
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 Yuanda China Holdings Limited, you should at once hand this circular, together with the enclosed 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 transferee.

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CNYD

Yuanda China Holdings Limited

遠大中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2789)

**PROPOSAL FOR
GENERAL MANDATE TO ISSUE SHARES AND
TO BUY BACK SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company to be held at 20, Street 13, Shenyang Economic & Technological Development Area, Shenyang, China on Tuesday, 2 June 2015 at 10:00 a.m. is set out on pages 13 to 16 of this circular. Whether or not you intend to be present and vote at the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting. The completion and delivery of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish. If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked.

30 April 2015

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 20, Street 13, Shenyang Economic & Technological Development Area, Shenyang, China on Tuesday, 2 June 2015 at 10:00 a.m., for the purpose of considering and if thought fit, approving the resolutions proposed in this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company as amended, modified or otherwise supplemented from time to time
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Yuanda China Holdings Limited (遠大中國控股有限公司), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	a general mandate proposed to be granted to the Directors to allot, issue, and otherwise deal with new Shares, not exceeding 20% of the total number of the shares of the Company in issue as at the date of passing this resolution
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	22 April 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, but shall not include Hong Kong, the Macau Special Administrative Region and Taiwan for the purpose of this circular
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares of HK\$0.10 each capital of the Company
“Share Buy-back Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to buy back shares of the Company, not exceeding 10% of the total number of the shares of the Company in issue as at the date of passing this resolution
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“United States”	the United States of America
“%”	per cent.

LETTER FROM THE BOARD



CNYD

Yuanda China Holdings Limited

遠大中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2789)

Executive Directors:

Mr. Kang Baohua (*Chairman*)
Mr. Tian Shouliang (*Chief Executive Officer*)
Mr. Guo Zhongshan
Mr. Wang Yijun
Mr. Wang Lihui
Mr. Zhang Lei

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Independent non-executive Directors:

Mr. Poon Chiu Kwok
Mr. Woo Kar Tung, Raymond
Mr. Pang Chung Fai, Benny

*Principal Place of Business
in Hong Kong:*

Unit 1101-06, 11/F
Prosperity Millennia Plaza
663 King's Road
North Point
Hong Kong

30 April 2015

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATE TO ISSUE SHARES AND
TO BUY BACK SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you the notice of Annual General Meeting and the proposals to be put forward at the Annual General Meeting for (i) the grant of the General Mandate and the Share Buy-back Mandate; (ii) the extension of the General Mandate to include Shares bought back pursuant to the Share Buy-back Mandate; and (iii) the re-election of retiring Directors.

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE AND BUY BACK SHARES

At the annual general meeting of the Company held on 28 May 2014, resolutions were passed giving general mandate to the Directors (i) to allot, issue and deal with additional Shares with a total number not exceeding 20% of the total number of Shares in issue and (ii) to buy back shares in the capital of the Company up to 10% of the total number of Shares in issue immediately following such meeting. Such general mandates will expire at the conclusion of the forthcoming Annual General Meeting.

At the Annual General Meeting, separate ordinary resolutions will be proposed:

- (a) to grant the General Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with Shares, not exceeding 20% of the total number of Shares in issue as at the date of passing the resolution. The General Mandate will end at the earliest of (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required to be held under the applicable laws or the Articles of Association; and (c) the revocation or variation of the authority given under the resolution by an ordinary resolution of the Shareholders in general meeting;
- (b) to grant the Share Buy-back Mandate to the Directors to exercise all powers of the Company to buy back issued Shares subject to the criteria set out in this circular. Under such Share Buy-back Mandate, the maximum number of Shares that the Company may be bought back shall not exceed 10% of the total number of Shares in issue as at the date of passing the resolution. As at the Latest Practicable Date, the total number of Shares in issue was 6,208,734,000 Shares. Subject to the passing of the proposed ordinary resolution approving the granting of the Share Buy-back Mandate and assuming that no further Shares are issued or bought back prior to the Annual General Meeting, the Company would be allowed under the Share Buy-back Mandate to buy back a maximum of 620,873,400 Shares, being 10% of the total number of Shares in issue as at the date of passing of the resolution in relation thereof. The Share Buy-back Mandate will end at the earliest of (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required to be held under the applicable laws or the Articles of Association; and (c) the revocation or variation of the authority given under the resolution by an ordinary resolution of the Shareholders in general meeting; and
- (c) subject to the passing of the aforesaid ordinary resolutions of the General Mandate and the Share Buy-back Mandate, to extend the number of Shares to be issued and allotted under the General Mandate by an additional number representing such number of Shares bought back under the Share Buy-back Mandate.

LETTER FROM THE BOARD

In accordance with the Listing Rules, an explanatory statement is set out in Appendix I to this circular to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolution to grant the Share Buy-back Mandate at the Annual General Meeting.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 84(1) of the Articles of Association, each of Mr. Tian Shouliang, Mr. Poon Chiu Kwok, Mr. Woo Kar Tung, Raymond, and Mr. Pang Chung Fai, Benny will retire by rotation at the Annual General Meeting. All the retiring Directors, being eligible, will offer themselves for re-election as Directors at the Annual General Meeting.

At the Annual General Meeting, ordinary resolutions will be proposed to re-elect Mr. Tian Shouliang as executive Directors and Mr. Poon Chiu Kwok, Mr. Woo Kar Tung, Raymond, and Mr. Pang Chung Fai, Benny as independent non-executive Directors. The biographical details of such Directors to be re-elected as required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

The Company will convene the Annual General Meeting at 20, Street 13, Shenyang Economic & Technological Development Area, Shenyang, China on Tuesday, 2 June 2015 at 10:00 a.m. at which resolutions will be proposed for the purpose of considering and if thought fit, approving the resolutions set out in the notice of the Annual General Meeting as set out on pages 13 to 16 of this circular.

A form of proxy for use in connection with the Annual General Meeting is enclosed herewith. Whether or not you intend to be present and vote at the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. The completion and delivery of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish. If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked. Pursuant to Rule 13.39(4) of the Listing Rules, voting by the Shareholders at the Annual General Meeting will be by poll, except where the chairman of the Annual General Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

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

RECOMMENDATION

The Directors consider that the grant of the General Mandate and the Share Buy-back Mandate and the re-election of Directors are in the best interests of the Company as well as its Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully
By Order of the Board
Kang Baohua
Chairman

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the Annual General Meeting for approving the Share Buy-back Mandate. This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which is set out as follows:

1. SHARES IN ISSUE

As at the Latest Practicable Date, there was a total of 6,208,734,000 Shares in issue. Subject to the passing of the resolution granting the Share Buy-back Mandate and on the basis that no further Shares are issued or bought back during the period from the Latest Practicable Date to the date of the Annual General Meeting, the Company will be allowed under the Share Buy-back Mandate to buy back a maximum of 620,873,400 Shares, being 10% of the total number of Shares in issue as at the date of the passing of the relevant resolution at the Annual General Meeting during the period ending on the earliest of (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required to be held under the applicable laws or the Articles of Association; and (c) the revocation or variation of the authority given under the resolution by an ordinary resolution of the Shareholders in general meeting.

2. REASONS FOR SHARE BUY-BACK

The Directors have no present intention to buy back any Shares but consider that the ability to do so would give the Company additional flexibility that would be beneficial to the Company and the Shareholders as such buy-back may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and/or its earning per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders as a whole.

As compared with the financial position of the Company as at 31 December 2014 (as disclosed in its audited accounts contained in the annual report of the Company for the year ended 31 December 2014), the Directors consider that there would not be any material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed buy-back were to be carried out in full during the proposed buy-back period. In the circumstances, the Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would have a material adverse impact on the working capital or gearing ratio of the Company.

3. FUNDING OF BUY-BACK

The Company is empowered by its memorandum and articles of association to buy back its Shares. In buying back Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Articles of Association and laws of the Cayman Islands. Under the laws of the Cayman Islands, payment for a share buy-back by the Company may only be made out of profits or the

proceeds of a new issue of Shares made for such purpose or out of capital of the Company. The amount of premium payable on a buy-back of Shares may only be paid out of either the profits or out of the share premium of the Company or out of capital of the Company.

In addition, under the laws of the Cayman Islands, payment out of capital by a company for the purchase by a company of its own shares is unlawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business. In accordance with the laws of the Cayman Islands, the shares so bought back would be treated as cancelled but the aggregate amount of authorised share capital would not be reduced.

4. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company in the event that the Share Buy-back Mandate is granted by the Shareholders.

No core connected person of the Company (as defined in the Listing Rules) 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 sell any of the Shares held by him/her/it to the Company in the event that the Share Buy-back Mandate is granted by the Shareholders.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, they will exercise the power of the Company to make buy-backs pursuant to the proposed resolution in respect of Share Buy-back Mandate and in accordance with the Listing Rules, the Articles of Association and the laws of the Cayman Islands.

6. EFFECT OF TAKEOVERS CODE

A buy-back of Shares by the Company may result in an increase in the proportionate interests of a substantial shareholder of the Company in the voting rights of the Company, which could give rise to an obligation to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Kang Baohua, our chairman and controlling shareholder, was interested in 3,494,704,693 Shares, representing approximately 56.29% of the issued share capital of the Company. In the event that the Directors exercise in full the power to buy back the Shares which is proposed to be granted pursuant to the Share Buy-back Mandate, the shareholding of Mr. Kang Baohua and his associates in the Company will be increased to approximately 62.54%. Such an increase will not give rise to an obligation to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

The Company has no intention to exercise the Share Buy-back Mandate to such extent that it would give rise to an obligation to make a mandatory offer under the Takeovers Code or result in the amount of shares held by the public being reduced to less than 25% of the total number of Shares in issue.

7. SHARE BUY-BACK BY THE COMPANY

In the six months preceding the Latest Practicable Date, neither the Company nor any of its subsidiaries has bought back or sold any of the listed securities of the Company, except that the trustee of the share award scheme adopted by the Board on 10 April 2013, pursuant to the terms of the rules and trust deed of such scheme, purchased on the Stock Exchange a total of 23,950,000 shares of the Company. In addition, the Company has not redeemed any of its listed securities in the six months preceding the Latest Practicable Date.

8. SHARE PRICES

The highest and lowest traded prices for Shares on the Stock Exchange during the 12 calendar months preceding the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2014		
April	0.74	0.64
May	0.82	0.68
June	0.72	0.66
July	0.70	0.55
August	0.67	0.48
September	0.56	0.45
October	0.53	0.44
November	0.51	0.47
December	0.49	0.44
2015		
January	0.47	0.44
February	0.47	0.42
March	0.59	0.43
April (up to the Latest Practicable Date)	0.68	0.55

APPENDIX II DETAILS OF THE DIRECTORS TO BE RE-ELECTED

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

Mr. Tian Shouliang (田守良), aged 51, is our chief executive officer and was appointed as our Executive Director on December 18, 2010. Mr. Tian joined our Group in 1994 and has over 20 years of experience in the curtain wall industry. From 1995 to 1997, Mr. Tian was the vice general manager in production of Shenyang Yuanda Aluminium Industry Engineering Co., Ltd. (瀋陽遠大鋁業工程有限公司) (“Shenyang Yuanda”), where he was involved in curtain wall product design and managed curtain wall production systems. From 1997 to 2008, he was the vice President of Shenyang Yuanda Aluminium Industry Group Ltd. (瀋陽遠大鋁業集團有限公司) (“Yuanda Group”) where he was in charge of operations, finance and human resources management activities. Since 2008, Mr. Tian has been the president and a director of Shenyang Yuanda, leading its business expansions and product development plans. Mr. Tian graduated from Harbin Industrial University (哈爾濱工業大學) in 1986 with a bachelor’s degree in engineering specializing in the study of heat turbines.

Saved as disclosed above, Mr. Tian does not have any relationship with any Director, senior management or substantial Shareholder of the Company.

Mr. Tian has signed a three-year executive director service contract with the Company commencing from May 2012, the month that the Company is listed on the Stock Exchange and subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association.

Mr. Tian received an annual remuneration of RMB223,789 for the year ended 31 December 2014. Such director’s remuneration was determined with reference to the experience and duties of Mr. Tian as well as the Company’s remuneration policy and will be subject to review by the remuneration committee of the Board from time to time.

Mr. Poon Chiu Kwok (潘昭國), aged 52, was appointed as our independent non-executive Director on 12 April 2011. Mr. Poon obtained a Master’s degree in international accounting, a Bachelor’s degree in laws and a Bachelor’s degree in business studies. He was awarded a postgraduate diploma in laws by the University of London. He is a fellow member and an associate instructor of the Hong Kong Securities and Investment Institute, a fellow of The Hong Kong Institute of Chartered Secretaries (“HKICS”) and The Institute of Chartered Secretaries and Administrators. He is also a member of the Technical Consultation Panel and Professional Development Committee. He now serves as an executive director, vice-president and company secretary of Huabao International Holdings Limited. Mr. Poon has over 25 years of experience in regulatory affairs, investment banking and listed company management. Currently, he is also an Independent Non-executive Director of the following companies: Sunac China Holdings Limited, Changan Minsheng APLL Logistics Co., Ltd. and Tonly Electronics Holdings Limited. He retired from his position as an Independent Non-executive Director in China Tianrui Group Cement Company Limited, Ningbo Port Company Limited and Guangzhou Shipyard International Company Limited upon expiry of term of office in December 2012 and May 2014 for the latter two companies respectively.

APPENDIX II DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Saved as disclosed above, Mr. Poon does not have any relationship with any Director, senior management and substantial Shareholder of the Company.

Mr. Poon has signed a one-year independent non-executive director appointment letter with the Company commencing from May 2012, the month that the Company is listed on the Stock Exchange and subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles of Association.

Mr. Poon receives a director's fee of HK\$250,000 for the year ended 31 December 2014. Such director's fee was determined with reference to the experience and duties of Mr. Poon as well as the Company's remuneration policy and will be subject to review by the remuneration committee of the Board from time to time.

Mr. Woo Kar Tung, Raymond (胡家棟), aged 45, was appointed as our independent non-executive Director on April 12, 2011. Mr. Woo is non executive director of IRC Limited (Hong Kong stock code: 1029). Mr. Woo has over 20 years of experience in the accounting and financial services industry. He began his career as a certified accountant at Arthur Andersen & Co where he qualified. Subsequently, he was employed in senior positions as an investment banker at ING, CITIC Securities and Credit Suisse. Mr. Woo holds a Bachelor of Commerce degree. He is a member of both the Australian Society of Certified Practising Accountants and a fellow of the Hong Kong Institute of Certified Public Accountants.

Saved as disclosed above, Mr. Woo does not have any relationship with any Director, senior management and substantial Shareholder of the Company.

Mr. Woo has signed a one-year independent non-executive director appointment letter with the Company commencing from May 2012, the month that the Company is listed on the Stock Exchange and subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles of Association.

Mr. Woo receives a director's fee of HK\$250,000 for the year ended 31 December 2014. Such director's fee was determined with reference to the experience and duties of Mr. Woo as well as the Company's remuneration policy and will be subject to review by the remuneration committee of the Board from time to time.

Mr. Pang Chung Fai, Benny (彭中輝), aged 42, has been our independent non-executive Director since 12 April 2011. Mr. Pang has been the member of each of the audit committee, nomination committee and remuneration committee of the Company. Mr. Pang is the managing partner of Messrs. Pang & Co., in association with Loeb & Loeb LLP. Between 1997 and 2009, Mr. Pang practiced as a lawyer with several international law firms in Hong Kong University, Australia, in 1996. In 1997, Mr. Pang obtained his Graduate Diploma in Legal Practice and master's degree in laws from The College of Law, Sydney and the University of New South Wales, Australia, respectively. He has been admitted as a legal practitioner of the Supreme Court of New South Wales, Australia since 1997 and as a solicitor of the High Court of Hong Kong since 2009. He is a member of both the Law Society of New South Wales, Australia and the Law Society of Hong Kong. Currently, Mr. Pang is also an independent non-executive Director of the following companies: China

APPENDIX II DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Regenerative Medicine International Limited and Goldenmars Technology Holdings Limited. All directors are not involved in any matters concerning Rule 13.51(2)(h) to (v) of the Listing Rules.

Saved as disclosed above, Mr. Pang does not have any relationship with any Director, senior management and substantial Shareholder of the Company.

Mr. Pang has signed a one-year independent non-executive director appointment letter with the Company commencing from May 2012, the month that the Company is listed on the Stock Exchange and subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles of Association.

Mr. Pang receives a director's fee of HK\$250,000 for the year ended 31 December 2014. Such director's fee was determined with reference to the experience and duties of Mr. Pang as well as the Company's remuneration policy and will be subject to review by the remuneration committee of the Board from time to time.

Others

There is no other information relating to the above Directors that is required to be disclosed pursuant to Rule 13.51(2) sub-paragraphs (h) to (v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



CNYD

Yuanda China Holdings Limited

遠大中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2789)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Yuanda China Holdings Limited (the “**Company**”) will be held at 20, Street 13, Shenyang Economic & Technological Development Area, Shenyang, China on Tuesday, 2 June 2015 at 10:00 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors of the Company (the “**Directors**”) and the auditors of the Company for the year ended 31 December 2014;
2. To declare a final dividend of HK\$0.10 per share for the year ended 31 December 2014 to the shareholders of the Company;
3. To re-elect the following Directors:
 - (a) Mr. Tian Shouliang as executive Director;
 - (b) Mr. Poon Chiu Kwok as independent non-executive Director;
 - (c) Mr. Woo Kar Tung, Raymond as independent non-executive Director; and
 - (d) Mr. Pang Chung Fai, Benny as independent non-executive Director;
4. To authorise the board of Directors to fix the Directors’ remuneration;
5. To re-appoint KPMG as auditors of the Company and authorise the board of Directors to fix their remuneration;

NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorisation gives to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of shares 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), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the grant or exercise of options under share option scheme of the Company approved by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”); or (iii) 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 in accordance with the articles of association of the Company, shall not exceed 20% of the total number of shares of the Company in issue as at the date of passing 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 earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting; and

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

NOTICE OF ANNUAL GENERAL MEETING

shares (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 regulatory body or any stock exchange in, any territory outside Hong Kong).”;

7. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back issued shares of the Company, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the total number of shares of the Company which are authorised to be bought back by the Directors pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of shares of the Company in issue as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.”;

8. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of Resolutions Nos. 6 and 7 above, the general mandate to the Directors pursuant to Resolution No. 6 be and is hereby extended by the addition thereto of an amount representing the total number of shares of the Company bought back by the Company under the authority granted

NOTICE OF ANNUAL GENERAL MEETING

pursuant to the resolution no. 7, provided that such amount shall not exceed 10% of the total number of shares of the Company in issue as at the date of passing this resolution.”

Yours faithfully
By Order of the Board
Kang Baohua
Chairman

Hong Kong, 30 April 2015

Notes:

- (1) A member entitled to attend and vote at the above meeting may appoint one or more proxies to attend and vote instead of him. A proxy does not need not be a member of the Company.
- (2) Where there are joint holders of any Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he were solely entitled thereto, but the vote of the senior holder 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 the joint holding.
- (3) In order to be valid, a form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed or a certified copy thereof shall be deposited at the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof (as the case may be).
- (4) For determining the entitlement to attend and vote at the Annual General Meeting, the Company's register of members will be closed from 28 May 2015 (Thursday) to 2 June 2015 (Tuesday) (both days inclusive), during which time no transfer of shares will be registered. To ensure that the Shareholders are entitled to attend and vote at the Annual General Meeting, the Shareholders must deliver their duly stamped instruments of transfer, accompanied by the relevant share certificates, to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on 27 May 2015 (Wednesday) for registration of the relevant transfer.
- (5) For determining the entitlement to the proposed final dividend for the year ended 31 December 2014, the Company's register of members will be closed from 8 June 2015 (Monday) to 10 June 2015 (Wednesday) (both days inclusive), during which time no transfer of shares will be registered, and the record date is fixed on 11 June 2015 (Thursday). To ensure the entitlement to the final dividend, which will be resolved and voted at the Annual General Meeting, the Shareholders must deliver their duly stamped instruments of transfer, accompanied by the relevant share certificates, to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on 5 June 2015 (Friday) for registration of the relevant transfer.

As at the date of this notice, the board of Directors comprises nine members, of which Mr. Kang Baohua, Mr. Tian Shouliang, Mr. Guo Zhongshan, Mr. Wang Yijun, Mr. Zhang Lei and Mr. Wang Lihui are the executive Directors; and Mr. Poon Chiu Kwok, Mr. Woo Kar Tung, Raymond, and Mr. Pang Chung Fai, Benny are the independent non-executive Directors.