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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 your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Pou Sheng International (Holdings) Limited, you should at once hand this circular and the accompanying 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 the transferee.

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**POU SHENG INTERNATIONAL (HOLDINGS) LIMITED****寶勝國際（控股）有限公司**

(Incorporated in Bermuda with limited liability)

(Stock Code: 3813)

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at 10:00 a.m., on Friday, 4 March 2011, at Tang Room, 3/F., Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong is set out on pages 13 to 16 in this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding such meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting, or any adjournment thereof, should you so wish.

28 January 2011

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DEFINITIONS

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

| | |
|--------------------------------------|---|
| “Annual General Meeting” or “AGM” | the annual general meeting of the Company to be convened at 10:00 a.m. on 4 March 2011 at Tang Room, 3/F., Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong, notice of which is set out on pages 13 to 16 in this circular |
| “Board” | the board of Directors |
| “Bye-laws” | the bye-laws of the Company, as amended, modified or otherwise supplemented from time to time |
| “Company” | Pou Sheng International (Holdings) Limited, a company incorporated in Bermuda, the Shares of which are listed on the Stock Exchange |
| “Director(s)” | director(s) of the Company from time to time |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Latest Practicable Date” | 19 January 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “PCC” | Pou Chen Corporation, a company incorporated in Taiwan with limited liability whose shares are listed on the Taiwan Stock Exchange Corporation and which holds approximately 49.98% of the issued share capital of Yue Yuen |
| “PRC” | the People’s Republic of China, which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Repurchase Mandate” | a general and unconditional mandate enabling the Directors to repurchase Shares as defined in the section headed “General Mandates to Issue New Shares and to Repurchase Shares” |

DEFINITIONS

| | |
|------------------------------------|--|
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | share(s) of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” or “Member(s)” | duly registered holder(s) of the Shares |
| “Shares Issue Mandate” | a general and unconditional mandate enabling the Directors to issue new Shares as defined in the section headed “General Mandates to Issue New Shares and to Repurchase Shares” |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | The Hong Kong Code on Takeovers and Mergers |
| “Yue Yuen” | Yue Yuen Industrial (Holdings) Limited, a company incorporated in Bermuda, the shares of which are listed on the Stock Exchange, and a substantial Shareholder holding approximately 56.13% of the issued share capital of the Company |
| “Yue Yuen Group” | Yue Yuen and its subsidiaries from time to time (excluding the Group) |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “NT\$” | New Taiwan dollars, the lawful currency of Taiwan |
| “US\$” | United States dollars, the lawful currency of the United States of America |
| “%” | per cent. |

LETTER FROM THE BOARD



POU SHENG INTERNATIONAL (HOLDINGS) LIMITED

寶勝國際（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 3813)

Board of Directors:

Chairman and Non-executive Director:

Tsai David, Nai Fung

Chief Executive Officer and Executive Director:

Chang Karen Yi-Fen

Non-executive Directors

Tsai Patty, Pei Chun

Kuo, Li-Lien

Independent Non-executive Directors:

Chen Huan-Chung

Hu Sheng-Yih

Mak Kin Kwong

Cheng Ming Fun Paul

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Head Office and Principal Place

of Business:

Suites 3106-9, 31st Floor

Tower 6, The Gateway

9 Canton Road

Tsim Sha Tsui

Kowloon

Hong Kong

28 January 2011

To the Shareholders

Dear Sir or Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information reasonably necessary to enable the Shareholders to make a decision on whether to vote for or against the resolutions to be proposed at the AGM for the approval of, *inter alia*:

LETTER FROM THE BOARD

- (a) re-election of retiring Directors; and
- (b) the grant to the Directors of the Shares Issue Mandate to issue new Shares and the Repurchase Mandate to repurchase Shares.

PROPOSED RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Bye-law 87 of the Bye-laws, Ms. Tsai Patty, Pei Chun, Mr. Hu Sheng-Yih and Mr. Mak Kin Kwong will retire as Directors by rotation and, being eligible, will offer themselves for re-election as Directors at the Annual General Meeting.

Pursuant to Rule 13.74 of the Listing Rules, particulars of Ms. Tsai Patty, Pei Chun, Mr. Hu Sheng-Yih and Mr. Mak Kin Kwong are set out in Appendix I to this circular.

GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES

At the last annual general meeting of the Company held on 3 March 2010, the Directors were granted a general mandate to allot and issue new Shares and a general mandate to repurchase Shares. These mandates will expire at the conclusion of the AGM. The Directors propose to seek the approval of the Shareholders at the AGM for the grant of:

- (a) the Shares Issue Mandate to allot, issue and deal with new Shares up to a maximum of 20% of the Shares in issue as at the date of passing of relevant resolution;
- (b) the Repurchase Mandate to repurchase Shares up to a maximum of 10% of the Shares in issue as at the date of passing of relevant resolution; and
- (c) an extension (the “Extension”) of the Shares Issue Mandate by an amount representing the aggregate nominal amount of the Shares repurchased pursuant to the Repurchase Mandate.

The explanatory statement to provide Shareholders with all the information reasonably necessary to enable them to make an informed decision whether to vote for or against the resolution concerning the Repurchase Mandate as required by the Listing Rules is set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

Notice of the Annual General Meeting is set out on pages 13 to 16 of this circular.

LETTER FROM THE BOARD

ACTION TO BE TAKEN

A form of proxy at the Annual General Meeting is enclosed herewith. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed on it and return it to the Company's share registrars, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof, as the case may be. Completion and return of a form of proxy will not preclude you from attending and voting in person at the Annual General Meeting, or any adjournment thereof, should you so wish.

RECOMMENDATIONS

The Directors consider that the re-election of retiring Directors, the grant of the Shares Issue Mandate, the Repurchase Mandate and the Extension are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of
Pou Sheng International (Holdings) Limited
Tsai David, Nai Fung
Chairman

Pursuant to the Listing Rules, the details of the Directors who will retire at the AGM according to the Bye-laws and will be proposed to be re-elected at the AGM are provided below:

(1) Ms. TSAI Patty, Pei Chun

Experience

TSAI Patty, Pei Chun, aged 31, is a non-executive Director since April 2008. She joined Yue Yuen Group in December 2003 as a special assistant to the chairman of PCC and is responsible for the financial planning and strategic investments of Yue Yuen Group. She does not participate in the day-to-day operations of the Group. Ms. Tsai graduated from the Wharton School of the University of Pennsylvania in May 2002 with a Bachelor of Science in Economics degree with a concentration in Finance and a College Minor in Psychology. She serves as a board director of Yue Yuen. She was previously a director of Mega Financial Holding Company Limited (shares of which are listed on the Taiwan Stock Exchange). Save as disclosed above, Ms. Tsai did not hold any other directorship in listed public companies in the last three years up to the Latest Practicable Date.

Length of service

Ms. Tsai has no service contract with the Company. Pursuant to the appointment letter dated 14 May 2008, Ms. Tsai is appointed for a period of three years from 6 June 2008. Her appointment is subject to retirement by rotation in accordance with the Bye-Laws and the Listing Rules at such time as may be required by resolution of the Board. Either Ms. Tsai or the Company may terminate the appointment by giving at least three months' prior notice in writing.

Relationships

Ms. Tsai is a cousin of Mr. Tsai David, Nai Fung, the Chairman of the Company. She is also a niece of Mr. Tsai Chi Neng, the chairman of Yue Yuen. Save as disclosed above, Ms. Tsai does not have any relationship with any other directors, senior management, substantial shareholders, or controlling shareholders of the Company.

Interests in Shares

In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Ms. Tsai personally held 4,460,000 Shares.

Director's emoluments

Ms. Tsai is not entitled to any remuneration of the Company but, is eligible to be granted options to subscribe for Shares under the share option scheme adopted by the Company.

Other information

Save as disclosed above, there is no other information relating to Ms. Tsai which is required to be disclosed under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in respect of the re-election of Ms. Tsai.

(2) Mr. HU Sheng-Yih*Experience*

HU Sheng-Yih, aged 68, was appointed as an independent non-executive Director in April 2008. He was appointed chairman of the remuneration committee of the Company on 3 March 2010. Mr. Hu is an associate part-time professor at the College of Management, Shih Chien University. He worked as the first deputy general manager of Mega International Commercial Bank and an officer-in-charge of the International Commercial Bank of China (New York Branch) (中國國際商業銀行紐約分行). He received a Master degree in Economics from the Yale University in 1981, a Master and Doctoral degree in Laws from the Chinese Culture University in 1971 and 1977 respectively, and a Bachelor degree in Economics from the National Taiwan University in 1967. Mr. Hu serves as a board director of Global Brands Manufacture Ltd. (精成科技股份有限公司) (shares of which are listed on the Taiwan Stock Exchange). Mr. Hu also serves as independent director of Taiwan Shin Kong Commercial Bank (台灣新光商業銀行) (Shin Kong Financial Holding Co., Ltd. 新光金融控股股份有限公司, the parent company of Taiwan Shin Kong Commercial Bank (台灣新光商業銀行), shares of which are listed on the Taiwan Stock Exchange). Save as disclosed above, Mr. Hu did not hold any other directorship in listed public companies in the last three years up to the Latest Practicable Date.

Length of service

Mr. Hu has no service contract with the Company. Pursuant to the appointment letter dated 14 May 2008, Mr. Hu is appointed for a period of three years from 6 June 2008. His appointment is subject to retirement by rotation in accordance with the Bye-Laws and the Listing Rules at such time as may be required by resolution of the Board. Either Mr. Hu or the Company may terminate the appointment by giving at least three months' prior notice in writing.

Relationships

Mr. Hu does not have any relationship with any other directors, senior management, substantial shareholders, or controlling shareholders of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr. Hu was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO.

Director's emoluments

Pursuant to his appointment letter, Mr. Hu was entitled to a fee of HK\$250,000 per annum and is eligible to be granted options to subscribe for Shares under the share option scheme adopted by the Company.

Mr. Hu received US\$32,204 as aggregate director's fee for the year ended 30 September 2010. During the year, Mr. Hu has not received any bonus from the Company.

Other information

Save as disclosed above, there is no other information relating to Mr. Hu which is required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2) (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in respect of the re-election of Mr. Hu.

(3) Mr. MAK Kin Kwong*Experience*

MAK Kin Kwong, aged 49, was appointed an independent non-executive Director in April 2008. Mr. Mak is also the chairman of the audit committee of the Company since May 2008. He is the managing director of Venfund Investment, a Shenzhen based mid-market M&A investment banking firm specializing in cross-border mergers and acquisitions, corporate restructuring, capital raising and international financial advisory services for Chinese privately-owned clients, which he co-founded in late 2001. Prior to that, Mr. Mak spent 17 years at Arthur Andersen Worldwide where he was a firm partner and served as the managing partner of Arthur Andersen Southern China in his last position with the firm. Mr. Mak also serves as an independent non-executive director and audit committee chairman of Trina Solar Limited (天合光能有限公司), China GrenTech Corp. Ltd. (國人通信股份有限公司), and China Security & Surveillance Technology, Inc. (中國安防技術有限公司), companies listed in the United States; Shenzhen Fiyata Holdings Ltd. (深圳市飛亞達(集團)股份有限公司), a company listed in Mainland China; and Huabao International Holdings Ltd. (華寶國際控股有限公司), Real Gold Mining Limited (瑞金礦業有限公司) and 361 Degrees International Limited (361度國際有限公司), companies listed on the Stock Exchange. Mr. Mak is a graduate of the Hong Kong Polytechnic University and a fellow member of the Association of Chartered Certified Accountants, United Kingdom, and the Hong Kong Institute of Certified Public Accountants, and a member of the Institute of Chartered Accountants, in England and Wales.

Length of service

Mr. Mak has no service contract with the Company. Pursuant to the appointment letter dated 14 May 2008, Mr. Mak is appointed for a period of three years from 6 June 2008. His appointment is subject to retirement by rotation in accordance with the Bye-Laws and the Listing Rules at such time as may be required by resolution of the Board. Either Mr. Mak or the Company may terminate the appointment by giving at least three months' prior notice in writing.

Relationships

Mr. Mak does not have any relationship with any other directors, senior management, substantial shareholders, or controlling shareholders of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr. Mak was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO.

Director's emoluments

Pursuant to his appointment letter, Mr. Mak was entitled to a fee of HK\$300,000 per annum and is eligible to be granted options to subscribe for Shares under the share option scheme adopted by the Company.

Mr. Mak received US\$38,641 as aggregate director's fee for the year ended 30 September 2010. During the year, Mr. Mak has not received any bonus from the Company.

Further information

Save as disclosed above, there is no other information relating to Mr. Mak which is required to be disclosed under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in respect of the re-election of Mr. Mak.

This appendix contains information required under the Listing Rules to be included in an explanatory statement to accompany the notice of the Annual General Meeting at which a resolution is to be proposed in relation to the repurchase by the Company of its own Shares. Its purpose is to provide Shareholders with all the information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution approving the Repurchase Mandate at the AGM.

REPURCHASE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to approve the Repurchase Mandate. Under the Repurchase Mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the share capital of the Company in issue on the date the resolution granting the Repurchase Mandate is passed. As at the Latest Practicable Date, there were an aggregate of 4,290,495,163 Shares in issue. Exercise in full of the Repurchase Mandate, on the basis that no further Shares are issued or repurchased prior to the date of the Annual General Meeting, would accordingly allow the Company under the Repurchase Mandate to repurchase a maximum of 429,049,516 Shares.

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

(a) Shareholders' approval

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

(b) Source of funds

Repurchases must be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association and Bye-laws and the applicable laws in Bermuda. A listed company may not repurchase its own shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

It is presently proposed that any repurchase of Shares would be made out of capital paid up on the Shares, funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose and, in the case of any premium payable on such repurchase, from funds of the Company otherwise available for dividend or distribution or from the Company's share premium account.

There might be a material adverse impact on the working capital requirements of the Company or the gearing level (as compared with the position disclosed in the audited financial statements of the Company set out in the Company's annual report for the year ended 30 September 2010) in the event that the Repurchase Mandate is exercised in full. However, 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.

(c) Reasons for repurchases

The Directors believe that it is in the best interests of the Company and its Shareholders for the Directors to have a general authority from Shareholders to enable the Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders at the relevant time having regard to the circumstances then prevailing.

(d) General

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

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make purchases pursuant to the proposed resolution in accordance with the Listing Rules and the applicable laws of Bermuda.

If, as a result of any repurchase of Shares, 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 a group of Shareholders acting in concert, depending on the level of increase of such Shareholders' interest, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

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 Shares to the Company, nor has he/she/it undertaken not to do so if the Repurchase Mandate is approved by the Shareholders.

During the six months preceding the date of this circular, no Share have been repurchased by the Company.

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the twelve months immediately prior to the Latest Practicable Date were as follows:

| | Share price | |
|-------------|------------------------|-----------------------|
| | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
| 2010 | | |
| January | 1.70 | 1.15 |
| February | 1.52 | 1.20 |
| March | 1.59 | 1.35 |
| April | 1.43 | 1.23 |
| May | 1.26 | 0.78 |
| June | 1.01 | 0.85 |
| July | 1.08 | 0.88 |
| August | 1.18 | 1.02 |
| September | 1.23 | 1.04 |
| October | 1.27 | 1.04 |
| November | 1.55 | 1.23 |
| December | 1.56 | 1.16 |
| 2011 | | |
| January* | 1.41 | 1.18 |

* Up to and including the Latest Practicable Date

NOTICE OF ANNUAL GENERAL MEETING



POU SHENG INTERNATIONAL (HOLDINGS) LIMITED 寶勝國際（控股）有限公司 *(Incorporated in Bermuda with limited liability)* (Stock Code: 3813)

Notice is hereby given that the Annual General Meeting (the “AGM”) of Pou Sheng International (Holdings) Limited (the “Company”) will be held at Tang Room, 3/F., Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Friday, 4 March 2011 at 10:00 a.m. for the following purposes:

As ordinary business

1. To receive and consider the audited financial statements and the reports of the directors and auditors of the Company for the year ended 30 September 2010.
2. (a) To re-elect the following retiring directors:
 - (1) Ms. Tsai Patty, Pei Chun as a non-executive director;
 - (2) Mr. Hu Sheng-Yih as an independent non-executive director; and
 - (3) Mr. Mak Kin Kwong as an independent non-executive director.
- (b) To authorise the board of directors of the Company (the “Directors”) to fix the Directors’ remuneration.
3. To re-appoint Deloitte Touche Tohmatsu as the auditor of the Company to hold office until the conclusion of next annual general meeting and authorise the Directors to fix their remuneration.

As special business

4. To consider and, if thought fit, pass, with or without amendments, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

A. **“THAT:**

- (a) subject to paragraph (c) below and in substitution for all previous authorities given by the Company, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements, options and other rights, or issue warrants and other securities including bonds, debentures and notes convertible into shares of the Company, which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options and other rights, or issue warrants and other securities, which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or to be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to a Rights Issue (as hereinafter defined) or the exercise of the subscription rights under the share option scheme of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiry of the period within which the next annual general meeting of the Company is required to be held under the laws of Bermuda or the Bye-laws of the Company or any applicable laws 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.

“Rights Issue” means an offer of shares in the Company, or an offer of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the Directors to holders of shares in the Company on the registers of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject in all cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements or any recognised regulatory body or any stock exchange in, any territory outside Hong Kong Special Administrative Region of the People’s Republic of China).”

NOTICE OF ANNUAL GENERAL MEETING

B. **“THAT:**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company purchased or agreed conditionally or unconditionally to be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period (as defined below) shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval 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 earlier of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiry of the period within which the next annual general meeting of the Company is required to be held under the laws of Bermuda or the Bye-laws of the Company or any applicable laws 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.”

NOTICE OF ANNUAL GENERAL MEETING

- C. “**THAT** conditional upon the ordinary resolution designated “B” in the notice of general meeting being passed (with or without amendments), the general mandate granted to the Directors to issue, allot and deal with any additional shares of the Company pursuant to ordinary resolution designated “A” above be and is hereby extended by the addition thereto of the total nominal amount of shares of the Company which may be purchased by the Company under the authority granted pursuant to ordinary resolution designated “B” above, provided that such amount of shares of the Company so purchased shall not exceed 10 per cent. of the total nominal amount of share capital of the Company is issue as at the date of passing of this resolution.”

By Order of the Board
Tsai David, Nai Fung
Chairman

Hong Kong, 28 January 2011

Principal Place of Business:

Suites 3106-9, 31st Floor
Tower 6, The Gateway
9 Canton Road
Tsim Sha Tsui
Kowloon
Hong Kong

As at the date of this notice, Mr. Tsai David, Nai Fung is the Chairman and Non-executive Director; Ms. Chang Karen Yi-Fen is the Chief Executive Officer and Executive Director; Ms. Tsai Patty, Pei Chun and Ms. Kuo, Li-Lien are the Non-executive Directors; and Mr. Chen Huan-Chung, Mr. Hu Sheng-Yih, Mr. Mak Kin Kwong and Mr. Cheng Ming Fun Paul are the Independent Non-executive Directors.

Notes:

1. A member entitled to attend and vote at the AGM by the above notice is entitled to appoint another person as his proxy to attend and vote on his behalf. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him and vote on his behalf at the AGM. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number of shares in respect of which each such proxy is appointed.
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 certified copy of such power of attorney or authority, must be deposited at the office of the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
3. Where there are joint holders of any share, any one of such persons may vote at the AGM either personally 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 the AGM personally or by proxy, 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 of the Company in respect of such joint holding.
4. A form of proxy for use in connection with the AGM is enclosed.