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If you have sold or transferred all your shares in CHINA HAIDIAN HOLDINGS LIMITED, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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CHINA HAIDIAN HOLDINGS LIMITED

中國海澱集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 256)

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

A notice convening the annual general meeting of China Haidian Holdings Limited (the "Company") to be held at Tang Room I, Third Floor, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Friday, 27 May 2011 at 11:00 a.m. is set out on pages 6 to 9 of this circular.

Whether or not you propose to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the Annual General Meeting (or adjourned meeting as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting, if you so wish.

Hong Kong, 15 April 2011

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held on Friday, 27 May 2011 at 11:00 a.m., notice of which is set out on pages 6 to 9 of this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of directors
“Companies Law”	the Companies Law of the Cayman Islands for the time being in force
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong
“Company”	China Haidian Holdings Limited 中國海澱集團有限公司, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Stock Exchange
“Directors”	directors of the Company
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	8 April 2011, being the latest practicable date prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general mandate to the Directors to exercise the powers of the Company to repurchase Shares during the period as set out in the Repurchase Resolution up to a maximum of 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution
“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution No.6 in the notice of the Annual General Meeting

DEFINITIONS

“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholders”	the holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.



CHINA HAIDIAN HOLDINGS LIMITED

中國海澱集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 256)

Executive Directors:

Hon Kwok Lung (*Chairman*)
Shang Jianguang (*Chief Executive Officer*)
Shi Tao
Lam Toi Man
Bi Bo (Appointed on 24 August 2010)

Registered Office:

P.O. Box 309
Ugland House
South Church Street
Grand Cayman
Cayman Islands

Non-executive Director:

Sit Lai Hei

Principal Place of Business:

Units 1902-04, Level 19
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

Independent Non-executive Directors:

Fung Tze Wa
Kwong Chun Wai, Michael
Li Qiang

Hong Kong, 15 April 2011

To the shareholders,

Dear Sir or Madam,

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

1. INTRODUCTION

The purpose of this circular is to notify shareholders of the Company the convening of the Annual General Meeting and to provide you with information in connection with the proposals to: (i) grant the general mandates to issue Shares and to repurchase Shares; and (ii) re-elect the retiring Directors.

LETTER FROM THE BOARD

2. PROPOSED GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

At the annual general meeting of the Company held on 28 May 2010, approval was given by the Shareholders for the granting of, inter alia, the general mandates to the Directors (i) to allot, issue and otherwise deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at 28 May 2010; and (ii) to repurchase Shares on the Stock Exchange up to 10% of the aggregate nominal amount of the issued share capital of the Company as at 28 May 2010. In accordance with the terms of the approval, these general mandates will shortly expire on 27 May 2011 upon the conclusion of the Annual General Meeting. To keep in line with the current corporate practice the grant of fresh general mandates for the same purpose is being sought from the Shareholders and the ordinary resolutions to grant these mandates to the Directors will be proposed at the Annual General Meeting.

Based on the 4,121,169,289 Shares in issue as at the Latest Practicable Date (and assuming that there is no change in respect of the issued share capital of the Company after the Latest Practicable Date and up to the passing of the Repurchase Resolution), the Company will therefore be allowed under the mandate to issue a maximum of 824,233,857 Share.

The Explanatory Statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed share repurchased resolution is set out in Appendix I to this circular.

Conditional upon the passing of the Resolutions No. 5 and No. 6, an ordinary resolution to authorise the Directors to exercise the powers to allot, issue and dispose of additional Shares of the Company under the general mandate to issue shares in respect of the aggregate nominal amount of the share capital in the Company repurchased by the Company will also be proposed for approval by the Shareholders at the Annual General Meeting.

3. RE-ELECTION OF DIRECTORS

In accordance with Article 99 of the Articles of Association, Mr. Bi Bo, who has been appointed on 24 August 2010, will hold office only until at the Annual General Meeting and then be eligible for re-election.

In accordance with Article 116 of the Articles of Association, Mr. Shang Jianguang, Mr. Lam Toi Man and Mr. Shi Tao will retire by rotation at the Annual General Meeting and, being eligible, offer themselves for re-election.

Details of the retiring Directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix II hereto.

LETTER FROM THE BOARD

4. ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting is set out on page 6 to 9 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the general mandates to issue Shares and to repurchase Shares and the re-election of retiring Directors.

Pursuant to the Listing Rules, the vote of Shareholders at the Annual General Meeting will be taken by poll. Results of the poll voting will be published on the Company's website at www.irasia.com/listco/hk/chinahaidian and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the Annual General Meeting.

A form of proxy for use at the Annual General Meeting is enclosed. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's share registrar, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude Shareholders from attending and voting in person at the Annual General Meeting if they so wish.

5. RECOMMENDATION

The Directors believe that the general mandates to issue Shares and to repurchase Shares and the re-election of retiring Directors to be put forward at the Annual General Meeting are all in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of such resolutions to be proposed at the Annual General Meeting.

By Order of the Board
China Haidian Holdings Limited
HON KWOK LUNG
Chairman

NOTICE OF ANNUAL GENERAL MEETING



CHINA HAIDIAN HOLDINGS LIMITED

中國海澱集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 256)

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company will be held at Tang Room I, Third Floor, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Friday, 27 May 2011 at 11:00 a.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements and the report of the directors and the independent auditor's report for the year ended 31 December 2010.
2. To approve and declare the payment of a final dividend of HK3.5 cents per share for the year ended 31 December 2010.
3. To re-elect retiring directors and to authorize the Board to fix the remuneration of directors.
4. To re-appoint BDO Limited as the auditor of the Company and to authorize the Board to fix their remuneration.
5. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

"THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than (i) a Rights Issue (as defined below); (ii) an issue of shares as scrip dividends pursuant to the articles of association of the Company from time to time; or (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted for grant or issue of shares or rights to acquire shares in the capital of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution,

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

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

NOTICE OF ANNUAL GENERAL MEETING

6. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) or on 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, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other 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 the Directors of the Company is authorised to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution; and the said approval shall be limited accordingly; and
 - (c) for the purposes of this Resolution, “Relevant Period” means the period from 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 law or the articles of association of the Company to be held; and
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
7. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT subject to the passing of Resolutions No.5 and No.6 set out in the notice convening this meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to Resolution No.5 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate

NOTICE OF ANNUAL GENERAL MEETING

nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Resolution No.6 set out in the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Resolution.”

By Order of the Board
China Haidian Holdings Limited
FONG CHI WAH
Company Secretary

Hong Kong, 15 April 2011

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of such member. A proxy need not be a member of the Company.
2. In order 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 notarially certified copy thereof must be deposited with Tricor Secretaries Limited, 26/F., Tesbury Centre, 28 Queen’s Road East, Hong Kong, not later than 48 hours before the time appointed for holding the meeting (or adjourned meeting as the case may be).
3. The register of members will be closed from Monday, 23 May 2011 to Friday, 27 May 2011, both days inclusive, during which period no transfer of shares will be effected. Subject to the approval of the Directors’ recommendation by members at the Annual General Meeting, a final dividend of HK3.5 cents per share will be paid to members whose names appear on the register of members of the Company as at the close of business on Friday, 20 May 2011. In order to qualify for entitlement to the proposed final dividend for the year ended 31 December 2010 and for attendance of the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong Share Registrars, Tricor Secretaries Limited, 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 20 May 2011.
4. A circular containing the information regarding, inter alia, the directors proposed to be re-elected, the general mandates to issue shares and to repurchase shares of the Company will be sent to members of the Company.

This Appendix serves as an explanatory statement required to be sent to Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate and also constitutes the memorandum required under section 49BA of the Companies Ordinance.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,121,169,289 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 412,116,928 Shares (representing 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution).

2. SHAREHOLDERS' APPROVAL

The Listing Rules provide that all proposed repurchases of securities by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by a specific approval of a particular transaction.

Such authority may only continue in force during the period from the passing of the resolution until whichever is the earlier of: (i) the conclusion of the next annual general meeting of the company, (ii) the expiration of the period within which the next annual general meeting of the company is required by law to be held, or (iii) the passing of an ordinary resolution by shareholders in general meeting of the company revoking or varying such mandate.

3. REASONS FOR REPURCHASES

The Director believe that it is in the best interests of the Company and the Shareholders to seek a general authority from Shareholders to enable the Directors to repurchase the Shares on the market.

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of the net assets and/or earnings and/or dividend per share.

4. FUNDING OF REPURCHASES

Repurchases must be funded out of the funds legally available for the purpose in accordance with the Company's constitutive documents, including memorandum and articles of association, and the applicable laws of the Cayman Islands, being profits available for distribution and the proceeds of a fresh issue of shares made for the purpose of the repurchases. It is envisaged that the funds required for any repurchase would be derived from profits available for distribution.

The Directors do not propose to exercise the Repurchase Mandate to such an 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. However, there might be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements as at 31 December 2010) in the event that the Repurchase Mandate was exercised in full.

5. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

Month	Share Prices (per share)	
	Highest HK\$	Lowest HK\$
2010		
April	0.860	0.780
May	0.990	0.740
June	0.850	0.780
July	0.900	0.790
August	1.020	0.880
September	1.200	0.990
October	1.370	1.170
November	1.500	1.220
December	1.530	1.010
2011		
January	1.160	0.910
February	1.120	0.960
March	1.100	0.900
April (up to Latest Practicable Date)	1.120	1.030

6. TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the register maintained by the Company pursuant to section 336 of Part XV of the Securities and Futures Ordinance shows the following interests in Shares being 5% or more of the issued share capital of the Company:

	<i>Notes</i>	No. of Shares	Percentage of existing issued capital	Percentage of issued capital if Repurchase Proposal is exercised in full
Sincere View International Limited	(1)	795,177,515	19.29%	21.43%
Full Day Limited	(2)	1,750,000,000	42.46%	47.18%
Hon Kwok Lung	(3)	2,546,227,515	61.78%	68.64%
Lam Suk Ying	(3)	2,546,227,515	61.78%	68.64%
Keywise Capital Management (HK) Limited		330,322,000	8.02%	8.91%
Zhang Qing	(4)	110,000,000	2.67%	2.97%

Note:

- (1) Mr. Hon Kwok Lung holds 80% and his wife, Ms. Lam Suk Ying holds 20% interests in Sincere View International Limited ("Sincere View"), which is a substantial shareholder of the Company holding 795,177,515 shares of the Company.
- (2) Mr. Hon Kwok Lung holds 100% interests in Full Day Limited ("Full Day"), which is a substantial shareholder of the Company holding 1,750,000,000 shares of the Company.
- (3) Mr. Hon Kwok Lung and Ms. Lam Suk Ying are deemed to have an interest in the same parcel of 2,546,227,515 shares (2,545,177,515 held by Sincere View and Full Day and 1,050,000 shares held by Mr. Hon Kwok Lung himself).

Save as disclosed above, Mr. Hon Kwok Lung is additionally interested in 2,450,000 shares, representing approximately 0.06% of the issued share capital of the Company. These shares represent the number of share options outstanding pursuant to options granted to him on 9 December 2008 under the Share Option Scheme.

- (4) Mr. Zhang Qing holds 110,000,000 shares of the Company and 206,515,405 optional subscription shares ("Optional Subscription Share") based on the DI form filed by Mr. Zhang Qing on 4 January 2011. Assuming that the Optional Subscription Shares are exercised in full on or before 3 May 2011, Mr. Zhang Qing's holding will represent, approximately 7.68% of the issued share capital of the Company as at the Latest Practical Date and approximately 7.31% of the issued share capital of the Company as enlarged by the allotment and issue of the Optional Subscription Shares.

Based on the above shareholding and in the event the Directors exercised in full the power to repurchase Shares pursuant to the Repurchase Mandate, the shareholding of Mr. Hon Kwok Lung and parties acting in concert with him will increase from approximately 61.78% to approximately 68.64% and such increase will not give rise to an obligation to make a general offer under Rule 26 of the Takeovers Code.

Save as aforesaid, the Board is not aware of any consequences which would arise under the Takeover Code as a result of an exercise of the Repurchase Mandate.

7. GENERAL

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, any of their associates, have any present intention, if the Repurchase Mandate is exercised, to sell any Shares to the Company or its subsidiaries.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any Share to the Company, or that he/she/it has undertaken not to do so in the event that the Repurchase Resolution is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate only in accordance with the Listing Rules, the Memorandum of Association, the Articles of Association and the laws of the Cayman Islands.

8. SHARES REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any Share (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

Mr. Shang Jianguang

Mr. Shang, aged 59, has been appointed as an Executive Director and Chief Executive Officer of the Company since 18th November, 2004. Mr. Shang is also a director of a number of the Group's subsidiaries. He was graduated in Fuzhou University, PRC majoring in Chemistry and is a qualified senior engineer in Mainland China. In November 1999, he was appointed as Deputy General Manager of Min Xin Holdings Limited, (stock code of 222) a company listed on the main board of the Stock Exchange, and he was subsequently appointed as General Manager and director in April 2001 and November 2002 respectively. In October 2004, Mr. Shang resigned as General Manager and resigned as a director in November 2004.

Mr. Shang has entered into a service agreement with the Company for a term of 3 years commencing from 18th November, 2008. Under the terms of the service agreement, Mr. Shang is entitled to a monthly salary of HK\$120,000, monthly housing allowance of HK\$35,000, a year-end double pay equivalent to one-month's basic salary and a discretionary bonus as may be decided by the Board with reference to the Company's performance and profitability. The basic salary was determined with reference to the remuneration benchmark in the industry and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Shang is, for the purposes of Part XV of the SFO, interested in 8,000,000 shares, representing approximately 0.19% of the issued share capital of the Company. These shares represent 5,200,000 shares held by himself and the outstanding share options of 2,800,000 shares pursuant to options granted to him on 9 December 2008 under the Share Option Scheme. Save as disclosed above, he did not have any interests in the securities of the Company within the meaning of Part XV of the SFO, nor did he have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company as at the Latest Practicable Date.

Save as disclosed above, Mr. Shang neither have any positions held with the Company and other members of the Company's group nor have other directorships held in listed public companies in the last three years and other major appointments and qualifications. Besides, there is no other information required to be disclosed under Rules 13.51(2) of the Listing Rules and any other matters that need to be brought to the attention of the shareholders of the Company.

Mr. Lam Toi Man

Mr. Lam, aged 53, has been appointed as an Executive Director of the Company since 8th April, 2004. Mr. Lam's also a director of a number of the Group's subsidiaries. He has various years of experience in property development in the PRC. Mr. Lam has been the General Manager of Zhejiang Huashun Real Estate Investment Co., Ltd. and an executive director and the General Manager of Hangzhou Yuanhua Mart Construction Co., Ltd. Mr. Lam is the brother-in-law of Mr. Hon Kwok Lung, Chairman of the Board. In addition, the husband of Ms. Sit Lai Hei, a Non-executive Director, is a nephew of Mr. Lam.

Mr. Lam has entered into a service agreement with the Company for an initial term of 2 years commencing from 1st July, 2004 and is subject to termination by either party by giving not less than two months' written notice. The service agreement will continue for successive terms of one year unless terminated by not less than two months' written notice served by either party to the other. Under the terms of the service agreement, Mr. Lam is entitled to a monthly salary of HK\$110,000 payable on a 12-month basis and a discretionary bonus payable for each completed year of service to be decided by the Board with reference to the Company's performance and profitability. The basic salary was determined with reference to the remuneration benchmark in the industry and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Lam is, for the purposes of Part XV of the SFO, interested in 3,500,000 shares, representing approximately 0.08% of the issued share capital of the Company. These shares represent 1,050,000 shares held by himself and the outstanding share options of 2,450,000 shares pursuant to options granted to him on 9 December 2008 under the Share Option Scheme. Save as disclosed above, he did not have any interests in the securities of the Company within the meaning of Part XV of the SFO, nor did he have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company as at the Latest Practicable Date.

Save as disclosed above, Mr. Lam neither have any positions held with the Company and other members of the Company's group nor have other directorships held in listed public companies in the last three years and other major appointments and qualifications. Besides, there is no other information required to be disclosed under Rules 13.51(2) of the Listing Rules and any other matters that need to be brought to the attention of the shareholders of the Company.

Mr. Shi Tao

Mr. Shi, aged 47, has been appointed as an Executive Director of the Company since 8th April, 2004. Mr. Shi is also a director of a number of the Group's subsidiaries. He holds a Bachelor degree in Engineering from Tsinghua University and a Master degree in Engineering from Wuhan University of Technology (formerly, Wuhan Industrial University). Mr. Shi has years of business experience in the PRC. Mr. Shi has been an Executive Director of New Capital International Investment Limited, a company whose shares are listed on the Stock Exchange, since November 2006.

Mr. Shi has entered into a service agreement with the Company for an initial term of 2 years commencing from 1st July, 2004 and is subject to termination by either party by giving not less than two months' written notice. The service agreement will continue for successive terms of one year unless terminated by not less than two months' written notice served by either party to the other. His term of office is subject to retirement by rotation and re-election in accordance with the Articles of Association. Under the terms of the service agreement, Mr. Shi is entitled to a monthly salary of HK\$130,000 payable on a 13-month basis and a discretionary bonus for each completed year of service to be determined by the Board with reference to the Company's performance and profitability. The basic salary was determined with reference to the remuneration benchmark in the industry and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Shi is, for the purposes of Part XV of the SFO, interested in 5,000,000 shares, representing approximately 0.12% of the issued share capital of the Company. These shares represent 3,250,000 shares held by himself and the outstanding share options of 1,750,000 shares pursuant to options granted to him on 9 December 2008 under the Share Option Scheme. Save as disclosed above, he did not have any interests in the securities of the Company within the meaning of Part XV of the SFO, nor did he have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company as at the Latest Practicable Date.

Save as disclosed above, Mr. Shi does not have any other positions in the Company and other members of the Company's group nor have other directorships held in listed public companies in the last three years and other major appointments and qualifications. Besides, there is no other information required to be disclosed under Rules 13.51(2) of the Listing Rules and any other matters that need to be brought to the attention of the shareholders of the Company.

Mr. Bi Bo

Mr. Bi, aged 32, graduated from Xi'an Jiaotong University with a Bachelor's degree in Information Engineering in July 2001. Mr. Bi also received the degree of Master of Business Administration from Troy State University in May 2004, and the degree of Master of Science (Finance) from The Johns Hopkins University in May 2006. Prior to joining the Company, Mr. Bi was a senior actuarial assistant (supervisor) in Carefirst Bluecross Blueshield. Mr. Bi qualifies as an associate of the Society of Actuaries (ASA) in 2009.

Mr. Bi has entered into a service agreement with the Company for an initial term of 2 years commencing from 24 August 2010 and is subject to termination by either party by giving not less than two months' written notice. The service agreement will continue for successive terms of one year unless terminated by not less than two months' written notice served by either party to the other. Mr. Bi is entitled to monthly salary of HK\$77,000, monthly housing allowance of HK\$35,000, and year-end double pay equivalent to one-month's basic salary. His remuneration package has been reviewed and approved by the Board of the Company taking into consideration of his duties and responsibilities within the Company, the composition of the Board and the Company's performance.

Mr. Bi is not interested or deemed to have any interests in the shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the Securities and Futures Ordinance. Mr. Bi does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company.

Save as disclosed above, Mr. Bi does not hold any other position with the Company or any of its subsidiaries nor did he hold a directorship in any other listed public company in the last three years. Besides, there is no other information required to be disclosed under Rules 13.51(2) of the Listing Rules and any other matters that need to be brought to the attention of the shareholders of the Company.