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## **BIO-DYNAMIC GROUP LIMITED** **生物動力集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 039)**

### **NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting of Bio-Dynamic Group Limited (the “**Company**”) will be held at Basement Falcon Room I, Luk Kwok Hotel, 72 Gloucester Road, Wanchai, Hong Kong on 8 September 2010 at 3:00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions:

#### **ORDINARY RESOLUTIONS**

(1) “**THAT:**

- (a) the Sale and Purchase Agreement (as defined in the Company’s circular to shareholders of the Company (the “**Shareholders**”) dated 23 August 2010 (the “**Circular**”) of which this notice of Extraordinary General Meeting forms a part) (a copy of which has been produced to this meeting marked “A” and initialled by the chairman of this meeting for the purpose of identification) entered into between the Company and Ms. Wong Hui-Hung, and the transactions contemplated thereunder be and are hereby approved; and any one director of the Company (“**Director**”) be and is hereby authorised with full power to do all things and sign or execute all documents on behalf of the Company which may in his opinion be necessary or desirable for the purpose of giving effect to the Sale and Purchase Agreement or any matters in relation thereto; and
- (b) the allotment and issue of 150,000,000 new ordinary shares of HK\$0.10 each in the capital of the Company (“**Shares**”) to Ms. Wong Hui-Hung (or its nominee) at an issue price of HK\$0.44 per Share at completion of the Sale and Purchase Agreement in accordance with its terms and subject to the terms and conditions contained in the articles of association of the Company (the “**Articles**”) be and are hereby approved and that a share certificate (or certificates) representing the Shares be issued under the common seal of the Company in accordance with the Articles, and any one Director (in any case where the common seal of the Company is required to be affixed, then any two Directors or any one Director and the secretary of the Company) be authorised, with full power, to do all things and sign or execute all documents on behalf of the Company which may in his/her (or their) opinion necessary or desirable in connection with the issue of the 150,000,000 Shares (the “**Consideration Shares**”), the share certificates or any matters in relation thereto and the Directors be and are authorised to allot, issue and deal with additional shares in the capital of the Company which may fall to be allotted and issued.”

- (2) **“THAT:**
- (a) the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with the unissued Shares at the annual general meeting of the Company held on 26 May 2010, to the extent not yet exercised prior to the date of passing of this resolution, be and is hereby revoked (without prejudice to any valid exercise of such mandate prior to the date of passing of this resolution);
  - (b) subject to paragraph (c) below, the Directors be and are hereby generally and unconditionally authorised to exercise during the Relevant Period (as defined in paragraph (d) below) all the powers of the Company to allot, issue and deal with additional Shares of the Company and to make or grant offers, agreements, and options (including warrants, bonds and debentures, notes and any securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of any of such powers during or after the end of the Relevant Period;
  - (c) the aggregate nominal amount of the Shares allotted, issued or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (b) of this resolution, other than pursuant to (i) a Rights Issue (as defined below); (ii) any share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and/or any eligible grantee pursuant to the scheme of Shares or rights to acquire Shares; (iii) any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles; (iv) the exercise of the rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into Shares; or (v) a specific authority granted by the Shareholders in general meeting, including the issue of the Consideration Shares upon the completion of the Sale and Purchase Agreement pursuant to the approval in resolution no. 1 as set out in the notice convening this meeting if such resolutions are passed, shall not in total exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the approval granted in paragraph (b) of this resolution shall be limited accordingly; and
  - (d) for the purpose of this resolution,
    - (A) **“Relevant Period”** means the period from the passing of this resolution until whichever is the earliest of:
      - (i) the conclusion of the next annual general meeting of the Company;
      - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution of the Shareholders in general meeting; and
      - (iii) the expiration of the period within which the next annual meeting of the Company is required by the Articles, or any applicable laws to be held.”

(B) “**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to holders of Shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or of the requirements of any recognised regulatory body or any stock exchange in, or in any territory outside Hong Kong).”

(3) “**THAT**:

(a) the exercise by the Directors during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to purchase its own Shares, subject to and in accordance with the applicable laws, rules and regulations of The Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited and paragraph (b) of this resolution, be and is hereby generally and unconditionally approved;

(b) the aggregate nominal amount of Shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution and the said approval shall be limited accordingly; and

(c) for the purpose of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Shareholders in general meeting; and

(iii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held.”

(4) “**THAT** conditional upon the passing of the ordinary resolutions nos. 2 and 3 as set out in the notice convening this meeting, the aggregate nominal amount of the share capital of the Company which is purchased by the Company pursuant to and in accordance with the resolution no. 3 as set out in the notice convening this meeting shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to and in accordance with the resolution no. 2 as set out in the notice convening this meeting.”

- (5) “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the options granted under the Refreshed Scheme Mandate Limit (as defined below), the refreshment of the existing scheme mandate limit in respect of granting of options to subscribe for Shares under the share option scheme adopted by the Company on 23 May 2007 (the “**Share Option Scheme**”), up to 10% of the total number of Shares in issue of the Company as at the date of passing this resolution (the “**Refreshed Scheme Mandate Limit**”) be and is hereby approved and that the Directors be and are hereby authorised, at their absolute discretion, to grant options under the Share Option Scheme up to the Refreshed Scheme Mandate Limit and to allot and issue Shares pursuant to the exercise of such options.”

By Order of the Board  
**Bio-Dynamic Group Limited**  
**Peter Lo**  
*Chairman*

Hong Kong, 23 August 2010

*Notes:*

- (1) A shareholder of the Company entitled to attend and vote at the extraordinary general meeting (or at any adjournment thereof) (the “**EGM**”) is entitled to appoint another person as his/her/its proxy to attend and vote in his/her/its stead in accordance with the Articles. A proxy needs not be a shareholder of the Company.
- (2) A form of proxy for use at the EGM is enclosed. Completion and return of the form of proxy will not preclude a member from attending the EGM and voting in person at the EGM or any adjourned meeting if he so desires. If a member attends the EGM after having deposited the form of proxy, his form of proxy will be deemed to have been revoked.
- (3) To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a certified true copy of that power of attorney or authority must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting (or any adjourned meeting thereof) and in default the form of proxy shall not be treated as valid.
- (4) In the case of joint holders, the vote of the senior who tenders the vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of other joint holder(s), and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of such joint holding.

*As at the date hereof, the executive directors are Mr. Peter Lo, Mr. Li Wentao, Mr. David Lee Sun, Mr. Zhao Difei, Mr. Li Jian Quan and Mr. Lu Gui Pin; the non-executive director is Mr. Derek Emory Ting-Lap Yeung; and the independent non-executive directors are Dr. Leung Kwan-Kwok, Mr. Sam Zuchowski and Dr. Loke Yu alias Loke Hoi Lam.*