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

If you have sold or transferred all your shares in Mitsumaru East Kit (Holdings) Limited (the “Company”), you should at once hand this circular accompanying with the form of proxy to the purchaser or transferee, or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Mitsumaru East Kit (Holdings) Limited

三丸東傑(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2358)

**PROPOSED ACQUISITIONS OF
A MAJORITY INTEREST IN A WATER METER BUSINESS
BEING A DISCLOSEABLE TRANSACTION FOR THE COMPANY**

A notice convening the extraordinary general meeting of the Company to be held at Suite 5005–6, 50/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on 1 February 2012 at 10:00 a.m. is set out on pages 12 to 14 of this circular. Whether or not you are able to attend the meeting in person, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Rooms 1712–16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the accompanying form of proxy will not preclude you from attending and voting at the meeting should you so wish.

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DEFINITIONS

In this circular, the following expressions have the following meanings set opposite to them, unless the context otherwise requires:

“Acquisitions”	the proposed acquisitions of an aggregate of 72.5% equity interest in the registered capital of Sunbow by China Mutual under each of the Share Transfer Agreements
“Announcements”	the joint announcements of the Company and China Water Affairs Group Limited dated 1 December 2010, 7 March 2011, 31 March 2011, 30 June 2011 and 7 December 2011
“Board”	board of Directors
“China Mutual”	China Mutual Investment Limited, a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Company”	Mitsumaru East Kit (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Acquisitions
“connected person”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“EGM”	an extraordinary general meeting to be held at Suite 5005–6, 50/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on 1 February 2012 at 10:00 a.m. by the Company to consider and approve the Share Transfer Agreements, the joint venture agreement and the revised articles of association of Sunbow and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jia Share Transfer Agreement”	the share transfer agreement dated 15 December 2011 entered into between China Mutual and Mr. Jia in relation to proposed acquisition by China Mutual of 5% equity interest in the registered capital of Sunbow from Mr. Jia
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Liu Share Transfer Agreement”	the share transfer agreement dated 15 December 2011 entered into between China Mutual and Ms. Liu in relation to proposed acquisition by China Mutual of 45% equity interest in the registered capital of Sunbow from Ms. Liu
“Mr. Jia”	賈俊寧 (Jia Junning), the Vendor under the Jia Share Transfer Agreement
“Mr. Xu”	徐國耀 (Xu Guoyiu), the Vendor under the Xu Share Transfer Agreement
“Ms. Liu”	劉輔軍 (Liu Fujun), the Vendor under the Liu Share Transfer Agreement
“New Prime”	New Prime Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of China Water Affairs Group Limited
“PRC”	the People’s Republic of China, excluding Hong Kong, Taiwan and Macau Special Administrative Region of the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Share Transfer Agreement(s)”	the Xu Share Transfer Agreement, the Liu Share Transfer Agreement and the Jia Share Transfer Agreement, and where the context requires, each of them
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the 1,000,000,000 new Shares by New Prime under the subscription agreement dated 1 December 2010 (as supplemented by a supplemental subscription agreement dated 7 March 2011 and a second supplement subscription agreement dated 6 December 2011)
“Sunbow”	武漢盛博科技有限公司 (WUHAN SUNBOW SCIENCE & TECHNOLOGY CO., LTD), a company established under the laws of the PRC with limited liability
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases

DEFINITIONS

“Vendor(s)”	Mr. Xu, Ms. Liu and Mr. Jia under each of the Xu Share Transfer Agreement, Liu Share Transfer Agreement and Jia Share Transfer Agreement, and where the context requires, each of them
“Xu Share Transfer Agreement”	the share transfer agreement dated 15 December 2011 entered into between China Mutual and Mr. Xu in relation to proposed acquisition by China Mutual of 22.5% equity interest in the registered capital of Sunbow from Mr. Xu
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

For the purpose of this circular, all amounts in RMB are translated into HK\$ at an exchange rate of RMB1: HK\$1.2.

All English translations of Chinese names of persons and companies in this circular are for references only.



Mitsumaru East Kit (Holdings) Limited
三丸東傑(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2358)

Executive Directors:

Mr. Leung Koon Sing
Mr. Tang Chin Wan

Independent Non-executive Directors:

Mr. Kwong Ping Man
Mr. Martin He
Mr. Mu Xiangming

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

*Head Office and Principal Place
of Business:*

Suite 5005–5006, 50/F Central Plaza
18 Harbour Road
Wanchai
Hong Kong

9 January 2012

To the Shareholders,

Dear Sir or Madam,

**PROPOSED ACQUISITIONS OF
A MAJORITY INTEREST IN A WATER METER BUSINESS
BEING A DISCLOSEABLE TRANSACTION FOR THE COMPANY**

On 15 December 2011, the Board announced that the Company's indirect wholly-owned subsidiary, China Mutual, entered into the Share Transfer Agreements on 15 December 2011 under which it has conditionally agreed to acquire an aggregate of 72.5% equity interest in the registered capital of Sunbow from the Vendors, at an aggregate consideration of RMB5,002,500 (equivalent to approximately HK\$6,003,000).

Reference is made to the Announcements. In light of the Subscription, the Acquisitions are frustrating action under Rule 4 of the Takeovers Code and are subject to Shareholders' approval.

As certain applicable percentage ratio for the Acquisitions under the Listing Rules is more than 5% but less than 25%, the Acquisitions are together discloseable transaction for the Company under Chapter 14 of the Listing Rules. Although it is not a requirement under

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the Listing Rules for the Acquisitions to be made subject to Shareholders' approval, the EGM will be held for the purpose of considering and if thought fit, approving the Acquisitions in light of the implications under Rule 4 of the Takeovers Code.

The purpose of this circular is to give you further details of the Acquisitions and a notice of the EGM at which a resolution will be proposed to consider and, if thought fit, approve the Share Transfer Agreements, the joint venture agreement and the revised articles of association of Sunbow and the transactions contemplated thereunder.

SHARE TRANSFER AGREEMENTS

The three Share Transfer Agreements are on substantially the same terms except for the identity of the vendor, the amount of consideration and the percentage holding of equity interest in the registered capital of Sunbow which is the subject of the Acquisition. Set out below is a summary of the principal terms of the Share Transfer Agreements.

	Xu Share Transfer Agreement	Liu Share Transfer Agreement	Jia Share Transfer Agreement	Total percentage holding of equity interest in the registered capital of Sunbow and total amount of consideration (RMB)
Date	15 December 2011	15 December 2011	15 December 2011	
Vendor	Mr. Xu	Ms. Liu	Mr. Jia	
Purchaser	China Mutual	China Mutual	China Mutual	
Percentage holding of equity interest in the registered capital of Sunbow which is the subject of the Acquisition	22.5%	45%	5%	72.5%
Amount of consideration (RMB)	1,552,500 (equivalent to approximately HK\$1,863,000)	3,105,000 (equivalent to approximately HK\$3,726,000)	345,000 (equivalent to approximately HK\$414,000)	5,002,500 (equivalent to approximately HK\$6,003,000)

To the best of the Directors' knowledge, information and belief, after having made all reasonable enquiry, each Vendor is third party independent of the Company and its connected persons.

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Consideration

The respective consideration under the Share Transfer Agreements is payable by China Mutual to each Vendor (or as he may direct) in cash in Hong Kong dollar equivalent upon the satisfaction of all conditions to the Share Transfer Agreement.

The consideration under the Share Transfer Agreements were arrived at after arm's length negotiations between the Company and the Vendors by reference to the value of 100% equity interest of Sunbow (taking into account the trademark and a patent held by Sunbow) in the amount of RMB5,440,708.49 (equivalent to approximately HK\$6,528,850) as at 30 September 2011 as appraised by an independent valuer using (i) the asset based approach in respect of tangible assets including machines and equipment and (ii) the relief from royalty method in respect of intangible assets including the trademark and the patents used by Sunbow. The appraised value of the tangible assets and the intangible assets of Sunbow as at 30 September 2011 were approximately RMB2,844,308.49 (equivalent to approximately HK\$3,413,170.19) and approximately RMB2,596,400 (equivalent to approximately HK\$3,115,680), respectively. Both the asset based and relief from royalty valuation methods do not constitute a "profit forecast" under Rule 14.61 of the Listing Rules. The consideration represents a premium of approximately RMB1,057,986 (equivalent to approximately HK\$1,269,583) over the value in respect of 72.5% equity interest of Sunbow as at 30 September 2011.

The patents and software copyright used by Sunbow has enabled it to assemble and install water meters which are (i) easier to maintain as the batteries which power the water meters are easily replaceable and their replacement does not require the help of qualified technicians and is therefore cost-saving; (ii) more user friendly as signals can be sent to remind users to purchase water from the water supply department when the actual water usage has exceeded the volume purchased; (iii) detachable in design to facilitate monitoring of water usage and operation of water meters; (iv) conducive to the implementation of the progressive tariff structure by the water supply department; and (v) more reliable as they cannot be easily interfered with. Given the above versatile nature of water meters and the growing trend to use water meters of the kind assembled and installed by Sunbow to replace the traditional method of manually recording water usage, the Directors believe that Sunbow has the ability to secure potential orders leading to a growth in turnover and customer base. As the operating expenses and the research and development costs were relatively high at the initial stage when Sunbow was building up its customer base for water meters, it recorded a loss of approximately RMB540,000 and RMB83,000 for the two years ended 31 December 2009 and 2010. However, with a stable growth in turnover, the implementation of cost control measures and an increase in profit margin, Sunbow recorded an unaudited profit of approximately RMB80,000 for the ten months ended 31 October 2011. As disclosed in the Company's annual report for the financial year ended 31 December 2010, the announcement and the circular on major disposal dated 17 November 2011 and 8 December 2011 respectively, the Company has been exploring into the development of electric water meter business to enhance its profit margin. The Company considers that in light of (i) the expertise, the technology and skills, the manpower of Sunbow in the business of assembling and installation of water meters in the PRC; (ii) the versatile nature of the water meters assembled and installed by Sunbow; (iii) the customer

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base of Sunbow in the PRC; and (iv) the growing trend to use water meters of the kind assembled and installed by Sunbow to replace the traditional method of manually recording water usage, such premium is justified and the consideration is fair and reasonable.

The Directors (including the independent non-executive Directors) consider that the terms of the Share Transfer Agreements are fair and reasonable and on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Condition and Completion

Each of the Share Transfer Agreements is subject to the fulfillment of the following conditions:

- (i) the representations, warranties and undertakings under the Share Transfer Agreement are and will remain true, accurate and not misleading on and before Completion;
- (ii) there does not exist any material adverse effect or any matter which will be reasonably be considered to have a material adverse effect on the operations and trading status of China Mutual or its related party, from the date of signing of the Share Transfer Agreement;
- (iii) the Vendor complying and fulfilling each of its obligations, undertakings or commitments under the Share Transfer Agreement on or before Completion;
- (iv) Sunbow having proposed shareholders' resolutions approving the transactions under the Share Transfer Agreement;
- (v) Sunbow having obtained the following permit and consent:
 - (a) approval by the PRC governmental authorities of the Share Transfer Agreement and the revised joint venture agreement and articles of association of Sunbow;
 - (b) issue of certificate of approval for establishment of enterprises with foreign investment by the PRC governmental authorities;
 - (c) the issue of new business licence by the industry and commerce department of the PRC without changing the provisions under the Share Transfer Agreement and the completion of all applicable registration procedures;
- (vi) the Vendor having obtained from the foreign exchange administration department approval to open a foreign currency account for the purpose of accepting consideration under the Share Transfer Agreement; and
- (vii) the obtaining of approval by Shareholders at the EGM of the Share Transfer Agreement and the transactions contemplated thereunder.

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Completion is expected to take place after the satisfaction of all of the above conditions.

JOINT VENTURE AGREEMENT AND ARTICLES OF ASSOCIATION OF SUNBOW

China Mutual will enter into a joint venture agreement with Mr. Xu and Mr. Jia in relation to the operations of Sunbow. Under the joint venture agreement and revised articles of association of Sunbow, the total investment amount of Sunbow will be RMB4,200,000 and profits of Sunbow will be shared by China Mutual and the other equity holders of Sunbow in the ratio of 72.5%:27.5% respectively, representing their respective holdings of equity interest in Sunbow after deducting all required funds under applicable laws. The board of Sunbow will comprise three directors, one of whom will be nominated by Mr. Xu and two will be nominated by China Mutual. Save for the consideration payable under the Share Transfer Agreements, China Mutual is not required to make any further capital contribution or capital commitment under the joint venture agreement.

INFORMATION ON SUNBOW

Sunbow is a company established under the laws of the PRC on 9 April 2004 with a registered capital of RMB3,000,000. Immediately before the Acquisitions, the registered capital of Sunbow is held as to 45% by Mr. Xu, 45% by Ms. Liu and 10% by Mr. Jia. Immediately after the Acquisitions, the registered capital of Sunbow will be held as to 72.5% by China Mutual, 22.5% by Mr. Xu and 5% by Mr. Jia. The principal business activity of Sunbow is the assembling and installation of water meters in the PRC.

Set out below is the summary of the audited financial information of Sunbow for the two years ended 31 December 2010 and the unaudited financial information of Sunbow for the ten months ended 31 October 2011.

<i>(RMB'000)</i>	For the year ended 31 December 2009	For the year ended 31 December 2010	For the ten months ended 31 October 2011
Turnover	1,816	2,451	2,115
Profit/(Loss) before tax	(540)	(83)	80
Profit/(Loss) after tax	(540)	(83)	80
Net asset value as at the end of the stated period	1,569	1,486	1,566

REASONS FOR THE ACQUISITIONS

The Group is principally engaged in the design of the chassis of TVs and assembling of TV sets, assembling of CRT TV sets and trading of related components. The business of the design and assembly of the chassis of TVs and TV sets and the trading of related

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components are carried out in the PRC and Hong Kong. As stated in the Company's annual report for the financial year ended 31 December 2010, the Company is also looking into expanding its business into the manufacturing and installation of water meters in the PRC. The Company is streamlining its business with a view to focusing its resources on more businesses which the management expects to have a better prospect. The Acquisitions are the Group's steps to explore into the installation of water meters business in the PRC. Leveraging on the relevant experiences of Mr. Xu and Mr. Jia in the water meters business by acquiring a majority stake in Sunbow, the management hopes to be able to expand the Group's revenue base thereby improving the Group's overall results. Sunbow, through its long years of research and development, has registered one patent and one trademark and has been using two patents which are registered under the name of Mr. Xu and one software copyright which is registered under the name of Mr. Jia. The technology under the patent in respect of control system on utilities payment which is registered under the name of Mr. Xu allows exchange of data on utilities prepayment made by customers between customers and utilities providers. The technology under the patent in respect of electric meter which is also registered under the name of Mr. Xu allows the installation of the electronic operating devices of a plurality of water meters to save installation space. The software which copyright is registered under the name of Mr. Jia has a function which enables the remote recording of customers' water and energy use, and remote access to information on water and energy payment status. The above patents and software copyright have enabled Sunbow to assemble and install water meters which are easier to maintain and cost-saving, more user friendly and more reliable in recording water usage those produced by its competitors. Further, water meters assembled by Sunbow are detachable in design to facilitate monitoring of water usage and operation of water meters, and conducive to the implementation of the progressive tariff structure by the water supply department. In view of the growing trend to use water meters of the kind assembled and installed by Sunbow to replace the traditional method of manually recording water usage, the Company considers that the right to use such patents and software copyright will assist Sunbow in its bidding of sizable contracts and expanding its market share in water meters business. Each of the Vendors has undertaken to transfer the patents and software copyright registered under his/her name to Sunbow at nil consideration under the Share Transfer Agreement. It is expected that the transfer of such patents and software copyright will take place shortly after China Mutual has become the registered shareholder of Sunbow on Completion. Nevertheless, given that (i) Mr. Xu and Mr. Jia, being the registered owners of such patents and software copyright, will remain as shareholders of Sunbow after Completion and it is in the interest of Sunbow's shareholders that Sunbow can continue to use such patents and software copyright to assemble and install water meters so long as it is a going concern; (ii) it is the Directors' understanding that the transfer of such patents and software copyright is a procedural matter which involves execution of assignments between Mr. Xu, Mr. Jia and Sunbow, payment of prescribed fees to and registration with the relevant government authorities and such procedures can be completed within a reasonable timeframe; and (iii) both Mr. Xu and Mr. Jia have undertaken under the Share Transfer Agreements to effect the transfers to Sunbow, the Directors consider that there is reasonable protection in place for Sunbow and China Mutual as a majority shareholder of Sunbow and the Vendors' undertakings to transfer such patents and software copyright as a term under the Share Transfer Agreements are fair and reasonable.

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Set out below are the biographies of Mr. Jia and Mr. Xu, who are the management of Sunbow:

Mr. Jia is the deputy general manager of Sunbow and has been working in the water meter business for some years. He is one of the founders of Sunbow and is the holder of the software copyright in respect of data management system V1.0 on utilities payment which function allows remote recording of customers' water and energy use, and remote access to information on water and energy payment status.

Mr. Xu is the general manager of Sunbow and has been working in the water meter business for some years. He is the registered owner of two patents in respect of (i) control system on utilities payment which technology allows exchange of data on utilities prepayment made by customers between customers and utilities providers and (ii) electric meter which technology allows the installation of the electronic operating devices of a plurality of water meters to save installation space.

Ms. Liu, who will dispose of her entire 45% equity interest in the registered capital of Sunbow pursuant to the Share Transfer Agreement, is a passive investor of Sunbow.

The consideration under the Share Transfer Agreements are to be satisfied partly from internal resources of the Group and partly from the consideration to be received under the disposal by the Company of Dragon Gain Resources Limited and Mitsumaru Electrical (Wuhu) Co., Ltd., which is the subject of the Company's announcement dated 17 November 2011 and the Company's circular dated 8 December 2011.

Upon Completion, Sunbow will become a non-wholly owned subsidiary of the Company. Its financial results will be consolidated into the Group's consolidated financial statements.

EGM

A notice convening the extraordinary general meeting of the Company to be held at Suite 5005-6, 50/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on 1 February 2012 at 10:00 a.m. is set out on pages 12 to 14 of this circular. Whether or not you are able to attend the meeting in person, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrar and transfer office, Computer Hong Kong Investor Services Limited at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the accompanying form of proxy will not preclude you from attending and voting at the meeting should you so wish.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiry, none of the Shareholders has a material interest in the Share Transfer Agreements, the joint venture agreement and the revised articles of association of Sunbow and is required to abstain from voting on the resolution to approve the Share Transfer Agreements, the joint venture agreement and the revised articles of association of Sunbow and the transactions contemplated thereunder.

LETTER FROM THE BOARD

RECOMMENDATION

The Board considers that the terms of the Share Transfer Agreements, the joint venture agreement and the revised articles of association of Sunbow are fair and reasonable and the Acquisitions are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the ordinary resolution as set out in the notice of the EGM.

GENERAL

At the direction of the Stock Exchange, trading in the Shares was suspended from 9:30 a.m. on 14 February 2008 and will remain suspended until further notice. Until satisfaction of all the resumption conditions set by the Stock Exchange, trading in the Shares will continue to be suspended.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement therein or this circular misleading.

By Order of the Board of
Mitsumaru East Kit (Holdings) Limited
Leung Koon Sing
Executive Director



Mitsumaru East Kit (Holdings) Limited
三丸東傑(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2358)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “Meeting”) of Mitsumaru East Kit (Holdings) Limited (the “Company”) will be held at Suite 5005–6, 50/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on 1 February 2012 at 10:00 a.m. for the purpose of considering and, if thought fit, passing, with or without amendment, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (i) the share transfer agreement dated 15 December 2011 entered into between China Mutual Investment Limited (“China Mutual”), an indirect wholly-owned subsidiary of the Company, and 徐國耀 (Xu Guoyiu) (“Mr. Xu”) in relation to the proposed acquisition by China Mutual of 22.5% equity interest in the registered capital of 武漢盛博科技有限公司 (Wuhan Sunbow Science & Technology Co., Ltd.) (“Sunbow”) from Mr. Xu at a consideration of RMB1,552,500 (equivalent to approximately HK\$1,863,000) (the “Xu Share Transfer Agreement”) (a copy of which has been produced to this meeting marked “A” and initialled by the chairman of the meeting for identification) and the transactions contemplated thereunder be and are hereby confirmed, ratified and approved;
- (ii) the share transfer agreement dated 15 December 2011 entered into between China Mutual and 劉輔軍 (Liu Fujun) (“Ms. Liu”) in relation to the proposed acquisition by China Mutual of 45% equity interest in the registered capital of Sunbow from Ms. Liu at a consideration of RMB3,105,000 (equivalent to approximately HK\$3,726,000) (the “Liu Share Transfer Agreement”) (a copy of which has been produced to this meeting marked “B” and initialled by the chairman of the meeting for identification) and the transactions contemplated thereunder be and are hereby confirmed, ratified and approved;
- (iii) the share transfer agreement dated 15 December 2011 entered into between China Mutual and 賈俊寧 (Jia Junning) (“Mr. Jia”) in relation to the proposed acquisition by China Mutual of 5% equity interest in the registered capital of Sunbow from Mr. Jia at a consideration of RMB345,000 (equivalent to

NOTICE OF EGM

approximately HK\$414,000) (the “Jia Share Transfer Agreement”) (a copy of which has been produced to this meeting marked “C” and initialled by the chairman of the meeting for identification) and the transactions contemplated thereunder be and are hereby confirmed, ratified and approved;

- (iv) the joint venture agreement (the “Joint Venture Agreement”) (a copy of which has been produced to this meeting marked “D” and initialled by the chairman of the meeting for identification) to be entered into by China Mutual, Mr. Xu and Mr. Jia in relation to the operations of Sunbow and the transactions contemplated thereunder be and are hereby approved;
- (v) the articles of association (the “Articles of Association”) (a copy of which has been produced to this meeting marked “E” and initialled by the chairman of the meeting for identification) to be entered into by China Mutual, Mr. Xu and Mr. Jia in respect of Sunbow and the transactions contemplated thereunder be and are hereby approved; and
- (vi) the Directors be and are hereby authorised to do all things and acts and execute all documents (including under the seal of the Company) which they may consider necessary, desirable or expedient to implement and/or give effect to any matters relating to or in connection with any or all transactions contemplated under the Xu Share Transfer Agreement, the Liu Share Transfer Agreement, the Jia Share Transfer Agreement, the Joint Venture Agreement and the Articles of Association.”

By Order of the Board of
Mitsumaru East Kit (Holdings) Limited
Leung Koon Sing
Executive Director

Hong Kong, 9 January 2012

Head Office and Principal Place of Business in Hong Kong:
Suite 5005–5006, 50/F Central Plaza
18 Harbour Road
Wanchai
Hong Kong

NOTICE OF EGM

Notes:

1. Any member entitled to attend and vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
3. In order to be valid, the instrument appointing a proxy together with (if required by the board of directors of the Company) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power of attorney or authority, must be delivered to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Rooms 1712–16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote.
4. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
5. 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.

As at the date of this notice of extraordinary general meeting, the executive Directors are Mr. Leung Koon Sing and Mr. Tang Chin Wan and the independent non-executive Directors are Mr. Kwong Ping Man, Mr. Martin He and Mr. Mu Xiangming.