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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 or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in CITIC Telecom International Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the 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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**中信國際電訊集團有限公司**

**CITIC TELECOM INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 01883)**

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

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A notice convening the annual general meeting of CITIC Telecom International Holdings Limited to be held at Island Ballroom, Level 5, Island Shangri-La Hotel, Two Pacific Place, Supreme Court Road, Hong Kong on Thursday, 21 April 2011 at 10:30 a.m. is set out on pages 10 to 14 of this circular.

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 thereon and return it to the registered office of CITIC Telecom International Holdings Limited at 25th Floor, CITIC Telecom Tower, 93 Kwai Fuk Road, Kwai Chung, New Territories, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting should you so wish.

21 March 2011

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## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Island Ballroom, Level 5, Island Shangri-La Hotel, Two Pacific Place, Supreme Court Road, Hong Kong on Thursday, 21 April 2011 at 10:30 a.m., the Notice of which is set out in Appendix III to this circular or, where the context so admits, any adjournment thereof
“Company”	CITIC Telecom International Holdings Limited
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Directors” or “Board”	directors of the Company
“HK\$”	Hong Kong dollars
“Latest Practicable Date”	14 March 2011, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Notice”	the notice convening the Annual General Meeting
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholders”	holders of Shares in the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited



**中信國際電訊集團有限公司**  
**CITIC TELECOM INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 01883)**

*Directors:*

Xin Yue Jiang (*Chairman*)

Yuen Kee Tong (*Chief Executive Officer*)

Chan Tin Wai, David (*Chief Financial Officer*)

Liu Jifu\*

Fei Yiping\*

Yang Xianzu\*\*

Liu Li Qing\*\*

Kwong Che Keung, Gordon\*\*

*Registered Office:*

25th Floor

CITIC Telecom Tower

93 Kwai Fuk Road

Kwai Chung

New Territories

Hong Kong

\* *Non-executive Director*

\*\* *Independent non-executive Director*

21 March 2011

To the Shareholders,

Dear Sir or Madam,

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

**1. INTRODUCTION**

The purpose of this circular is to provide you with the Notice and the information in connection with the proposals to (i) grant the general mandates to issue Shares and to repurchase Shares; (ii) re-elect the retiring Directors; and (iii) fix the Directors' fees at the Annual General Meeting.

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

At the annual general meeting of the Company held on 22 April 2010, ordinary resolutions were passed giving general mandates to the Directors (i) to allot, issue and dispose of additional Shares not exceeding twenty per cent of the aggregate nominal amount of the issued share capital of the Company as at 22 April 2010 and to extend the

## LETTER FROM THE CHAIRMAN

general mandate to allot Shares by adding repurchased securities to the twenty per cent general mandate; and (ii) to purchase or otherwise acquire Shares of the Company on the Stock Exchange not exceeding ten per cent of the aggregate nominal amount of the issued share capital of the Company as at 22 April 2010.

The purpose of the general mandates was to enable the Directors to issue additional Shares and to repurchase Shares should the need arise. The Directors have no present intention to exercise the general mandates to issue Shares and to repurchase Shares of the Company.

Under the terms of the Companies Ordinance and the Listing Rules, these general mandates will lapse upon the conclusion of the forthcoming Annual General Meeting of the Company to be held on 21 April 2011, unless renewed at that meeting. These general mandates will continue in force during the period from the passing of the resolutions at the Annual General Meeting until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting of the Company is required by law to be held or until these general mandates are revoked or varied by ordinary resolutions of the Shareholders in general meeting, whichever is the earlier. To keep in line with current corporate practice, resolutions will be proposed to renew these mandates and the explanatory statement and memorandum regarding the repurchase resolution as required under the Listing Rules is set out in Appendix I to this circular.

### **3. PROPOSED RE-ELECTION OF DIRECTORS**

In accordance with Article 95 of the Articles of Association of the Company, Mr. Liu Jifu is a Director appointed by the Board since the last annual general meeting who shall hold office only until the forthcoming Annual General Meeting and shall be eligible for re-election. In accordance with Article 104(A) of the Articles of Association of the Company, Messrs. Xin Yue Jiang and Yuen Kee Tong shall retire by rotation in the Annual General Meeting and all, being eligible, offer themselves for re-election. Details of the Directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

### **4. PROPOSED CHANGE IN DIRECTORS' FEES**

Currently the director's fee of each of the directors of the Company is fixed at HK\$120,000 per annum. In view of the workload and responsibilities, it is proposed to increase the director's fee for all directors of the Company (other than the executive directors and directors with employment with CITIC Pacific Limited) from HK\$120,000 per annum to HK\$150,000 per annum. The additional remuneration payable to each of the directors (other than the executive directors and directors with employment with CITIC Pacific Limited) who serves on the Board Committees of the Company shall remain unchanged. The executive directors of the Company will receive remuneration determined according to the Company's remuneration policy. Directors who are employees of CITIC Pacific Limited do not receive any director's fee for serving on the Board and Board Committees.

## LETTER FROM THE CHAIRMAN

### 5. ANNUAL GENERAL MEETING

The Notice is set out in Appendix III to 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, the re-election of Directors and the change in Directors' fees.

Pursuant to the Listing Rules, the vote of Shareholders at the Annual General Meeting will be taken by poll and the results of the poll will be published on the websites of the Company and the Stock Exchange on the day of the above meeting.

A proxy form for use at the Annual General Meeting is enclosed. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's registered office at 25th Floor, CITIC Telecom Tower, 93 Kwai Fuk Road, Kwai Chung, New Territories, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the meeting. Completion and return of the proxy form will not preclude Shareholders from attending and voting at the Annual General Meeting if they so wish.

### 6. RECOMMENDATION

The Directors believe that the general mandates to issue Shares and to repurchase Shares, the re-election of Directors and the change in Directors' fees to be proposed at the Annual General Meeting are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders shall vote in favour of the resolutions in relation to the above proposals to be proposed at the Annual General Meeting.

Yours faithfully,  
**Xin Yue Jiang**  
*Chairman*

<b>APPENDIX I      EXPLANATORY STATEMENT AND MEMORANDUM IN RELATION TO THE BUYBACK MANDATE</b>
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This is an explanatory statement and memorandum of the terms of the proposed repurchases given to the Shareholders relating to a resolution to approve the Company repurchasing its own Shares (“Buyback Mandate”) to be proposed at the Annual General Meeting.

This explanatory statement contains the information required under Rule 10.06(1)(b) of the Listing Rules. Its purpose is to provide Shareholders with all the information reasonably necessary for them to make an informed decision as to whether or not to vote in favour of the resolution approving the Buyback Mandate and it also forms the memorandum of the terms of the proposed repurchases given under Section 49BA(3)(b) of the Companies Ordinance.

**i.      SHARE CAPITAL**

As at 14 March 2011, the Latest Practicable Date, the issued share capital of the Company was 2,385,980,870 Shares.

Subject to the passing of the resolution approving the Buyback Mandate 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 Buyback Mandate to repurchase a maximum of 238,598,087 Shares, representing 10% of the issued share capital of the Company as at the date of passing the relevant resolution.

**ii.     SHAREHOLDER APPROVAL/TRADING RESTRICTIONS**

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.

**iii.    REASONS FOR REPURCHASES**

The Directors 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 of the Company 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.

**iv.    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 laws of Hong Kong, 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.

<b>APPENDIX I      EXPLANATORY STATEMENT AND MEMORANDUM IN RELATION TO THE BUYBACK MANDATE</b>
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The Directors do not propose to exercise the Buyback 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 Buyback Mandate was exercised in full.

**v.      SHARE PRICES**

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the 12 months preceding the Latest Practicable Date, from 1 March 2010 to 28 February 2011 and from 1 March 2011 to the Latest Practicable Date, were as follows:

	<b>Price per Share</b>	
	<b>Highest</b> <i>(HK\$)</i>	<b>Lowest</b> <i>(HK\$)</i>
<b>2010</b>		
March	2.65	2.39
April	2.82	2.49
May	2.58	2.19
June	2.31	2.04
July	2.17	1.93
August	2.23	1.96
September	2.92	1.98
October	2.90	2.65
November	2.75	2.45
December	2.66	2.34
<b>2011</b>		
January	2.78	2.40
February	2.85	2.41
1 March to 14 March	2.62	2.47

**vi.      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 Buyback Mandate is exercised to sell any Shares to the Company or its subsidiaries.

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



<b>APPENDIX I      EXPLANATORY STATEMENT AND MEMORANDUM IN RELATION TO THE BUYBACK MANDATE</b>
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If as the 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 for purposes of the Hong Kong Codes on Takeovers and Mergers and Share Repurchases ("Takeovers Code"). As a result, a shareholder, or group of shareholders acting in concert depending on the level of increase of shareholders' interest, 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. CITIC Group is the ultimate holding company of the Company. As at the Latest Practicable Date, the subsidiaries of CITIC Group held a total of approximately 60.59% of the issued share capital of the Company. On the basis of the current shareholding position of the Company, the Directors are not aware of any consequence which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Buyback Mandate.

There have been no repurchases of any securities of the Company made in the previous six months (whether on the Stock Exchange or otherwise).

The Listing Rules prohibit the Company from knowingly repurchasing Shares of the Company on the Stock Exchange from a "connected person" (as defined in the Listing Rules) and a connected person is prohibited from knowingly selling his/her Shares to the Company.

No connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Company is authorised to make repurchases of Shares.

<b>APPENDIX II      BIOGRAPHIES OF RETIRING DIRECTORS OFFERING FOR RE-ELECTION AT THE ANNUAL GENERAL MEETING</b>
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The following Directors are subject to retirement by rotation and re-election in accordance with the Company's Articles of Association. The interests in the securities of the Company of the retiring Directors are provided in the section of Directors' Report in the 2010 Annual Report. The emoluments of the retiring Directors are set out in Note 9 to the Financial Statements and the section of Directors' Report under the heading "Disclosure Pursuant to Rule 13.51B(1) of the Listing Rules" contained in the 2010 Annual Report. In general, the emoluments paid to the Directors are determined with reference to the market terms and their duties and responsibilities within the Company. All the retiring directors are not appointed for a specific term but are subject to retirement by rotation at least once every three years pursuant to the Company's Articles of Association. Save for the information as disclosed in the Company's announcement dated 17 November 2010 in respect of Mr. Liu Jifu, there is no information to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

\* **Mr. Xin Yue Jiang**, aged 62, has been appointed as the chairman of the Company from 19 March 2009. He joined the Company in January 2008 as executive director and vice chairman of the Board. Mr. Xin graduated from China Naval Aeronautic Engineering Institute and Central University of Finance and Economics and obtained a Master degree in Economics and Management from the Graduate School of Chinese Academy of Social Sciences. After serving a substantial period of time in the PRC government in which Mr. Xin was involved in the administration of science, technology information and economics, Mr. Xin joined in succession various major conglomerates as senior management, researcher or chief engineer. When Mr. Xin was with China Netcom (Hong Kong) Operations Limited, he held the position of senior vice president and senior consultant. Mr. Xin had also participated in the planning, implementation and management of many different important state projects. Mr. Xin thus possesses extensive knowledge and experience in science and technology information, business operation and management, and capital market operation. Since 1985, Mr. Xin has joined many different overseas studies and visits, and gained many valuable experiences in promoting co-operation with overseas enterprises, technology exchange, product research and development, and product marketing. Mr. Xin has long been interested in the study and research of corporate governance and corporate culture, in particular the characteristics of Western economy and the corporate governance practices adopted by overseas enterprises, and has made significant achievement in that regard. Save as disclosed herein, he has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.

<b>APPENDIX II      BIOGRAPHIES OF RETIRING DIRECTORS OFFERING FOR RE-ELECTION AT THE ANNUAL GENERAL MEETING</b>
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\* **Mr. Yuen Kee Tong, J.P.**, aged 62, is the chief executive officer of the Company. Mr. Yuen is a member of the Association of Chartered Certified Accountants of the United Kingdom and also a member of the Hong Kong Institute of Certified Public Accountants. He joined CITIC Pacific Limited (“CITIC Pacific”), the controlling shareholder of the Company, in 2001 as the deputy managing director. Mr. Yuen resigned from the Board of CITIC Pacific on 8 January 2007 and assumed the position of director and chief executive officer of the Company on the same day. Mr. Yuen has more than 20 years extensive experience in all aspects of telecoms industry. Mr. Yuen was the deputy chief executive of Hong Kong Telecommunications Ltd. and later, Pacific Century CyberWorks Ltd.. Mr. Yuen served many public bodies and advisory committees. Save as disclosed herein, he has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.

\*\* **Mr. Liu Jifu**, aged 67, has been a director of the Company since November 2010. Mr. Liu is an executive director of CITIC Pacific, a director of CITIC Hong Kong (Holdings) Limited and CITIC International Financial Holdings Limited (listed on the Hong Kong Stock Exchange until its withdrawal of listing on 5 November 2008 as a result of its privatisation pursuant to a scheme of arrangement). He was with the Financial and Economics Research Institute in the China Academy of Social Sciences, an executive director of China Everbright Group Limited, and the chairman of China Everbright Travel Inc and China PINGHE Import & Export Co., Ltd.. Save as disclosed herein, he has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.

\* *Executive Director*

\*\* *Non-Executive Director*



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**CITIC TELECOM INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 01883)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Company will be held at Island Ballroom, Level 5, Island Shangri-La Hotel, Two Pacific Place, Supreme Court Road, Hong Kong on Thursday, 21 April 2011 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited accounts and the Reports of the Directors and the Auditor for the year ended 31 December 2010.
2. To declare a final dividend for the year ended 31 December 2010.
3. To re-elect retiring Directors.
4. To re-appoint Auditor and authorise the Board of Directors to fix their remuneration.
5. To consider as Special Business and, if thought fit, pass the following resolution as an Ordinary Resolution:

“**THAT** with effect from the financial year ending 31 December 2011 and until the shareholders of the Company in general meeting otherwise determine,

- A. the director’s fee for all directors of the Company (other than the executive directors and directors with employment with CITIC Pacific Limited) be fixed at HK\$150,000 per annum;
- B. additional remuneration payable to each of the directors (other than the executive directors and directors with employment with CITIC Pacific Limited) who serves on the Board Committees of the Company at the levels as shown below shall remain unchanged:

Audit Committee: HK\$80,000 per annum

Remuneration Committee: HK\$40,000 per annum; and

- C. the executive directors and directors who are employed by CITIC Pacific Limited will not receive any directors’ fee for serving on the Board and the Board Committees of the Company.”

6. To consider as Special Business and, if thought fit, pass the following resolution as an Ordinary Resolution:

“THAT:

- A. subject to paragraph (C), a general mandate be and is hereby unconditionally granted to the Directors of the Company to exercise during the Relevant Period all the powers of the Company to allot, issue and dispose of additional shares in the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers;
- B. the mandate in paragraph (A) shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- C. the aggregate nominal value of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the mandate in paragraph (A), otherwise than pursuant to (i) Rights Issue; or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iii) 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; or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company pursuant to the Articles of Association of the Company from time to time, shall not exceed twenty per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of this Resolution and the said mandate shall be limited accordingly;
- D. for the purpose 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; or
- 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 date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion 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).”

7. To consider as Special Business and, if thought fit, pass the following resolution as an Ordinary Resolution:

“**THAT:**

- A. a general mandate be and is hereby unconditionally given to the Directors of the Company to exercise during the Relevant Period all the powers of the Company to purchase or otherwise acquire shares of the Company in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, provided that the aggregate nominal amount of shares so purchased or otherwise acquired shall not exceed ten per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of this Resolution;
- B. for the purpose 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; or
- 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 date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”

8. To consider as Special Business and, if thought fit, pass the following resolution as an Ordinary Resolution:

“**THAT** conditional upon the passing of Resolutions (6) and (7) set out in the Notice convening this Meeting, the aggregate nominal amount of the shares which are purchased or otherwise acquired by the Company pursuant to Resolution (7) shall be added to the aggregate nominal amount of the shares which may be issued pursuant to Resolution (6).”

By Order of the Board  
**Tso Mun Wai**  
Company Secretary

Hong Kong, 21 March 2011

*Registered Office:*

25th Floor, CITIC Telecom Tower  
93 Kwai Fuk Road  
Kwai Chung  
New Territories  
Hong Kong

*Notes:*

- (i) The Register of Members will be closed from Friday, 15 April 2011 to Thursday, 21 April 2011, both days inclusive, during which period no transfer of shares will be effected.
- (ii) Any member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
- (iii) To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be deposited at the registered office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the person named in such instrument proposes to vote.
- (iv) Concerning item 3 above, Mr. Liu Jifu is a Director appointed by the Board since last annual general meeting who shall hold office only until the forthcoming Annual General Meeting and shall then be eligible for re-election pursuant to Article 95 of the Articles of Association of the Company. Messrs. Xin Yue Jiang and Yuen Kee Tong shall retire by rotation in the Annual General Meeting pursuant to Article 104(A) of the Articles of Association of the Company and they, all being eligible, shall offer themselves for re-election. Details of the retiring Directors are set out in Appendix II to this circular.
- (v) Concerning item 5 above, the approval is being sought from members for the change in the directors' fees.
- (vi) Concerning item 6 above, the approval is being sought from members for a general mandate to authorise allotment of shares under Section 57B of the Companies Ordinance and the Listing Rules, in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to issue any shares of the Company up to twenty per cent of the issued share capital of the Company. The Directors wish to state that they have no immediate plans to issue shares in the Company.

- (vii) Concerning item 7 above, the approval is being sought from members for a general mandate to repurchase shares in the Company, in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to repurchase any shares in the Company up to ten per cent of the issued share capital of the Company.
  
- (viii) Concerning item 8 above, the approval is being sought from members to extend the general mandate to allot shares by adding repurchased securities to the twenty per cent general mandate.