
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares of EYANG Holdings (Group) Co., Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

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EYANG
EYANG HOLDINGS (GROUP) CO., LIMITED
宇陽控股(集團)有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 117)

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE NEW SHARES
AND REPURCHASE BY THE COMPANY OF ITS OWN SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS; AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at Plaza V, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Monday, 26 May 2008 at 10:00 a.m. is set out on pages 16 to 20 of this circular. A form of proxy for use at the annual general meeting is also enclosed with this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk and the Company’s website at www.szeyang.com.

Whether or not you are able to attend the annual general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1806-1807, 18/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

29 April 2008

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Introduction	3
General Mandate and Repurchase Mandate	4
Declaration of final dividends	5
Re-election of Directors	5
Action to be taken	5
Recommendation	6
General	6
Appendix I — Explanatory statement	7
Appendix II — Procedures by which Shareholders may demand a poll at the AGM pursuant to the Articles of Association	11
Appendix III — Details of Directors proposed to be re-elected at the AGM	12
Notice of AGM	16

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held to consider and, if thought fit, to approve, among other things, the proposed grant of the General Mandate and the Repurchase Mandate and the proposed re-election of Directors
“Articles of Association”	the articles of association of the Company, and “Article” shall mean an article of the Articles of Association
“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Company”	EYANG Holdings (Group) Co., Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Eyang Shenzhen”	Eyang Technology Development Co., Ltd. (深圳市宇陽科技發展有限公司), a company incorporated under the laws of the PRC on 22 February 2001, and an indirect wholly-owned subsidiary of the Company
“General Mandate”	the general mandate proposed to be granted to the Directors at the AGM to allot, issue and otherwise deal with additional Shares up to a maximum of 20% of the aggregate nominal share capital of the Company in issue at the date of the passing of such resolution
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	23 April 2008, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“MLCC”	multi-layer ceramic capacitor
“PRC”	the People’s Republic of China, which for the purpose of this circular shall exclude Hong Kong, Taiwan and Macau Special Administrative Region
“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to repurchase up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing such resolution
“SFO”	the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

the English translations of Chinese names or words in this circular, where indicated, are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.

EYANG

EYANG HOLDINGS (GROUP) CO., LIMITED

宇陽控股(集團)有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 117)

Executive Directors:

Mr. Chen Weirong (*Chairman*)
Ms. Shuang Mei
Mr. Liao Jie

Non-executive Directors:

Mr. Cheng Wusheng
Mr. Li Heqiu
Mr. Zhang Zhilin
Mr. Chen Hao

Independent non-executive Directors:

Mr. Pan Wei
Mr. Liu Huanbin
Mr. Chu Kin Wang, Peleus

Registered office:

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman
KY1-1111
Cayman Islands

*Head office and principal place of
business in Hong Kong:*

8th Floor
Tien Chu Commercial Building
173-174 Gloucester Road
Wanchai
Hong Kong

29 April 2008

To the Shareholders

Dear Sir or Madam

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE NEW SHARES
AND REPURCHASE BY THE COMPANY OF ITS OWN SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS; AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the AGM to be held at Plaza V, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Monday, 26 May 2008 at 10:00 a.m, the following resolutions will be proposed, among other matters:

- (a) to re-elect the retiring Directors;
- (b) to declare and distribute the final dividends for the year ended 31 December 2007;

LETTER FROM THE BOARD

- (c) to grant the General Mandate to the Directors;
- (d) to grant the Repurchase Mandate to the Directors; and
- (e) to increase the number of Shares to be allotted and issued under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

The purpose of this circular is to provide you with information in relation to the resolutions to be proposed at the AGM for the grant of the General Mandate and the Repurchase Mandate, and the re-election of Directors, and to give you the notice of the AGM.

GENERAL MANDATE AND REPURCHASE MANDATE

The General Mandate and the Repurchase Mandate shall be effective until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association, or any other applicable law of the Cayman Islands to be held; or
- (c) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors.

General Mandate

The Company has in issue an aggregate of 405,500,000 Shares as at the Latest Practicable Date. Subject to the passing of the proposed resolution for the approval of the General Mandate and in accordance with the terms therein, the Company would be allowed to allot and issue up to a maximum of 81,100,000 Shares, representing 20% of the aggregate nominal amount of the issued Shares at the time of the passing of the resolution approving the General Mandate on the basis that no further Shares will be issued or repurchased by the Company prior to the AGM.

The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme as may be approved by the Shareholders.

Repurchase Mandate

Under the Listing Rules, the Company is required to give to the Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution to renew the grant to the Directors of the Repurchase Mandate. The explanatory statement required by the Listing Rules to be included in this circular is set out in Appendix I.

LETTER FROM THE BOARD

DECLARATION OF FINAL DIVIDENDS

In order to ascertain the entitlements to attend the AGM and to receive the final dividend for the year ended 31 December 2007, the register of members of the Company will be closed from Tuesday, 20 May 2008 to Monday, 26 May 2008 (both dates inclusive) during which period no transfer of Shares will be registered.

The last day for dealing in Shares cum entitlements to the proposed final dividends for the year ended 31 December 2007 will be on Thursday, 15 May 2008. Shareholders are reminded that in order to qualify for the proposed final dividend for the year ended 31 December 2007, all transfers of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 19 May 2008.

Please also refer to the announcement of the Company dated 23 April 2008 in relation to the declaration of the final dividends.

RE-ELECTION OF DIRECTORS

According to Article 87(1) that one-third of the Directors for the time being shall retire from office by rotation at every annual general meeting of the Company. A retiring Director shall be eligible for re-election. Mr. Chen Weirong, Ms. Shuang Mei, Mr. Liao Jie and Mr. Zhang Zhilin shall retire from their offices as Director by rotation and, being eligible, each of Mr. Chen Weirong, Ms. Shuang Mei and Mr. Liao Jie shall offer himself/herself for re-election as executive Director and Mr. Zhang Zhilin shall offer himself for re-election as non-executive Director at the AGM.

At the AGM, an ordinary resolution will be proposed to re-elect each of Mr. Chen Weirong, Ms. Shuang Mei and Mr. Liao Jie as executive Director and Mr. Zhang Zhilin as non-executive Director. Particulars relating to Mr. Chen Weirong, Ms. Shuang Mei, Mr. Liao Jie and Mr. Zhang Zhilin are set out in Appendix III to this circular.

ACTION TO BE TAKEN

Whether or not you intend to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. The completion and return of a form of proxy will not preclude you from attending and voting at the AGM or adjournment thereof in person if you so wish.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors believe that the proposed grant of the General Mandate and the Repurchase Mandate, the proposed extension of the General Mandate and the proposed re-election of the retiring Directors are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

GENERAL

Your attention is drawn to the information set out in the appendices to this Circular.

Yours faithfully
For and on behalf of
the board of Directors of
EYANG Holdings (Group) Co., Limited
Chen Weirong
Chairman

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

1. Repurchase of Shares from connected parties

The Listing Rules prohibit a company from knowingly purchasing Shares on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective associates and a connected person is prohibited from knowingly selling his/her/its Shares to the Company.

No connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is passed.

2. Share capital

As at the Latest Practicable Date, the issued share capital of the Company comprised 405,500,000 fully paid Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are to be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 40,550,000 fully paid Shares.

3. Reasons for the repurchase

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

4. Funding of repurchases

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company’s available cash flow or working capital facilities which will be funds legally available under the Cayman Islands law and the memorandum and articles of association of the Company for such purpose.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company compared with that as at 31 December 2007, being the date of its latest published audited consolidated accounts, in the event that the proposed repurchases were to be carried out in full at any time during the proposed repurchase period. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

5. Share prices

The highest and lowest prices at which the Shares have traded on the Stock Exchange during the period from 21 December 2007 (the date of listing of the Shares on the Stock Exchange) up to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2007		
December	1.65	1.08
2008		
January	1.43	0.91
February	1.00	0.91
March	1.01	0.80
April (including and up to the Latest Practicable Date)	1.00	0.82

6. Disclosure of interests and minimum public holding

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell to the Company or its subsidiaries any of the Shares in the Company if the Repurchase Mandate is approved at the AGM and exercised.

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 repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and applicable laws of the Cayman Islands.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory general offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the following Shareholders are interested in more than 10% of the Shares then in issue:

Name	Number of Shares	Percentage holding
Everbright Management Limited (<i>Note</i>)	262,020,000	64.62%
Eversharp Management Limited (<i>Note</i>)	262,020,000	64.62%
EY Ocean Management Limited (<i>Note</i>)	262,020,000	64.62%
EY Shine Management Limited (<i>Note</i>)	262,020,000	64.62%
Chen Weirong (<i>Note</i>)	262,020,000	64.62%

Note: Mr. Chen Weirong, an executive Director, legally owns the entire issued share capital of Eversharp Management Limited, which in turn legally owns 42.71% of the issued share capital of EY SHINE Management Limited (“EY Shine”). Mr. Chen Weirong also legally owns the entire issued share capital of Everbright Management Limited, which owns 36.01% of the issued share capital of EY Shine. EY Shine legally owns 60.31% of EY Ocean Management Limited (“EY Ocean”). For the purposes of Part XV of the SFO, Mr. Chen Weirong is therefore deemed to be interested in all the Shares held by EY Ocean.

In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the total interests of the above Shareholders in the Shares would be increased to:

Name	Percentage holding
Everbright Management Limited	71.80%
Eversharp Management Limited	71.80%
EY Ocean Management Limited	71.80%
EY Shine Management Limited	71.80%
Chen Weirong	71.80%

Based on the current shareholding of the above Shareholders, an exercise of the Repurchase Mandate in full will not result in any of them becoming obliged to make a mandatory general offer under Rule 26 of the Takeovers Code.

Save as disclosed above, the Directors are not aware of any consequences which may arise under the Takeovers Code as a consequence of any purchase made under the Repurchase Mandate.

The Company will not repurchase Shares which would result in the amount of Shares held by the public being reduced to less than 25%.

7. Shares repurchases made by the Company

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) during the period from 21 December 2007 (the date of listing of the Shares on the Stock Exchange) up to the Latest Practicable Date.

APPENDIX II**PROCEDURES BY WHICH SHAREHOLDERS
MAY DEMAND A POLL AT THE AGM PURSUANT
TO THE ARTICLES OF ASSOCIATION**

The procedures by which the Shareholders may demand a poll at the AGM are set out in this Appendix.

According to Article 66, 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. A poll may be demanded:

- (a) by the chairman of the meeting; or
- (b) by at least three Shareholders present in person or, in the case of a Shareholder being a corporation, by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person or in the case of a Shareholder 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 Shareholders having the right to vote at the meeting; or
- (d) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation, by its duly authorised representative or by proxy and holding Shares 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; or
- (e) if required by the Listing Rules, by any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing 5% or more of the total voting rights at such meeting.

Mr. Chen Weirong

Mr. Chen Weirong, aged 49, is an executive Director and the chairman of the Company. Mr. Chen is in charge of the corporate strategy, planning and overall development of the Group. He is also the founder of the Group. Mr. Chen graduated from South China Institute of Technology# (華南工學院) (now known as South China University of Technology# (華南理工大學)) in 1982 with a bachelor's degree in engineering. Upon graduation, Mr. Chen started his career as a technician in Konka Group Company Limited# (康佳集團股份有限公司) in 1982, a major consumer electronics manufacturing and distribution enterprise in the PRC, and became its managing director in 1994 until 2001. Mr. Chen has over 20 years of experience in electronics manufacturing industry. In 1996, Mr. Chen was elected as "Outstanding Young Entrepreneur of Shenzhen", in 1997, he was awarded the "National 'May 1st' Labour Medal" (全國「五一」勞動獎章) and in 1998, he was elected as a representative in the Standing Committee of the 9th National People's Congress. Mr. Chen is the chairman and general manager of Eyang Shenzhen, and joined the Group in November 2001. Other than being appointed as an executive Director, Mr. Chen holds no directorships in any public listed companies in the past three years. Mr. Chen was also appointed as a member of the remuneration committee of the Company.

Mr. Chen has entered into a service agreement with the Company on 30 November 2007 for an initial fixed term of three years commencing from the date of the listing of Shares on the Stock Exchange and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, or in accordance with the terms of the service contract. However, his appointment is subject to normal retirement and re-election by the Shareholders pursuant to the Articles of Association. Mr. Chen is entitled to (i) a basic salary of RMB800,000 per annum which was determined by the Board with reference to his duties and responsibilities with the Company and the prevailing market conditions; and (ii) a discretionary bonus which will depend on the financial results of the Company and on his performance.

Mr. Chen does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders. As at the Latest Practicable Date, save for being interested in 262,020,000 Shares and 1,400,000 convertible securities of the Company, Mr. Chen has no other interests in Shares or underlying shares of the Company which is within the meaning of Part XV of SFO.

There is no information relating to Mr. Chen that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed above, there are no other matters concerning Mr. Chen that need to be brought to the attention of the Shareholders.

Ms. Shuang Mei

Ms. Shuang Mei, aged 40, is an executive Director. She is the general manager of mobile phone division of the Group and is in charge of the strategic planning and development of mobile phone business of the Group. Ms. Shuang graduated from Nanjing University# (南京大學) in 1991 with a bachelor's degree in arts (Chinese language) and started her career as a journalist for two newspapers until 1999. In 2000, she obtained a master's degree in business administration from the University of Lancaster, and joined the Group in 2001 as a head of general management in Eyang Shenzhen. Ms. Shuang subsequently was promoted to general manager of MLCC division in February 2004 and was appointed as vice-president of Eyang Shenzhen in November 2004. Ms. Shuang served as the general manager of mobile phone division of Eyang Shenzhen since August 2005. Other than being appointed as an executive Director, Ms. Shuang holds no directorships in any public listed companies in the past three years. Ms. Shuang was also appointed as a member of the remuneration committee of the Company.

Ms. Shuang has entered into a service agreement with the Company on 30 November 2007 for an initial fixed term of three years commencing from the date of the listing of Shares on the Stock Exchange and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, or in accordance with the terms of the service contract. However, her appointment is subject to normal retirement and re-election by the Shareholders pursuant to the Articles of Association. Ms. Shuang is entitled to (i) a basic salary of RMB600,000 per annum which was determined by the Board with reference to her duties and responsibilities with the Company and the prevailing market conditions; and (ii) a discretionary bonus which will depend on the financial results of the Company and on her performance.

Ms. Shuang does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders. As at the Latest Practicable Date, save for being interested in 9,160,000 Shares and 1,300,000 convertible securities of the Company, Ms. Shuang has no other interests in Shares or underlying shares of the Company which is within the meaning of Part XV of SFO.

There is no information relating to Ms. Shuang that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed above, there are no other matters concerning Ms. Shuang that need to be brought to the attention of the Shareholders.

Mr. Liao Jie

Mr. Liao Jie, aged 40, is an executive Director. He is also the general manager of MLCC division of the Group and is in charge of the strategic planning and development of MLCC business of the Group. Mr. Liao graduated from Huazhong University of Science and Technology# (華中理工大學, now known as 華中科技大學) with a bachelor's degree in engineering in June 1990. He obtained Master of Science specialising in electronics components research from Huazhong University of Science and Technology# (華中理工大學, now known as 華中科技大學) in 1993. Upon graduation, Mr. Liao joined Konka Group Company Limited# (康佳集團股份有限公司) as a manager, responsible for supervising the quality control of electronics raw materials. His last position in Konka Group Company Limited# (康佳集團股份有限公司) was the general manager (Eastern China) in charge of the overall sales and marketing of consumer electronic products in eastern part of the PRC in October 2001. Mr. Liao joined the Group in October 2001 after he left Konka Group Company Limited# (康佳集團股份有限公司). After joined the Group, Mr. Liao worked as head of sales of Eyang Shenzhen until August 2005 and was promoted as general manager of MLCC division of Eyang Shenzhen since August 2005. Other than being appointed as an executive Director, Mr. Liao holds no directorships in any public listed companies in the past three years.

Mr. Liao has entered into a service agreement with the Company on 30 November 2007 for an initial fixed term of three years commencing from the date of the listing of Shares on the Stock Exchange and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, or in accordance with the terms of the service contract. However, his appointment is subject to normal retirement and re-election by the Shareholders pursuant to the Articles of Association. Mr. Liao is entitled to (i) a basic salary of RMB500,000 per annum which was determined by the Board with reference to his duties and responsibilities with the Company and the prevailing market conditions; and (ii) a discretionary bonus which will depend on the financial results of the Company and on his performance.

Mr. Liao does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders. As at the Latest Practicable Date, Mr. Liao save for being interested in 7,160,000 Shares and 1,300,000 convertible securities of the Company, Mr. Liao has no other interests in Shares or underlying shares of the Company which is within the meaning of Part XV of SFO.

There is no information relating to Mr. Liao that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed above, there are no other matters concerning Mr. Liao that need to be brought to the attention of the Shareholders.

Mr. Zhang Zhilin

Mr. Zhang Zhilin, aged 57, is a non-executive Director. Mr. Zhang has over 20 years of experience in manufacturing industry. He was a factory director of Shanghai Pudong Heqing Town Xiangyang Village Xiangyang Electroplating Factory# (上海浦東新區合慶鎮向陽村向陽電鍍廠) from February 1981 to November 1985 and was also a factory director of Shanghai Pudong Meiling Plastics Factory# (上海浦東美靈塑膠製品廠) from December 1985 to January 1994. As a factory director, he was responsible for production operation and human resource management. Mr. Zhang is currently a director of Shanghai Huali Packing Co., Ltd.# (上海華勵包裝有限公司), Shanghai Meiyang Precision Moulding Co., Ltd.# (上海美陽精密模具有限公司), Shanghai Huiyang Industrial Co., Ltd.# (上海匯陽實業有限公司), Shanghai Taihui LCD Co., Ltd.# (上海泰匯液晶顯示器有限公司) and Shanghai Pudong Meiling Plastics Factory# (上海浦東美靈塑膠製品廠), all of which are manufacturing companies. He joined the Group on 10 April 2003. Other than being appointed as an executive Director, Mr. Zhang holds no directorships in any public listed companies in the past three years.

Mr. Zhang was appointed by way of a letter of appointment for a term of three years commencing from the date of the listing of Shares on the Stock Exchange. However, his appointment is subject to normal retirement and re-election by the Shareholders pursuant to the Articles of Association. Mr. Zhang will not receive any remuneration from the Company in his capacity as a non-executive Director.

Mr. Zhang does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders. As at the Latest Practicable Date, Mr. Zhang is interested in 23,120,000 Shares within the meaning of Part XV of SFO.

There is no information relating to Mr. Zhang that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed above, there are no other matters concerning Mr. Zhang that need to be brought to the attention of the Shareholders.

NOTICE OF AGM

EYANG
EYANG HOLDINGS (GROUP) CO., LIMITED
宇陽控股(集團)有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 117)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of EYANG Holdings (Group) Co., Limited (the “**Company**”) will be held at Plaza V, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Monday, 26 May 2008 at 10:00 a.m. to transact the following ordinary business:

1. to receive and consider the audited consolidated financial statements and reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31 December 2007;
2. to declare a final dividend for the year ended 31 December 2007 of RMB0.05 (equivalent to HK\$0.053 adopting the prevailing exchange rate of HK\$1=RMB0.9364) per share (each a “**Share**”) of HK\$0.01 in the capital of the Company;
3.
 - (a) to re-elect Mr. Chen Weirong as executive Director;
 - (b) to re-elect Ms. Shuang Mei as executive Director;
 - (c) to re-elect Mr. Liao Jie as executive Director;
 - (d) to re-elect Mr. Zhang Zhilin as non-executive Director; and
 - (e) to authorise the board of Directors to fix the Directors’ remuneration;
4. to re-appoint auditors of the Company and to authorise the board of Directors to fix their remuneration;

to consider, as ordinary business and, if thought fit, pass the following resolutions as ordinary resolutions:

5. “**THAT:**
 - (a) subject to paragraph (c) below, pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued Shares and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

NOTICE OF AGM

- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise), issued or dealt with by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (the “**Companies Law**”) or any other applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

NOTICE OF AGM

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion 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 the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

6. “**THAT:**

- (a) the exercise by the Directors during the Relevant Period of all powers of the Company to repurchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**Securities and Futures Commission**”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Law and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of 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 expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Law or any other applicable law of the Cayman Islands to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors of the Company by this resolution.”

NOTICE OF AGM

7. “**THAT** subject to the ordinary resolutions no. 5 and 6 above being duly passed, the unconditional general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with unissued Shares pursuant to resolution no. 5 above be and is hereby extended by the addition thereon of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company subsequent to the passing of this resolution, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the issued Shares on the date of the passing of resolution no. 6.”.

By order of the Board
EYANG Holdings (Group) Co., Limited
Chen Weirong
Chairman

Hong Kong, 29 April 2008

Registered office:

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman
KY1-1111
Cayman Islands

*Head office and principal place of
business in Hong Kong:*

8th Floor
Tien Chu Commercial Building
173-174 Gloucester Road
Wanchai
Hong Kong

Notes:

- 1 A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company.
- 2 In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Room 1806-1807, 18/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting.
- 3 The board of Directors has recommended a final dividend for the year ended 31 December 2007 of RMB0.05 equivalent to HK\$0.053 adopting the prevailing exchange rate of HK\$1=RMB0.9364 per Share and, if such dividend is declared by the members passing resolution no. 2, it is expected to be paid on or before Thursday, 26, June 2008 to those shareholders whose names appeared on the Company's register of members on Monday, 26 May 2008.

NOTICE OF AGM

4. The register of members of the Company will be closed from Tuesday, 20 May 2008 to Monday, 26 May 2008 (both days inclusive), during which period no transfer of shares in the Company was effected. In order to qualify for the proposed final dividend and attending the annual general meeting, all transfers, accompanied by the relevant share certificates, have to be lodged with the Company's branch registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, 19 May 2008.
5. In relation to proposed resolutions no. 5 and 7 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of shares under the Listing Rules. The Directors have no immediate plans to issue any Shares other than the Shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme as may be approved by shareholders.
6. In relation to proposed resolution no. 6 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix I to this circular.