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**If you have sold or transferred** all your securities in Orient Resources Group Company Limited, you should at once hand this circular to the purchaser or to the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or to the transferee.

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## **ORIENT RESOURCES GROUP COMPANY LIMITED**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock code: 467)**

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

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A notice convening the annual general meeting of Orient Resources Group Company Limited to be held at Meeting Room, Island Pacific Hotel, 152 Connaught Road West, Hong Kong on Friday, 7 September 2007 at 3:30 p.m. is set out on pages 12 to 16 of this circular. Whether or not you are able to attend the meeting in person, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the office of the Company's branch share registrar and transfer office in Hong Kong, Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, as soon as practicable and in any event not later than 48 hours before the time appointed for holding the 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 adjourned meeting should you so wish.

## **RESPONSIBILITY STATEMENT**

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with respect to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, which to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

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## DEFINITION

*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 Meeting Room, Island Pacific Hotel, 152 Connaught Road West, Hong Kong, on Friday, 7 September 2007 at 3:30 p.m. or any adjournment thereof
“associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“Company”	Orient Resources Group Company Limited, an exempted company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the securities of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	27 July 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Code”	Hong Kong Code on Share Repurchases
“SFO”	the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	a subsidiary within the meaning of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)

## DEFINITION

“substantial Shareholder”	has the same meaning as ascribed to it under the Listing Rules
“Takeover Code”	Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

# ORIENT RESOURCES GROUP COMPANY LIMITED

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock code: 467)**

*Executive Directors:*

Zhang Hongwei (*Chairman*)  
Zhu Jun  
Zhang Meiying

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

*Independent non-executive Directors:*

Chau Siu Wai  
San Fung  
Zhu Chengwu

*Principal place of business*

*in Hong Kong:*  
Unit 2112, 21/F.,  
Two Pacific Place  
88 Queensway  
Hong Kong

31 July 2007

*To the Shareholders*

Dear Sir or Madam,

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

### **I. INTRODUCTION**

At the annual general meeting of the Company held on 18th August, 2006, general mandates were given to the Directors to exercise the powers of the Company to repurchase and issue Shares. Such mandates will lapse at the conclusion of the AGM.

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting relating to (i) the re-election of Directors; and (ii) the granting to the Directors of general mandates for the issue and repurchase of Shares up to 20% and 10% respectively of the aggregate nominal amount of the Company's issued share capital as at the date of the passing of the relevant resolutions.

### **II. RE-ELECTION OF DIRECTORS**

As at the date of the circular, the Board comprises six Directors, namely Messrs. Zhang Hongwei, Zhu Jun and Zhang Meiying, being the executive Directors, and Messrs. Chau Siu Wai, San Fung and Zhu Chengwu, being the independent non-executive Directors.

## **LETTER FROM THE BOARD**

Pursuant to Bye-law 87(1) of the Bye-laws, notwithstanding any other provisions in the Bye-laws, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years.

Pursuant to Bye-law 87(2) of the Bye-laws, a retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed pursuant to Bye-law 86(2) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

Pursuant to Bye-law 86(2) of the Bye-laws, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorization by the Shareholders in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Shareholders in general meeting. Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting.

Pursuant to Bye-laws 87(1) and 87(2) of the Bye-laws, Mr. Zhu Jun and Mr. San Fung, shall retire by rotation and being eligible, will offer himself for re-election at the Annual General Meeting.

The brief biographical details of the retiring Directors are set out in Appendix I to this circular.

### **III. GENERAL MANDATES TO ISSUE AND REPURCHASE SECURITIES**

At the Annual General Meeting, ordinary resolutions will be proposed to renew or grant the general mandates given to the Directors (i) to allot, issue and otherwise deal with securities not exceeding in aggregate 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of such resolution; (ii) to repurchase securities which does not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolution; and (iii) to add the aggregate amount of the securities repurchased by the Company to the general mandate to the Directors to allot new securities of up to 20% of the issued share capital of the Company as at the date of passing such resolution.

The mandated to issue Shares granted on 18th August, 2006 will lapse at the conclusion of the Annual General Meeting. In this regards, resolution will be proposed at the Annual General Meeting to renew the mandate.

## LETTER FROM THE BOARD

The explanatory statement in connection with the proposed general mandate to repurchase securities (the “**Repurchase Mandate**”) is set out in Appendix II to this circular. The explanatory statement contains all the information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate.

#### IV. ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting is set out on pages 12 to 16 of this circular. At the Annual General Meeting, in addition to the ordinary business of the Meeting, resolutions will be proposed to approve the re-election of Directors, the general mandates for the issue and repurchase by the Company of its own shares.

A form of proxy for use at the Annual General Meetings is also enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the office of the Company’s branch share registrar and transfer office in Hong Kong, Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong, as soon as possible, and in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude the Shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereof if they so wish.

Pursuant to Bye-law 66 of the Bye-laws, a resolution put to the vote of a meeting shall be decided on a show of hands unless a poll is required by the Listing Rules or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (i) by the chairman of such meeting; or
- (ii) by at least three Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) by a Shareholder or Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (iv) by a Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all Shares conferring that right; or
- (v) if required by the Listing Rules, by any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing five per cent. (5%) or more of the total voting rights at such meeting.



## LETTER FROM THE BOARD

### V. RECOMMENDATION

The Board considers that the circular provides information on (i) re-election of Directors and (ii) the general mandate to issue new shares and (iii) repurchase mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant ordinary resolutions to be proposed at the Annual General Meeting.

Yours faithfully

For and on behalf of

**ORIENT RESOURCES GROUP COMPANY LIMITED**

**ZHANG Hongwei**

*Chairman*

*This biographical details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out as follows:*

**Mr. Zhu Jun**, aged 42, joined the Company on 20th October, 2005 as an executive Director. He is currently an executive director of China Infrastructure Holdings Limited, the shares of which are listed on The Singapore Exchange Securities Trading Limited. After graduation from the Peking University with a bachelor degree and a master degree in economics, Mr. Zhu Jun has had over 16 years of experience in corporate finance, investment and management. As at the date of this report, Mr. Zhu Jun directly holds 1,443,000 shares of the Company, representing approximately 0.02% of the existing issued share capital of the Company.

There is no service contract entered into between the Company and Mr. Zhu Jun and he is not appointed for a specific term but is subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Bye-laws of the Company. The director's fee for Mr. Zhu Jun as the executive Director is HK\$540,000 per annum which is determined by reference to his duties and responsibilities in the Company and the remuneration policy of the Company.

Save as disclosed above, Mr. Zhu does not held any directorship in any company listed on the Stock Exchange or other stock exchanges in the last three years and does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, save as disclosed above, Mr. Zhu has never held any position with the Company or its subsidiaries and he does not have any interest or short position in shares, underlying shares or debentures of the Company or any of its associated companies within the meaning of Part XV of the SFO.

**Mr. San Fung**, aged 43, joined the Company on 9th November, 2004 as an independent non-executive Director. Mr. San Fung is a qualified accountant with China Construction Company Limited specialized in financial analysis in infrastructure project. He completed a course in Master of Business Administration from the International East-western University of the United States and has over 13 years of experience in accounting. Mr. San is currently the chairman of New Century Investment and Development Company.

There is no service contract entered into between the Company and Mr. San Fung and he is not appointed for a specific term but is subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Bye-laws of the Company. The director's fee for Mr. San Fung as the independent non-executive Director is HK\$120,000 per annum which is determined with reference to his duties and responsibilities in the Company and the remuneration policy of the Company.

Mr. San Fung confirms that he has not held any directorship in any company listed on the Stock Exchange or other stock exchanges in the last three years and do not has any relationship with any director, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. San has never held any position with the Company or its subsidiaries and he does not have any interest or short position in shares, underlying shares or debentures of the Company or any of its associated companies within the meaning of Part XV of the SFO.

The above Directors confirm that there is no information to be disclosed pursuant to any of the requirements under Rule 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.

*This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the Annual General Meeting in relation to the Repurchase Mandate.*

**SHARE CAPITAL**

As at the Latest Practicable Date, the number of Shares in issue was 6,875,985,375.

Subject to the passing of the resolution granting the proposed mandate to repurchase the securities and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 687,598,537 Shares, representing 10% of the issued share capital of the Company at the Latest Practicable Date, during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

**REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its securities on the Stock Exchange. The Mandate, once approved, would give the Company the flexibilities to undertake the buy-back of the Shares at any time, subject to market conditions, during the period when the Mandate is in force. Further, among others, Shares repurchase provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements in an expedient and cost-efficient manner. The Directors believe the Share repurchase may help to mitigate against short term volatility of share price and offset the effects of short term speculation. Such repurchases may, depending on market conditions and funding arrangements at the time, enhance the net assets value of the Company and/or earnings per Share and the repurchase will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

The Directors have no present intention to repurchase any Shares of the Company and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and in circumstances where they consider that the Shares can be repurchased on the terms favourable to the Company. As compared with the financial position of the Company as at 31st March, 2007, being the date of its latest published audited accounts, the Directors consider that if the Repurchase Mandate were to be exercised in full during the proposed repurchase period, there will be a material adverse impact on the working capital position and gearing level of the Company. 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 or the gearing level as compared with the position disclosed in the latest published audited accounts of the Company which, in the opinion of the Directors, are from time to time appropriate for the Company.

**FUNDING OF REPURCHASES**

Repurchases to be made pursuant to the Repurchase Mandate would be financial out of funds legally available for the purpose in accordance with the bye-laws and the applicable laws in Hong Kong and Bermuda. Such funds include, but are not limited to, profits available for distribution.

**EFFECT OF THE TAKEOVERS CODE AND REPURCHASE CODE**

Upon the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, 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 Rule 32 of the Takeovers Code and Rule 6 of the Repurchase Code. Accordingly, a Shareholder or group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and, depending on the level of increase of the Shareholders' interests, may become obliged to make a mandatory general offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, according to the register maintained by the Company pursuant to Section 336 of the SFO, the following substantial shareholders were interested in 5% or more of the issued share capital of the Company:

<b>Name</b>	<b>Number of Shares held</b>	<b>Approximately % of shareholding as at the Latest Practicable Date</b>	<b>Approximate % of shareholding if Repurchase Mandate is exercised in full</b>
He Fu International Limited <i>(Note)</i>	5,128,169,125	74.58	82.87

*Note:* Mr. Zhang Hongwei is the sole beneficial owner of He Fu International Limited.

In the event that the Repurchase Mandate is exercised in full, the shareholding of He Fu International Limited in the Company will increase to 82.87%, the Directors consider that such increase will not give rise to an obligation to make a mandatory general offer under Rules 26 and 32 of the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to such an extent that would make the public float of the Shares be less than 25%.

## **PRICE OF THE SHARES**

The following table shows the highest and lowest closing prices at which the Shares have been traded on the Stock Exchange in each of the past twelve months:

	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2006</b>		
July	0.70	0.38
August	0.62	0.52
September	0.62	0.46
October	0.61	0.47
November	0.55	0.44
December	0.48	0.42
<b>2007</b>		
January	1.10	0.44
February	1.52	1.00
March	1.30	1.00
April	2.02	1.19
May	3.60	2.05
June	3.40	2.43
July up to the Latest Practicable Date	2.58	2.41

## **REPURCHASE OF SHARES**

No Shares of the Company have been repurchased by the Company or any of its subsidiaries during the 6 months immediately preceding the Latest Practicable Date.

## **GENERAL**

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their associates have any present intention to sell any Shares to the Company or its subsidiaries if the Repurchase Mandate is exercised by the Company.

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

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate to repurchase Shares in accordance with the Listing Rules and applicable laws of Hong Kong and Bermuda.

# NOTICE OF ANNUAL GENERAL MEETING

## ORIENT RESOURCES GROUP COMPANY LIMITED

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock code: 467)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Orient Resources Group Company Limited (the “**Company**”) will be held at Meeting Room, Island Pacific Hotel, 152 Connaught Road West, Hong Kong, on Friday, 7 September 2007 at 3:30 p.m. for the following purposes:

### **As Ordinary Business**

1. To receive and adopt the audited financial statements and the reports of the directors and auditors for the year ended 31st March, 2007.
2. To re-elect Zhu Jun, a retiring director, as director.
3. To re-elect San Fung, a retiring independent non-executive director, as independent non-executive director.
4. To authorize the board of directors to fix the remuneration of the directors.
5. To appoint auditors and authorize the directors to fix their remuneration.

### **As Special Business**

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

(A) “**THAT:**

- (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company (“**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares of the Company (“**Shares**”) or securities convertible into Shares, options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval given in paragraph (a) of this Resolution shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise such powers 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 pursuant to the approval given in paragraph (a) of this Resolution, otherwise than pursuant to:
- (i) a Right Issue (as hereinafter defined);
  - (ii) the exercise of the rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into Shares;
  - (iii) the exercise of any option scheme or similar arrangement for the time being adopted for the grant or issue to eligible persons of Shares or rights to acquire Shares; 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 pursuant to the Bye-laws of the Company from time to time.

shall not in total exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this Resolution and the said approval 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;
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws of Bermuda to be held;
  - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company (the “**Shareholders**”) in general meeting; and

“Right Issue” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares whose names stand on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares at that date (subject to such exclusion 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 of any recognized regulatory body or any stock exchange in any territory applicable to the Company).”



## NOTICE OF ANNUAL GENERAL MEETING

(B) “**THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the Shares may be listed and recognized for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Repurchases, subject to and in accordance all applicable laws and regulations and the Bye-laws of the Company, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may be repurchased by the Company pursuant to paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this Resolution, and the approval granted under paragraph (a) of this Resolution shall be limited accordingly; and
- (c) 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;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the Shareholders in general meeting.”

## NOTICE OF ANNUAL GENERAL MEETING

- (C) “**THAT** conditional upon the passing of Resolution 6(A) and 6(B), the general mandate granted to the Directors to exercise the powers of the Company to allot, issue or otherwise deal with additional securities of the Company pursuant to Resolution 6(A) as set out in the notice convening the Meeting of which this Resolution forms part be and is hereby extended by the addition thereto an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 6(B) as set out in the notice convening the Meeting of which this Resolution forms part, provided that such amount shall not exceed 10% of the aggregate nominal amount of such securities of the Company in issue at the date of the passing of this Resolution.”

By Order of the Board

**Zhang Hongwei**

*Chairman*

Hong Kong, 31 July 2007

**Notes:**

- (1) Any member entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares of the Company may appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a member of the Company.
- (2) A form of proxy for use at the meeting is enclosed.
- (3) The form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be under its seal or the hand of an officer, attorney or other person duly authorised.
- (4) The form of proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy thereof must be lodged at the office of the Company’s branch share registrar and transfer office in Hong Kong, Secretaries Limited, at 26th Floor, 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 adjourned meeting (as the case may be) and in default the proxy shall not be treated as valid. Completion and return of the form of proxy shall not preclude members from attending and voting in person at the Annual General Meeting or at any adjourned meeting (as the case may be) should they so wish.

## NOTICE OF ANNUAL GENERAL MEETING

- (5) Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either in personal or by proxy, in respect of such share as if he/she was solely entitled thereto, but if more than one of such joint holders be present at the meeting personally or by proxy, the vote of that one of the said persons so present whose name stands first on the register of members in respect of such shall be accepted to the exclusion of the votes of the other joint holders.

*As at the date hereof, the Board of Director comprises 3 executive directors, namely Messrs. Zhang Hongwei, Zhu Jun and Zhang Meiyang, 3 independent non-executive directors, Messrs. Chau Siu Wai, San Fung and Zhu Chengwu.*