

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Lerado Group (Holding) Co. Ltd., you should at once hand this circular to the purchaser, the transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for onward transmission to the purchaser or the transferee.

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**LERADO GROUP (HOLDING) COMPANY LIMITED**

**(隆成集團(控股)有限公司)\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1225)**

**PROPOSALS FOR PROPOSED  
(A) AMENDMENTS TO THE BYE-LAWS OF THE COMPANY  
(B) GENERAL MANDATES TO ISSUE SHARES  
AND REPURCHASE SHARES  
(C) RE-ELECTION OF DIRECTORS AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening an annual general meeting of LERADO GROUP (HOLDING) COMPANY LIMITED to be held at Kennedy Room, 7th Floor, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 18th June, 2010 at 2:30 p.m. is set out on the notice of Annual General Meeting on pages 14 to 30 of this circular. Whether or not shareholders propose to attend the meeting, they are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's Registrar in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the meeting should they so wish.

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## DEFINITIONS

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

“Annual General Meeting”	an annual general meeting of the Company to be held on 18th June, 2010 at 2:30 p.m.
“Associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Bye-Laws”	the Bye-Laws of the Company
“Company”	Lerado Group (Holding) Company Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Latest Practicable Date”	22nd April, 2010, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the notice of Annual General Meeting
“Repurchase Mandate”	a general mandate to the Directors to exercise the powers of the Company to repurchase Shares during the period as set out in Ordinary Resolution No. 5B up to a maximum of 10 per cent. of the issued share capital of the Company as at the date of passing of Ordinary Resolution No. 5B
“Share(s)”	share(s) of HK\$0.1 each in the share capital of the Company
“Share Issue Mandate”	a general mandate to the Directors to exercise the powers of the Company to issue during the period as set out in the Ordinary Resolution No. 5A representing up to 20 per cent. of the issued share capital of the Company as at the date of passing of Ordinary Resolution No. 5A

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## DEFINITIONS

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“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	has the meaning ascribed to it under the Listing Rules
“Takeover Code”	the Hong Kong Code on Takeovers and Mergers
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region of The People’s Republic of China
“%”	per cent



**LERADO GROUP (HOLDING) COMPANY LIMITED**

**(隆成集團(控股)有限公司)\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1225)**

*Directors:*

Mr. HUANG Ying Yuan (*Chairman*)

Mr. YANG Yu Fu (*Vice Chairman*  
*and Chief Executive Officer*)

Mrs. HUANG CHEN Li Chu (*Vice Chairman*)

Mr. CHEN Chun Chieh

Mr. LIM Pat Wah Patrick\*\*

Mr. HUANG Zhi Wei\*\*

Mr. CHERN Shyh Feng\*\*

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

*Principal place of business*  
*in Hong Kong:*

Unit 1-3, 30/F.,

Universal Trade Centre,

3-5A, Arbutnot Road,

Central, Hong Kong

28th April, 2010

*To the shareholders*

Dear Sir or Madam,

**PROPOSALS FOR PROPOSED**  
**(A) AMENDMENTS TO THE BYE-LAWS OF THE COMPANY**  
**(B) GENERAL MANDATES TO ISSUE SHARES**  
**AND REPURCHASE SHARES**  
**(C) RE-ELECTION OF DIRECTORS AND**  
**NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

This circular contains an explanatory statement to be sent to shareholders of the Company in compliance with the Listing Rules to give all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolutions to approve the amendments to the Bye-laws, Share Issue Mandate, Repurchase Mandate, and re-election of directors.

\* *for identification purposes only*

\*\* *independent non-executive directors*

**2. PROPOSED AMENDMENTS TO THE BYE-LAWS OF THE COMPANY**

The Stock Exchange has amended the Listing Rules relating to, among other things, the use of websites for communication with shareholders, the notice period required for general meetings and mandatory poll voting at general meetings. Additionally, Bermuda has amended its Companies Act relating to, among other things, eliminating the requirement to elect a President, Vice President, Chairman and Deputy Chairman and giving the Board of Directors the power to fill the casual vacancy of office of the auditor.

Accordingly, the Directors propose to seek the approval of the Shareholders by way of passing a special resolution to be proposed at the AGM for the amendments to the Bye-laws of the Company to ensure compliance with the several amended provision of the Listing Rules and Bermuda Companies Act.

The full text of the proposed amendments to the Bye-laws of the Company is set out in Appendix III of this circular.

**3. GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES**

It will be proposed at the Annual General Meeting (the “AGM”) an ordinary resolution granting to the Directors the Share Issue Mandate. As at 22th April, 2010, the number of issued shares of the Company was 750,692,724. Assuming that the number of issued shares of the Company remains unchanged on the date of passing of the ordinary resolution, the maximum number of shares that may be issued pursuant to the New Issue Mandate will be 150,138,544 shares. In addition, it is further proposed, by way of a separate ordinary resolution, that the New Issue Mandate be extended so that the Directors be given a general mandate to issue further shares in the Company of an aggregate nominal amount equal to the aggregate nominal amount of the shares repurchased by the Company after the granting of the below repurchase mandate in order to provide flexibility for issuing new shares when it is in the interests of the Company.

An ordinary resolution will be proposed to renew the granting to the Directors of a general mandate, in the terms set out in the notice of AGM (the “Repurchase Mandate”), allowing the Company to repurchase its own shares up to a limit of 10 per cent in aggregate of the Company’s issued share capital (the “Maximum Number of Shares”) as at the date of passing the relevant resolution during the period ending on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by law and the date upon which such authority is revoked or varied. This will allow the Company to repurchase its own shares, inter alia, on market in accordance with the Listing Rules.

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## LETTER FROM THE BOARD

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### 4. RE-ELECTION OF RETIRING DIRECTORS

Pursuant to clause 86 and 87 of the Bye-laws, Ms. Huang Chen Li Chu, Mr. Huang Zhi Wei and Mr. Chern Shyh Feng will retire from office as Directors at the AGM and being eligible, offer themselves for re-election. Brief biographical and other details of the above Directors are set out in Appendix II to this circular.

### 5. ANNUAL GENERAL MEETING

Notice of the AGM is contained in this circular. A form of proxy for use at the AGM is also enclosed therewith.

The following Ordinary Resolutions, will be respectively proposed at such meeting:

- to grant to the Directors a general mandate to authorise the Directors to issue, allot and deal with Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing Ordinary Resolution 5A;
- to grant to the Directors a general mandate to exercise all powers of the Company to repurchase on the Stock Exchange Shares representing up to 10% of the issued share capital of the Company as at the date of passing Ordinary Resolution 5B; and
- to extend the general mandate which will be granted to the Directors to issue, allot and deal with additional Shares by adding to it the number of Shares repurchased under the Repurchase Mandate after the granting of the Share Issue Mandate.

The following Special Resolution, will be proposed at such meeting:

- to amend the Bye-laws of the Company.

### 6. PROCEDURE TO DEMANDING A POLL

Pursuant to clause 66 of the Company's Bye-Laws, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the Chairman of the Meeting; or
- (ii) by at least three members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or

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## LETTER FROM THE BOARD

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- (iii) by any member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) by any member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

In accordance with the requirements of the Listing Rules, the results of the poll will be published by way of an announcement in the websites of the Stock Exchange and the website of the Company ([www.irasia.com/listco/hk/lerado/index.htm](http://www.irasia.com/listco/hk/lerado/index.htm)) on the business day following the meeting.

### **7. ACTION TO BE TAKEN**

Whether or not you intend to attend the AGM, you are requested to complete the accompanying proxy form and return it to the company registrar of the Company in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude shareholders of the Company from attending and voting in person at the AGM if they so wish.

### **8. 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 of the Company collectively and individually accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.



**9. RECOMMENDATION**

The Directors consider that all the proposed resolutions to be put forward to the Shareholders at the AGM are in the best interests of the Company and the Shareholders as a whole and accordingly recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

On behalf of the Board

**Huang Ying Yuan**

*Chairman*

*This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the issued share capital of the Company as at the date of approval for the Repurchase Mandate.*

## **SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised of 750,692,724 ordinary shares of HK\$0.10 each.

Exercise in full of the Repurchase Mandate, on the basis that no further shares are issued or repurchased prior to 18th June, 2010, being the date of the AGM, could accordingly result in up to 75,069,272 shares (the “Maximum Number of Shares”) being repurchased by the Company during the course of the period from 18th June, 2010 to the earliest of (i) the date of the 2011 annual general meeting, (ii) the date by which the next annual general meeting of the Company is required to be held by law and (iii) the date upon which such authority is revoked or varied.

Concerning Ordinary Resolution 5B, the Directors wish to state that they have no immediate plans to repurchase shares of the Company. Approval is being sought from the Shareholders as a general mandate pursuant to the requirement under the applicable laws of Bermuda and the Listing Rules only.

## **REASONS FOR REPURCHASES**

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

## **FUNDING OF REPURCHASES**

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company’s available cash flow or working capital facilities derived from the distributable profits of the Company which would otherwise be available for dividend or other distributions which will be funds legally available for the purpose in accordance with the Bye-laws and the applicable laws of Bermuda.

On the basis of the consolidated financial position of the Company as at 31st December, 2009 (being the date to which the latest published financial statements of the Company have been made up), the Directors consider that the exercise in full of the Repurchase Mandate to repurchase shares might have a material adverse impact on the working capital position or gearing position of the Company as compared with its position as at 31st December, 2009. No purchase would be made in circumstances that might have a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the latest published audited financial statements) unless the Directors considered that such purchase will benefit the Company and its Shareholders in the sense of enhanced net asset value or improved earnings per share.

### **DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS**

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquires, any of the associates (as defined in the Listing Rules) of any of the Directors has any present intention, in the event that the proposed Repurchase Mandate is approved by the Company's shareholders, to sell Shares to the Company or its subsidiaries.

No connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make repurchases of Shares.

### **UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchase pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the Bye-laws and the applicable laws of Hong Kong and Bermuda respectively.

**SHARE PRICES**

The highest and lowest traded prices for the Shares on the Stock Exchange during the previous twelve months preceding the Latest Practicable Date are as follows:

<b>Month</b>	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2009</b>		
April	0.57	0.39
May	0.66	0.54
June	0.75	0.59
July	0.71	0.60
August	0.72	0.62
September	0.81	0.62
October	0.80	0.70
November	1.34	0.74
December	1.26	1.00
<b>2010</b>		
January	1.32	1.13
February	1.21	1.08
March	1.25	1.01
April (up to the Latest Practicable Date)	1.21	1.09

**REPURCHASES MADE BY THE COMPANY**

No purchase of shares was made by the Company on the Stock Exchange during the six months preceding the Latest Practicable Date.

**EFFECT OF TAKEOVERS CODE**

A repurchase of Shares by the Company may result in an increase in the proportionate interests of a substantial shareholder of the Company in the voting rights of the Company, which could give rise to an obligation to make a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code.

In the case where the Maximum Number of Shares are repurchased, the percentage of shareholdings of the substantial shareholders (as defined in the Listing Rules) in the Company will be as follows:

<b>Substantial shareholders</b>	<b>Percentage of shareholdings as at the Latest Practicable Date</b>	<b>Percentage of shareholdings as if the Maximum Number of Shares are repurchased</b>
Intelligence Hong Kong Group Limited <i>(Note 1)</i>	19.8%	22.0%
Hwa Foo Investment Limited <i>(Note 2)</i>	12.9%	14.3%
Chen Chun Chieh	0.1%	0.2%
Huang Ying Yuan <i>(Note 3)</i>	0.4%	0.4%
Huang Chen Li Chu <i>(Note 3)</i>	0.2%	0.2%

*Notes:*

1. Intelligence Hong Kong Group Limited is controlled by Mr. Huang Ying Yuan and Mrs. Huang Chen Li Chu.
2. Hwa Foo Investment Limited is controlled by Mr. Chen Chun Chieh. Mr. Chen Chun Chieh hold 13.0% as at the Latest Practicable Date and 14.5% if the Maximum Number of Shares are repurchased.
3. Mrs. Huang Chen Li Chu is the spouse of Mr. Huang Ying Yuan. The percentages above indicate their respective shareholdings individually. In the event that Mrs. Huang Chen Li Chu and Mr. Huang Ying Yuan are deemed to be parties acting in concert under the Takeovers Code, they would hold 20.4% in aggregate as at the Latest Practicable Date and 22.6% in aggregate if the Maximum Number of Shares are repurchased.

The Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any purchases made pursuant to the Repurchase Mandate.

*The biographical and other details of the Directors standing for re-election at the Annual General Meeting are set out below:*

### **Executive Directors**

**Mrs. HUANG Chen Li Chu**, aged 60, was appointed an Executive Director of the Company in 1998. Mrs. Huang has worked in the infant products industry in Taiwan for over 31 years and established her own research and development company whose operations were acquired by the Group in early 1998. Mrs. Huang is in charge of the Group's research and development operations.

Mrs. Huang Chen Li Chu is the wife of Mr. Huang Ying Yuan, the Chairman of the Company. Save as mentioned, Mrs. Huang does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. In accordance with the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"), Mrs. Huang was interested in 1,234,000 shares in the Company in her personal interest, 2,966,000 shares in her spouse's interest and 148,353,540 shares in corporate interest which is controlled by Mrs. Huang and her spouse, representing approximately 0.2%, 0.4% and 19.8% respectively in the issued share capital of the Company as at 22th April, 2010 (the "Latest Practicable Date").

The amount of director's remuneration specified in the service contract dated 2nd December, 1998 (for a term of 3 years and shall continue until terminated by either party by serving written notice of 3 months) between Mrs. Huang and the Company includes a basic remuneration and a discretionary bonus, both to be determined by the Board. Mr. Huang received an annual emolument of approximately HK\$3,490,000 for the year ended 31st December, 2009, inclusive of bonus payment HK\$2,000,000.

### **Independent Non-Executive Director**

**Mr. HUANG Zhi Wei**, aged 71, is currently the Executive Vice President of Guangdong General Chamber of Commerce. Mr. Huang has spent over a decade in economic-related government sectors in China. He served as the Deputy Director General of Guangdong Department of Foreign Trade & Economic Cooperation and the Director General of Guangdong Board of Investment from 1993 to 2000 respectively. He also served as the Executive Officer of Foshan Economic Committee from 1984 to 1992. Prior to this, he worked as an engineer in Foshan Power Plant for almost 10 years and served as the Chief Engineer and Deputy General Manager of Foshan Household Electrical Appliances Corporation from 1981 to 1984. Mr. Huang graduated from the Central China University of Science and Engineering, majored in electric engineering. Mr. Huang was appointed as Independent Non-executive Director of the Company on 30 September 2004.

**Mr. CHERN Shyh Feng**, aged 42, is the founder and Chairman of Paralink Asset Management Asia Limited. Mr. Chern has extensive experience in banking, finance and accounting and held executive positions at several international financial institutions and listed companies. Mr. Chern obtained his Bachelor Degree in Accounting from the Ohio State University in United States of America and Master Degrees in Accounting and Business Administration in Finance respectively from the University of Illinois in United States of America. Mr. Chern has held executive positions at several investment banks, securities houses and asset management companies in Taiwan, Shanghai and Hong Kong. He was lecturer of Taiwan Securities and Futures Markets International Development Fund and Faculty of Banking and Finance of Tamkang University in Taipei. Mr. Chern performed as independent non-executive directors of several Taiwan listed companies including ADDA Corporation (stock code: TW 3071) (Year 2008), Tung Kai Technology Engineering Company Limited (stock code: TW 3018) (Year 2007 and 2008), Aker Technology Company Limited (stock code: TW 6174) (Years 2006 to 2008) and Azion Corporation (stock code: TW 6148) (Years 2005 to 2008). Mr. Chern was appointed as Independent Non-executive Director of the Company in 6th November, 2009.

Each of Mr. Huang Zhi Wei and Mr. Chern Shyh Feng does not hold any position with the Company and other member of the Group before the date of his appointment. At the Latest Practicable Date, each of them did not have any interest in the shares of the Company within the meaning of PART XV of the SFO nor did they have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. The appointment of Mr. Huang is for a fixed term of three years commencing April 2009 and that for Mr. Chern is for a fixed term of one year commencing November 2009. There is no service contract between Mr. Huang and Mr. Chern with the Company. Each of them is entitled to have annual remuneration of HK\$180,000 and additional fee of HK\$10,000 for physically attending each full board meeting. Total director's fee paid to Mr. Huang and Mr. Chern for the year ended 31st December, 2009 amounted to HK\$205,000 and HK\$37,000 respectively.

Saved as mentioned above, the remuneration of the above directors is determined with reference to previous experience, duties and performance of each director, and the Company's profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Each of the above directors is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-laws.

The above Directors confirm that there are no information to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there other matters that need to be brought to the attention of the Shareholders.

**LERADO GROUP (HOLDING) COMPANY LIMITED****(隆成集團(控股)有限公司)\****(Incorporated in Bermuda with limited liability)***(Stock Code: 1225)****NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of Lerado Group (Holding) Company Limited (“the Company”) will be held at Kennedy Room, 7th Floor, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 18th June, 2010 at 2:30 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31st December, 2009.
2. To declare a final dividend for the year ended 31st December, 2009.
3. To re-elect the retiring directors and to authorise the Board of Directors to fix the directors remuneration for the year ending 31st December, 2010.
4. To re-appoint auditors and to authorise the Board of Directors to fix their remuneration.
5. As special business, to consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

**A. “THAT:**

- (a) subject to sub-paragraph (c) of this Resolution, the exercise by the directors of the Company during the relevant period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options, including bonds, warrants and debentures convertible into shares of the Company, which might require the exercise of such powers be and is hereby generally and unconditionally approved;

\* for identification purposes only



- (b) the approval in sub-paragraph (a) above shall authorise the directors of the Company during the relevant period to make or grant offers, agreements and options, including bonds, warrants and debentures convertible into shares of the Company, which might require the exercise of such powers after the end of the relevant period;
- (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors pursuant to the approval in sub-paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as defined below), (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company, (iii) the exercise of options under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees, etc. of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the cash payment for a dividend on shares of the Company in accordance with the bye-laws of the Company, shall not exceed twenty per cent of the aggregate nominal amount of the issued share capital of the Company, and this approval shall be limited accordingly; and
- (d) for the purpose of this Resolution:

“relevant period” means the period from the passing of this Resolution until whichever is 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 by law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by way of ordinary resolution in general meeting; and

“rights issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register 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 any recognised regulatory body or any stock exchange).”

**B. “THAT:**

- (a) subject to sub-paragraph (b) below, the exercise by the directors of the Company during the relevant period of all the powers of the Company to purchase its own securities, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the shares to be repurchased by the Company pursuant to sub-paragraph (a) of this resolution during the relevant period shall not exceed 10 per cent of the shares of the Company in issue at the date of this Resolution; and
- (c) for the purpose of this Resolution,

“relevant period” means the period from the passing of this Resolution until whichever is 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 by law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by way of ordinary resolution in general meeting.

- C. “THAT,** conditional upon Resolutions 5A and 5B in the notice convening this meeting being passed, the aggregate nominal amount of number of shares which are repurchased by the Company after this resolution becoming effective (up to maximum of 10 per cent of the issued share capital of the Company in issue at the date of this resolution) shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to Resolution 5A in the said notice referred to above.

6. As special business, to consider and, if thought fit, to pass the following resolution, with or without amendments, as a special resolution:

### SPECIAL RESOLUTION

“THAT the bye-laws of the Company (the “Bye-laws”) be amended as follows:—

#### 1. Bye-law 1

By inserting the following new definition of “business day(s)” in Bye-law 1 in the appropriate alphabetical sequence:

“business day(s)”                      any day on which the Designated Stock Exchange is generally open for the business of dealing in securities. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Bye-laws be counted as a business day.”

#### 2. Bye-law 2

- (a) By deleting the existing Bye-law 2(e) in its entirety and substituting therefor the following:

“(e) expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing words or figures in a visible form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the Member’s election comply with all applicable Statutes, rules and regulations;”

- (b) By deleting the definition of Special Resolution in Bye-law 2(h) in its entirety and substituting therefor the following:

“(h) a resolution shall be a Special Resolution when it has been passed by a majority of not less than three-fourths of the votes cast by such shareholders as, being entitled so to do, vote in person or, by a duly authorized corporate representative or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given in accordance with bye-law 59.”

- (c) By deleting the definition of Ordinary Resolution in Bye-law 2(i) in its entirety and substituting therefor the following:

“(i) a resolution shall be an Ordinary Resolution when it has been passed by a simple majority of the votes cast by such shareholders as, being entitled so to do, vote in person or by a duly authorized corporate representative or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given in accordance with bye-law 59.”

- (d) By inserting the following Bye-law 2(k) in Bye-law 2:

“(k) references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not.”

### 3. Bye-law 44

By deleting the existing Bye-law 44 in its entirety and substituting therefor the following:

“44. The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon on every business day by members of the public without charge at the Office or such other place at which the Register is kept in accordance with the Act. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.”

**4. Bye-law 59**

By deleting the existing Bye-law 59 in its entirety and substituting therefor the following:

- “59. (1) An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any special general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days and not less than ten (10) clear business days. All other special general meetings may be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice if it is so agreed:
- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
  - (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety five per cent. (95%) in nominal value of the issued shares giving that right.
- (2) The Notice shall specify the time and place of the meeting and particulars of resolutions to be considered at the meeting and, in case of special business, the general nature of the business. The Notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Bye laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding up of a Member and to each of the Directors and the Auditors.”

**5. Bye-law 66**

By deleting the existing Bye-law 66 in its entirety and substituting therefor the following:

“66. Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll.”

**6. Bye-law 67**

By deleting the existing Bye-law 67 in its entirety and substituting therefor the following:

“67. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”

**7. Bye-law 68**

By deleting the existing Bye-law 68 in its entirety and substituting therefor the following:

“68. On a poll votes may be given either personally or by proxy.”

**8. Bye-law 69**

By deleting the existing Bye-law 69 in its entirety and replacing it with the following “Intentionally Deleted”.

**9. Bye-law 70**

By deleting the existing Bye-law 70 in its entirety and substituting therefor the following:

“70. In the case of an equality of votes, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.”

**10. Bye-law 71**

By deleting the existing Bye-law 71 in its entirety and replacing it with the following “Intentionally Deleted”.

**11. Bye-law 80**

By deleting the existing Bye-law 80 in its entirety and substituting therefor the following:

“80. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.”

**12. Bye-law 81**

By deleting the existing Bye-law 81 in its entirety and substituting therefor the following:

“81. Instruments of proxy shall be in any common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.”

**13. Bye-law 82**

By deleting the existing Bye-law 82 in its entirety and substituting therefor the following:

“82. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or the Registration Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) two (2) hours at least before the commencement of the meeting or adjourned meeting, at which the instrument of proxy is used.”



**14. Bye-law 86(4)**

By deleting the existing Bye-law 86(4) in its entirety and substituting therefor the following:

“86. (4) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything to the contrary in these Bye laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.”

**15. Bye-law 115**

By deleting the existing Bye-law 115 in its entirety and substituting therefor the following:

“115. A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board. Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or via electronic mail or by telephone or in such other manner as the Board may from time to time determine whenever he shall be required so to do by any Director.”

**16. Bye-law 127**

By deleting the existing Bye-law 127 in its entirety and substituting therefor the following:

- “127. (1) The officers of the Company shall consist of the Directors and Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Act and, subject to Bye-law 132(4), these Bye-laws.
- (2) The officers shall receive such remuneration as the Directors may from time to time determine.
- (3) Where the Company appoints and maintains a resident representative ordinarily resident in Bermuda in accordance with the Act, the resident representative shall comply with the provisions of the Act.
- (4) The Company shall provide the resident representative with such documents and information as the resident representative may require in order to be able to comply with the provisions of the Act.
- (5) The resident representative shall be entitled to have notice of, attend and be heard at all meetings of the Directors or of any committee of such Directors or general meetings of the Company.”

**17. Bye-law 153**

- (a) By inserting the words “at the same time as the notice of annual general meeting and” after the words “before the date of the general meeting and” in the existing Bye-law 153;
- (b) By inserting the following new Bye-laws 153A and 153B after the existing Bye-law 153:

“153A. To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-law 149 shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, summarised financial statements derived from the Company’s annual accounts and the directors’ report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors’ report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to summarised financial statements, a complete printed copy of the Company’s annual financial statement and the directors’ report thereon.

153B. The requirement to send to a person referred to in Bye-law 149 the documents referred to in that provision or a summary financial report in accordance with Bye-law 150 shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, the Company publishes copies of the documents referred to in Bye-law 149 and, if applicable, a summary financial report complying with Bye-law 150, on the Company’s computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company’s obligation to send to him a copy of such documents.”

**18. Bye-law 157**

By deleting the existing Bye-law 157 in its entirety and substituting therefor the following:

“157. If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and fix the remuneration of the Auditor so appointed.”

**19. Bye-law 160**

By deleting the existing Bye-law 160 in its entirety and substituting therefor the following:

“160. Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the rules of the Designated Stock Exchange), whether or not, to be given or issued under these Bye-laws from the Company to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws, by placing it on the Company’s website or the website of the Designated Stock Exchange, and giving to the member a notice stating that the notice or other document is available there (a “notice of availability”). The notice of availability may be given to the Member by any of the means set out above. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.”

**20. Bye-law 161**

By deleting the existing Bye-law 161 in its entirety and substituting therefor the following:

“161. Any Notice or other document:

- (a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the Notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
- (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A Notice placed on the Company’s website or the website of the Designated Stock Exchange is deemed given by the Company to a Member on the day following that on which a notice of availability is deemed served on the Member;
- (c) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch, transmission or publication; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof; and
- (d) may be given to a Member either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.”

**21. Bye-law 162**

By deleting Bye-law 162 in its entirety and substituting therefor the following:

“Any Notice or other document:

- (i) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into a post office situated within the relevant territory and in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the written notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
- (ii) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A written notice placed on the Company’s website or the website of the Designated Stock Exchange, is deemed given by the Company to a shareholder on the day following that on which a notice of availability is deemed served on the shareholder;
- (iii) if served by advertisement, shall be deemed to have been served on the day of issue of the official publication and/or newspaper(s) in which the advertisement is published (or on the last day of issue if the publication and/or newspaper(s) are published on different dates);
- (iv) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant dispatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the act and time of such service, delivery, dispatch or transmission shall be conclusive evidence thereof; and
- (v) may be given to a shareholder either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.”

**22. Bye-law 163**

By deleting Bye-law 163 in its entirety and substituting therefor the following:

“Any notice or document delivered or sent by post to, sent by electronic communication to, or left at the registered address of, any shareholder in pursuance of these presents, shall notwithstanding that such shareholder be then deceased or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such shareholder until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares. Sufficient service is also deemed given by the Company to a shareholder if a notice is placed on the Company’s website.”

**23. Bye-law 166**

By deleting Bye-law 166 in its entirety and substituting therefor the following:

“The signature to any notice to be given by the Company may be written or printed or made electronically.”

By order of the Board  
**Chan Man Fu**  
*Company Secretary*

Hong Kong, 28th April, 2010

*Notes:*

- (1) At the Annual General Meeting, the Chairman of the meeting will exercise his power under Bye-law 66 of the Company's Bye-laws to put all of the above resolutions to the vote by way of poll.
- (2) Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him to attend and vote on his behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (3) To be effective, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a Member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (4) The register of members of the Company will be closed from Monday, 14th June, 2010 to Thursday, 17th June, 2010 (both days inclusive) during which period no transfer of shares of the Company will be registered. In order to qualify for the entitlement to the proposed final dividend for the year ended 31st December, 2009 and for attending and voting at the above meeting, unregistered holders of shares of the Company should ensure that all transfers of shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:00 p.m. on 11th June, 2010.
- (5) Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holders are present at the meeting, the most senior shall alone be entitled to vote, whether in person or by proxy, and for this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.