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

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 039)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Bio-Dynamic Group Limited (the “**Company**”) will be held at Vinson Room, Pacific Place Conference Centre, 5/F One Pacific Place, 88 Queensway, Hong Kong on 1 September 2010 at 4:00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

(1) “**THAT:**

- (a) the Sale and Purchase Agreement (as defined in the Company’s circular to its shareholders dated 17 August 2010 (the “**Circular**”) of which this notice of Extraordinary General Meeting forms a part) (a copy of which has been produced to this meeting marked “A” and initialled by the chairman of this meeting for the purpose of identification) entered into between the Company and Ace Loyalty International Limited, and the transactions contemplated thereunder be and are hereby approved; and any one director of the Company (“**Director**”) be and is hereby authorised with full power to do all things and sign or execute all documents on behalf of the Company which may in his opinion be necessary or desirable for the purpose of giving effect to the Sale and Purchase Agreement or any matters in relation thereto; and
- (b) the allotment and issue of 60,000,000 new ordinary shares of HK\$0.10 each in the capital of the Company (“**Shares**”) (the “**Consideration Shares**”) to Ace Loyalty International Limited (or its nominee) at an issue price of HK\$0.60 per Share at completion of the Sale and Purchase Agreement in accordance with its terms and subject to the terms and conditions contained in the articles of association of the Company (the “**Articles**”) be and are hereby approved and that a share certificate (or certificates) representing the Consideration Shares be issued under the common seal of the Company in accordance with the Articles, and any one Director (in any case where the common seal of the Company is required to be affixed, then any two Directors or any one Director and the secretary of the Company) be authorised with full power to do all things and sign or execute all documents on behalf of the Company which may in his (or their) opinion necessary or desirable in connection with the issue of the Consideration Shares, the share certificates or any matters in relation thereto.”

- (2) “**THAT** conditional upon the passing of the ordinary resolution no. 1 as set out in the notice convening this Extraordinary General Meeting, the allotment and issue of 30,000,000 Shares (the “**Additional Consideration Shares**”) to Ace Loyalty International Limited (or its nominee) at an issue price of HK\$0.60 per Share upon occurrence of the Adjustment Events (as defined in the Circular) in accordance with the terms of the Sale and Purchase Agreement and subject to the terms and conditions contained in the Articles be and are hereby approved and that a share certificate (or certificates) representing the Additional Consideration Shares be issued under the common seal of the Company in accordance with the Articles, and any one Director (in any case where the common seal of the Company is required to be affixed, then any two Directors or any one Director and the secretary of the Company) be authorised with full power to do all things and sign or execute all documents on behalf of the Company which may in his (or their) opinion necessary or desirable in connection with the issue of the Additional Consideration Shares, the share certificates or any matters in relation thereto and the Directors be and are authorised to allot, issue and deal with additional shares in the capital of the Company which may fall to be allotted and issued.”

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

Hong Kong, 17 August 2010

Notes:

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

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