinary resolutions:

(A) “That:

- (i) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the directors of the Company during the Relevant Period pursuant to paragraph (i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined); or (2) the grant or exercise of any option under the option scheme of the Company or any other option scheme or similar arrangements for the time being adopted for the grant or issue to the directors, officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed the aggregate of 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the approval shall be limited accordingly;
- (iv) for the purpose of this resolution:
 - (a) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (1) conclusion of the next annual general meeting of the Company;

NOTICE OF ANNUAL GENERAL MEETING

- (2) the expiration of the period within which the next annual general meeting of the Company is required to be held under the applicable laws or the articles of association of the Company; and
 - (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
- (b) “Rights Issue” means an offer of shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the directors of the Company to holders of shares in the capital of the Company whose names appear on the register of shareholders on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

(B) “That:

- (i) subject to paragraph (ii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange under the Hong Kong Code on Share Repurchases and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of the shares of the Company, which may be repurchased pursuant to the approval in paragraph (i) above shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the directors and which are still in effect be and are hereby revoked; and

NOTICE OF ANNUAL GENERAL MEETING

(iv) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- a. the conclusion of the next annual general meeting of the Company;
- b. the expiration of the period within which the next annual general meeting of the Company is required to be held under the applicable laws and the articles of association of the Company; and
- c. the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

(C) “**That** conditional upon the resolutions numbered 5(A) and 5(B) set out in the notice convening this meeting being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 5(A) set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the ordinary resolution numbered 5(B) set out in the notice convening this meeting, provided that such amount shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of the resolution.”

By order of the Board of Directors
Trauson Holdings Company Limited
Qian Fu Qing
Chairman

Hong Kong, 16 April 2012

Registered office:
PO Box 309 Ugland House
Grand Cayman KY1-1104
Cayman Islands

Principal place of business
in Hong Kong:
8th Floor
Gloucester Tower
The Landmark
15 Queen’s Road Central
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) A shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her; a proxy need not be a shareholder of the Company.
- (ii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the persons so present whose name stands first on the register of shareholders in respect of such share shall alone be entitled to vote in respect thereof.
- (iii) In order to be valid, a form of proxy must be deposited at the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting or any adjournment thereof. The completion and return of the form of proxy shall not preclude members of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (iv) The transfer books and register of shareholders will be closed from Monday, 14 May 2012 to Wednesday, 16 May 2012, both days inclusive, during which period no share transfers can be registered. In order to qualify for attending and voting at the annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 11 May 2012.
- (v) The transfer books and register of shareholders will be closed from Tuesday, 22 May 2012 to Thursday, 24 May 2012, both days inclusive, during which period no share transfers can be registered. In order to qualify for the final dividend and special dividend, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar of the Company, 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 Monday, 21 May 2012.
- (vi) In respect of ordinary resolution numbered 3 above, Mr Wang Chong Guang Charles ("Mr Wang") is nominated by the board of directors to act as a non-executive director of the Company. Details of Mr Wang are set out in Appendix II to the accompanied circular dated 16 April 2012. Mr Cai Yong and Ms Xu Yan Hua shall retire at the above meeting and being eligible, offer themselves for re-election. Details of the above retiring directors are set out in Appendix III to the accompanied circular dated 16 April 2012.
- (vii) In respect of the ordinary resolution numbered 5(A) above, the directors wish to state that they have no immediate plans to issue any new shares of the Company. Approval is being sought from the shareholders of the Company as a general mandate for the purposes of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").
- (viii) In respect of the ordinary resolution numbered 5(B) above, the directors wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances which they deem appropriate for the benefits of shareholders. The Explanatory Statement containing the information necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix I to the accompanied circular dated 16 April 2012.
- (ix) The ordinary resolution numbered 5(C) will be proposed to the shareholders for approval provided that the ordinary resolutions numbered 5(A) and 5(B) are passed by the shareholders of the Company.