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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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 stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Beijing Development (Hong Kong) Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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北京發展(香港)有限公司  
**BEIJING DEVELOPMENT (HONG KONG) LIMITED**

*(Incorporated in Hong Kong with limited liability under the Companies Ordinance)*

(Stock Code: 154)

**PROPOSALS FOR GRANTING GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening an annual general meeting of Beijing Development (Hong Kong) Limited to be held at Room 4302, 43/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Tuesday, 30 June 2009 at 10:00 a.m. is set out on pages 13 to 16 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)).

Whether or not you are able to attend the annual general meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Share Registrar, Tricor Tengis Limited, at Level 25, Three Pacific Place, 1 Queen's Road East, Hong Kong as soon as possible but 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 shareholders from attending and voting in person at the meeting if they so wish.

22 May 2009

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## DEFINITIONS

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

“Annual General Meeting”	an annual general meeting of the Company to be held at Room 4302, 43/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Tuesday, 30 June 2009 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 13 to 16 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association from time to time adopted by the Company;
“Board”	the board of Directors;
“Buyback Mandate”	as defined in paragraph 2(a) of the Letter from the Board;
“Company”	Beijing Development (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability under the Companies Ordinance, the Shares of which are listed on the main board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Issuance Mandate”	as defined in paragraph 2(b) of the Letter from the Board;
“Latest Practicable Date”	19 May 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;

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## DEFINITIONS

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“Share(s)”	ordinary share(s) of HK\$1.00 each in the capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Share Option(s)”	share option(s) granted, or which may be granted, pursuant to the terms of the share option scheme of the Company adopted on 18 June 2001, to subscribe for new Shares;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong;

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LETTER FROM THE BOARD

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北京發展(香港)有限公司  
**BEIJING DEVELOPMENT (HONG KONG) LIMITED**

*(Incorporated in Hong Kong with limited liability under the Companies Ordinance)*

(Stock Code: 154)

*Executive Directors:*

Mr. E Meng (*Chairman*)  
Mr. Zhang Honghai  
Mr. Wang Yong  
Mr. Cao Wei  
Mr. Yan Qing  
Mr. Ng Kong Fat, Brian

*Registered Office:*

Room 3401, West Tower  
Shun Tak Centre  
200 Connaught Road Central  
Hong Kong

*Independent Non-Executive Directors:*

Dr. Jin Lizuo  
Dr. Huan Guocang  
Dr. Wang Jianping

22 May 2009

*To the Shareholders, and for information only,  
the holders of Share Options*

Dear Sir or Madam,

**PROPOSALS FOR GRANTING GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for (i) the granting of the Buyback Mandate to the Directors; (ii) the granting of the Issuance Mandate to the Directors; and (iii) the extension of the Issuance Mandate by the addition thereto of the number of Shares repurchased pursuant to the Buyback Mandate.

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## LETTER FROM THE BOARD

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### 2. BUYBACK AND ISSUANCE MANDATES

At the annual general meeting of the Company held on 20 May 2008, general mandates were given to the Directors to exercise the powers of the Company to repurchase shares of the Company and to issue new shares of the Company respectively. Such mandates will lapse at the conclusion of the Annual General Meeting.

Ordinary resolutions will be proposed at the Annual General Meeting to approve the granting of new general mandates to the Directors:

- (a) to purchase Shares on the Stock Exchange of an aggregate nominal amount of up to 10% of the aggregate nominal amount of the issued share capital of the Company on the date of passing of such resolution (the “Buyback Mandate”);
- (b) to allot, issue or deal with Shares of an aggregate nominal amount of up to 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of such resolution (the “Issuance Mandate”); and
- (c) to extend the Issuance Mandate by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the Buyback Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 677,460,150 Shares. Subject to the passing of the ordinary resolution numbered 8 set out in the notice of the Annual General Meeting in respect of the granting of the Issuance Mandate and on the basis that no Shares are issued or repurchased by the Company prior to the date of the Annual General Meeting, the Directors would be authorised under the Issuance Mandate to allot, issue or deal with a maximum of 135,492,030 Shares (representing 20% of the Shares in issue as at the Latest Practicable Date) during the period in which the Issuance Mandate remains in force.

The Buyback Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in ordinary resolutions numbered 8 and 9 set out in the notice of the Annual General Meeting. With reference to the Buyback Mandate and the Issuance Mandate, the Directors wish to state that they have no immediate plan to repurchase or issue any Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Buyback Mandate. The explanatory statement as required by the Listing Rules in connection with the Buyback Mandate is set out in the Appendix I to this circular.

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## LETTER FROM THE BOARD

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### 3. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 13 to 16 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the granting of the Buyback Mandate, the Issuance Mandate and the extension of the Issuance Mandate by the addition thereto of the number of Shares repurchased pursuant to the Buyback Mandate.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's Share Registrar, Tricor Tengis Limited, at Level 25, Three Pacific Place, 1 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the shareholders at a general meeting must be taken by poll and the Company will then announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### 4. RECOMMENDATION

The Directors consider that the granting of the Buyback Mandate and the granting and extension of the Issuance Mandate are in the interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

### 5. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix I (Explanatory Statement on the Buyback Mandate) and Appendix II (Details of Directors proposed to be re-elected at the Annual General Meeting) to this circular.

Yours faithfully,  
By Order of the Board  
**E Meng**  
*Chairman*

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## **APPENDIX I      EXPLANATORY STATEMENT ON THE BUYBACK MANDATE**

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The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Buyback Mandate.

### **1.      REASONS FOR SHARE BUYBACK**

The Directors believe that the granting of the Buyback Mandate is in the interests of the Company and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Buyback Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

### **2.      SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 677,460,150 Shares.

Subject to the passing of the ordinary resolution numbered 9 set out in the notice of the Annual General Meeting in respect of the granting of the Buyback Mandate and on the basis that no Shares are issued or repurchased by the Company prior to the date of the Annual General Meeting, the Directors would be authorised under the Buyback Mandate to repurchase a maximum of 67,746,015 Shares (representing 10% of the Shares in issue as at the Latest Practicable Date) during the period in which the Buyback Mandate remains in force.

### **3.      FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association, the Articles of Association, the laws of Hong Kong and/or any other applicable laws.

The Company is empowered by its memorandum of association and the Articles of Association to repurchase Shares. The laws of Hong Kong provide that the amount of capital paid in connection with a share repurchase by a company may only be paid out of either the capital paid up on the relevant shares, or the funds of the company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for such purpose. The amount of premium payable on repurchase may only be paid out of funds of the company which would otherwise be available for dividend or distribution or out of the share premium account of the company before the shares are repurchased.



**4.      IMPACT OF REPURCHASES**

There is no material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2008) in the event that the Buyback Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Buyback Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

**5.      TAKEOVERS CODE**

If, on the exercise of the power to repurchase Shares pursuant to the Buyback Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, Idata Finance Trading Limited, the Company's substantial Shareholder, was interested in 275,675,000 Shares, representing approximately 40.69% of the total issued share capital of the Company. On the basis that no Shares are issued or repurchased prior to the date of the Annual General Meeting, in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the relevant ordinary resolution to be proposed at the Annual General Meeting, the interests of Idata Finance Trading Limited in the issued Shares would be increased to approximately 45.21% of the total issued share capital of the Company. The Directors do not intend to exercise the Buyback Mandate to such extent as would, in the circumstances, have any consequences which will require any substantial Shareholders to make a mandatory offer under the Takeovers Code.

**6.      GENERAL**

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Buyback Mandate is approved by the Shareholders.

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Buyback Mandate is approved by the Shareholders.

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**APPENDIX I      EXPLANATORY STATEMENT ON THE BUYBACK MANDATE**

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The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Buyback Mandate in accordance with the Listing Rules and the laws of Hong Kong.

**7.      MARKET PRICES OF SHARES**

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange during each of the previous twelve months were as follows:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2008</b>		
May	3.29	2.63
June	2.71	1.65
July	2.48	1.84
August	1.93	1.29
September	1.34	0.88
October	1.12	0.66
November	1.10	0.80
December	1.18	0.88
<b>2009</b>		
January	1.15	0.90
February	1.00	0.83
March	0.96	0.76
April	1.18	0.79
May (up to the Latest Practicable Date)	1.26	0.82

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**APPENDIX I      EXPLANATORY STATEMENT ON THE BUYBACK MANDATE**

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**8.      REPURCHASES OF SHARES MADE BY THE COMPANY**

Details of the repurchase of Shares made by the Company on the Stock Exchange during the previous six months were as follows:

<b>Date of repurchase</b>	<b>Number of Shares repurchased</b>	<b>Repurchase price per Share</b>	
		<b>Highest HK\$</b>	<b>Lowest HK\$</b>
3 November 2008	78,000	0.87	0.85
4 November 2008	117,000	0.90	0.85
5 November 2008	60,000	0.95	–
13 November 2008	110,000	0.99	0.92
14 November 2008	58,000	0.99	0.98
17 November 2008	180,000	0.99	0.94
18 November 2008	594,000	0.97	0.92
19 November 2008	115,000	0.99	0.93
20 November 2008	391,000	0.98	0.93
21 November 2008	140,000	0.99	0.94
24 November 2008	240,000	1.00	0.94
25 November 2008	320,000	1.00	0.95
26 November 2008	320,000	1.00	0.96
27 November 2008	250,000	0.99	0.95
28 November 2008	334,000	1.00	0.95
1 December 2008	80,000	1.00	0.98
2 December 2008	140,000	0.99	0.96
5 December 2008	51,000	1.05	1.03
8 December 2008	24,000	1.08	1.05
9 December 2008	37,000	1.05	1.04
10 December 2008	66,000	1.04	1.00
11 December 2008	131,000	1.04	0.99
12 December 2008	384,000	0.98	0.90
15 December 2008	590,000	0.97	0.90
23 December 2008	56,000	1.00	0.97
24 December 2008	28,000	1.01	1.00
30 December 2008	140,000	1.01	0.98
31 December 2008	160,000	1.05	1.02
	<b>Total</b>		
	<b>5,194,000</b>		

*Pursuant to the Listing Rules the details of the Directors who will retire at the Annual General Meeting according to the Articles of Association and will be proposed to be re-elected at the Annual General Meeting are provided below.*

**1. EXECUTIVE DIRECTORS****Mr. E Meng 鄂萌**

Mr. E Meng, aged 50, is the chairman of the Company. Mr. E also serves as an executive director and a vice president of Beijing Enterprises Holdings Limited (stock code: 392), an executive director of Beijing Enterprises Water Group Limited (stock code 371) and an independent non-executive director of JLF Investment Company Limited (stock code: 472). Mr. E graduated from China Science and Technology University with a master degree in engineering. In 2008, Mr. E graduated from the EMBA program of The Hong Kong University of Science and Technology. He is a PRC senior accountant with the qualifications of PRC certified accountant, asset appraiser, certified real estate appraiser and tax appraiser. From 1988 to 1997, he was the deputy director of Beijing New Technology Development Zone and concurrently acting as the director of the Department of Financial Auditing, the general manager of Investment Operation Company, the chief accountant of Beijing Tianping Accounting Firm and the deputy director of the State-owned Assets Management Office of Beijing Haidian District. Mr. E has extensive experience in economics, finance and enterprise management. Mr. E joined the Group in April 2001.

No service contract for the appointment of Mr. E has been or will be entered into. Mr. E has not been and will not be appointed with fixed terms of service, including length of services, but subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. E has personal interests in 601,000 Shares and Share Options for subscription of 4,500,000, 1,500,000 and 3,000,000 Shares at exercise price of HK\$4.03, HK\$3.17 and HK\$2.07 per Share, respectively. Mr. E is currently entitled to receive a director fee of HK\$100,000 per annum from the Company, which is determined from time to time by the Board with reference to his duties and responsibilities. From August 2004 to June 2008, Mr. E was an executive director of China Information Technology Development Limited (“CITD”, formerly Xteam Software International Limited, stock code: 8178).

Save as disclosed above, Mr. E is independent of any Directors, senior management, substantial or controlling shareholders of the Company, do not have any interest in Shares within the meaning of Part XV of the SFO, and do not hold any positions in the Company and hold or, in the last three years, held any other directorships or major appointments in listed public companies.

**Mr. Yan Qing 燕清**

Mr. Yan Qing, aged 48, is a vice president of the Company. Mr. Yan graduated from Renmin University of China in 1985 with a bachelor degree in Business, and obtained a master degree from Graduate School of Research Institute of the Ministry of Finance in 2000. Mr. Yan has over 15 years' experience in finance and management. Mr. Yan joined the Group in February 2005.

No service contract for the appointment of Mr. Yan has been or will be entered into. Mr. Yan has not been and will not be appointed with fixed terms of service, including length of services, but subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Yan has personal interests in 4,000 Shares and Share Options for subscription of 3,200,000 and 1,500,000 Shares at exercise price of HK\$4.03 and HK\$2.07 per Share, respectively. Mr. Yan is currently entitled to receive a director fee of HK\$100,000 per annum from the Company, which is determined from time to time by the Board with reference to his duties and responsibilities. From March 2006 to June 2008, Mr. Yan was an executive director of CITD.

Save as disclosed above, Mr. Yan is independent of any Directors, senior management, substantial or controlling shareholders of the Company, do not have any interest in Shares within the meaning of Part XV of the SFO, and do not hold any positions in the Company and hold or, in the last three years, held any other directorships or major appointments in listed public companies.

**Mr. Ng Kong Fat, Brian 吳光發**

Mr. Ng Kong Fat, Brian, aged 53, graduated from the University of Stirling in Scotland in 1983 and is a member of the Institute of Chartered Accountants of Scotland. Mr. Ng has extensive experience in corporate, investment and financial management. Mr. Ng joined the Group in July 1993.

No service contract for the appointment of Mr. Ng has been or will be entered into. Mr. Ng has not been and will not be appointed with fixed terms of service, including length of services, but subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Ng has personal and corporate interests in 1,600,000 and 8,792,755 Shares, respectively, and has personal interests in Share Options for subscription of 4,000,000 and 1,500,000 Shares at exercise price of HK\$4.03 and HK\$2.07 per Share, respectively. Mr. Ng is currently entitled to receive a director fee of HK\$100,000 per annum from the Company which is determined from time to time by the Board with reference to his duties and responsibilities. From August 2004 to September 2007, Mr. Ng was an executive director of CITD.

Save as disclosed above, Mr. Ng is independent of any Directors, senior management, substantial or controlling shareholders of the Company, do not have any interest in Shares within the meaning of Part XV of the SFO, and do not hold any positions in the Company and hold or, in the last three years, held any other directorships or major appointments in listed public companies.

## **2. INDEPENDENT NON-EXECUTIVE DIRECTOR**

### **Dr. Jin Lizuo 金立佐**

Dr. Jin Lizuo, aged 51, holds a doctorate degree in Economics from Oxford University and has been the chief councilor of Shanghai Institute of Law & Economics, the chairman of Zhonghe Yingtai Management Consultancy Co., Ltd., the specialist committee member of China Xinda Assets Management Corporation. Dr. Jin graduated from Peking University School of Economics in 1982 and has been teaching in the university. From 1983 to 1988, Dr. Jin served as the member of State Economic Structure Reforms Committee and was the First President (1988-89) of Chinese Economic Association (UK). From 1993 to 1995, Dr. Jin has worked for N.M. Rothschild and Morgan Stanley and thereafter accumulated extensive experience in investment banking and financial management. Dr. Jin joined the Group in September 2004.

No service contract for the appointment of Dr. Jin has been or will be entered into. Dr. Jin has not been and will not be appointed with fixed terms of service, including length of services, but subject to retirement by rotation and re-election in accordance with the Articles of Association. Dr. Jin has personal interests in Share Options for subscription of 680,000 Shares at an exercise price of HK\$4.03 per Share. Dr. Jin is currently entitled to receive a director fee of HK\$120,000 per annum from the Company, which is determined from time to time by the Board with reference to his duties and responsibilities.

Save as disclosed above and except the relationship arising from his position as a member of each of the audit committee and remuneration committee of the Company, Dr. Jin is independent of any Directors, senior management, substantial or controlling shareholders of the Company, do not have any interest in Shares within the meaning of Part XV of the SFO, and do not hold any positions in the Company and hold or, in the last three years, held any other directorships or major appointments in listed public companies.

Saved as disclosed above, there is no information which is discloseable pursuant to any of the requirements of the provisions under Rule 13.51(2)(h) to (v) of the Listing Rules, and there is no other matters in relation to the afore-proposed re-elections that needed to be brought to the attention of the Stock Exchange or the Shareholders.

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## NOTICE OF THE ANNUAL GENERAL MEETING

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北京發展(香港)有限公司  
**BEIJING DEVELOPMENT (HONG KONG) LIMITED**

*(Incorporated in Hong Kong with limited liability under the Companies Ordinance)*

(Stock Code: 154)

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the shareholders of Beijing Development (Hong Kong) Limited (the “Company”) will be held at Room 4302, 43/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Tuesday, 30 June 2009 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements, the report of the Directors and the independent auditors’ report for the year ended 31 December 2008;
2. To re-elect Mr. E Meng as Director;
3. To re-elect Mr. Yan Qing as Director;
4. To re-elect Mr. Ng Kong Fat, Brian as Director;
5. To re-elect Dr. Jin Lizuo as Director;
6. To authorise the Board to fix Directors’ remuneration;
7. To re-appoint Messrs. Ernst & Young as the independent auditors of the Company and to authorise the Board to fix their remuneration;
8. To consider as special business and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to paragraphs (b) and (c) of this resolution, the Directors be and are hereby granted an unconditional general mandate to allot, issue and deal with additional shares of the Company and to allot, issue or grant securities convertible into such shares, or options, warrants or similar rights to subscribe for any shares of the Company or such convertible securities and to make or grant offers, agreements and options in respect thereof;

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## NOTICE OF THE ANNUAL GENERAL MEETING

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- (b) such mandate shall not extend beyond the Relevant Period save that the Directors may during the Relevant Period make or grant offers, agreements and options which might require the exercise of such power 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 an option or otherwise) by the Directors pursuant to paragraph (a) above, otherwise than pursuant to:
  - (i) a rights issue;
  - (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 the subscription rights under options granted under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares of the Company or rights to acquire shares of the Company; or
  - (iv) any scrip dividend or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution up to:

- (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 any applicable law or the articles of association of the Company to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting,

whichever is the earliest; and



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## NOTICE OF THE ANNUAL GENERAL MEETING

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

9. To consider as special business and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) of this resolution, the Directors be and are hereby granted an unconditional general mandate to repurchase on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, shares of the Company and that the exercise by the Directors of all powers of the Company to repurchase shares of the Company, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution; and
- (c) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution up to:

- (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 any applicable law or the articles of association of the Company to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting,

whichever is the earliest.”;

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## NOTICE OF THE ANNUAL GENERAL MEETING

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10. To consider as special business and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“**THAT** subject to the passing of ordinary resolutions numbered 8 and 9 set out in the Notice, of which this resolution forms part, the aggregate nominal amount of share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with the mandate granted under ordinary resolution numbered 8 set out in the Notice, of which this resolution forms part, be and is hereby increased and extended by the addition thereto of the aggregate nominal amount of the shares of the Company which may be repurchased by the Company pursuant to and in accordance with the mandate granted under ordinary resolution numbered 9 set out in the Notice, of which this resolution forms part, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution.”.

By Order of the Board  
**Wong Kwok Wai, Robin**  
*Company Secretary*

Hong Kong, 22 May 2009

*Notes:*

- (i) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote on his stead. A proxy need not be a member of the Company. If more than one proxies is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (ii) In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed, or notorially certified copy of such power of attorney or authority, must be deposited at the Company's Share Registrar, Tricor Tengis Limited, at Level 25, Three Pacific Place, 1 Queen's Road East, Hong Kong at least 48 hours before the time appointed for holding the meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting.