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If you are in doubt about any aspect of this circular, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Van Shung Chong Holdings Limited (the “Company”), you should at once hand this circular together with the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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VSC万顺昌

VAN SHUNG CHONG HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1001)

**GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE SHARES,
RE-ELECTION OF DIRECTORS,
ADOPTION OF THE 2011 SHARE OPTION SCHEME AND
TERMINATION OF THE 2001 SHARE OPTION SCHEME,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at Rooms 4903-7, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong at 10:30 a.m. on 11 August 2011 is set out on pages 23 to 27 of this circular. Whether or not you are able to attend the annual general meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company’s principal place of business at Rooms 4903-7, 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 of the annual general meeting or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting should you so wish.

8 July 2011

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DEFINITIONS

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

“2001 Share Option Scheme”	the existing share option scheme of the Company adopted and approved by the Shareholders at the special general meeting held on 12 November 2001
“2011 Share Option Scheme”	the share option scheme proposed to be adopted at the AGM, the principal terms of which are summarised in Appendix II
“AGM”	the annual general meeting of the Company to be held at Rooms 4903-7, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong on 11 August 2011 at 10:30 a.m.
“Blackout Period”	<p>the date on which the financial results of the Company are published and:</p> <ul style="list-style-type: none">(i) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and(ii) during the period of 30 days immediately preceding the publication date of the quarterly results and half-year results or, if shorter, the period from the end of the relevant quarterly or half year period up to the publication date of the results; <p>covering any period of delay in the publication of a results announcement or any other period during which a director of the Company must not deal in any Shares as the Listing Rules may require from time to time</p>
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for the business of dealing in securities
“Codes”	The Codes on Takeovers and Mergers and Share Repurchases

DEFINITIONS

“Company”	Van Shung Chong Holdings Limited
“Director(s)”	the director(s) of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Huge Top”	Huge Top Industrial Ltd.
“Latest Practicable Date”	4 July 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Notice”	Notice of the AGM
“Participant”	any employee, agents, consultant or representative, including any executive or non-executive director, of any member of the VSC Group or any other person who satisfies the selection criteria prescribed by the rules of the 2011 Share Option Scheme, as summarised in paragraph (b) of Appendix II
“Share(s)”	fully paid share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“VSC Group”	the Company and its subsidiaries

LETTER FROM THE CHAIRMAN



VSC万顺昌

VAN SHUNG CHONG HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1001)

Executive Directors:

Andrew Yao Cho Fai, *Chairman*
Fernando Dong Sai Ming
Kern Lim

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-executive Director:

Frank Muñoz

*Head Office and Principal Place
of Business:*

Rooms 4903-7, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

Independent Non-executive Directors:

Harold Richard Kahler
Kenny Tam King Ching
Xu Lin Bao

8 July 2011

*To the shareholders (and, for information only,
to holders of outstanding options)*

Dear Sir or Madam,

**GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE SHARES,
RE-ELECTION OF DIRECTORS,
ADOPTION OF THE 2011 SHARE OPTION SCHEME AND
TERMINATION OF THE 2001 SHARE OPTION SCHEME,
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to seek Shareholders' approval of certain proposals which would, firstly, provide a fresh general mandate to the Directors to issue Shares, and secondly, continue to enable the Company to repurchase its own Shares on the Stock Exchange in accordance with the terms and conditions set out in this circular, and thirdly, adoption of the 2011 Share Option Scheme and termination of the 2001 Share Option Scheme, and fourthly, the re-election of Directors.

LETTER FROM THE CHAIRMAN

ANNUAL GENERAL MEETING

Notice is set out on pages 23 to 27 of this circular. A form of proxy for use at the AGM is also enclosed. Whether or not Shareholders intend to be present at the AGM, they are requested to complete the form of proxy and deposit it to the Company's principal place of business at Rooms 4903-7, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in accordance with the instructions printed thereon, not later than 48 hours before the time fixed for holding the AGM. The return of the form of proxy will not prevent Shareholders from attending the AGM and voting in person should they wish to do so.

GENERAL MANDATE FOR ISSUE OF SHARES

Ordinary resolutions (resolutions nos. 5A and 5C as set out in the Notice) are to be proposed at the AGM which, if passed, will give the Directors a fresh general mandate to issue new Shares not exceeding 20 per cent. of the Company's issued share capital as at the date of passing such resolutions, and to issue any Shares in place of those repurchased by the Company pursuant to the Repurchase Mandate (as defined below).

Accordingly, on the basis of 414,128,251 Shares in issue as at the Latest Practicable Date, and assuming that no Shares will be issued or repurchased prior to the AGM, exercise in full of the 20% general mandate will result in up to 82,825,650 Shares being issued by the Company during the Relevant Period (as defined in the resolution no. 5A as set out in the Notice).

The general purpose of such a mandate is to enable the Directors to issue Shares up to a specified amount without first having to obtain the consent of Shareholders in general meeting. The need to make such an issue of Shares could, for example, arise in the context of a transaction (such as the acquisition of a company) which had to be completed speedily. The mandate will expire 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 by the laws of Bermuda or the Company's Bye-laws to be held; and c) the date on which the authority given under the ordinary resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.

GENERAL MANDATE FOR REPURCHASE OF OWN SHARES

The existing general mandate to repurchase Shares was granted to the Directors at the previous annual general meeting held on 2 September 2010. At the AGM, an ordinary resolution (resolution no. 5B as set out in the Notice) is to be proposed which, if passed, will give the Directors a fresh general mandate (the "Repurchase Mandate") to exercise the Company's power to repurchase its own Shares on the Stock Exchange, which mandate will be acted upon by the Directors where they consider it to be in the best interests of the Company to do so.

LETTER FROM THE CHAIRMAN

If this ordinary resolution is passed, the Company will be entitled to repurchase on the Stock Exchange, pursuant to the Repurchase Mandate, Shares representing up to an aggregate of 10 per cent. of the issued share capital of the Company at the date of passing such resolution in accordance with the Listing Rules, in the period whilst the Repurchase Mandate is in effect (normally, until the next annual general meeting of the Company). Under the Listing Rules, the Company and its Directors must also comply with the Codes.

The explanatory statement set out in Appendix I of this circular contains further details relating to the proposed Repurchase Mandate including, in particular, the reasons for the proposals and other details required to be set out by the Listing Rules.

PROPOSED RE-ELECTION OF DIRECTORS

In accordance with the Company's Bye-laws 86(2) and 87(1), Mr. Tam King Ching, Kenny ("Mr. Tam"), Mr. Xu Lin Bao ("Mr. Xu") and Mr. Frank Muñoz ("Mr. Muñoz") will retire by rotation. Mr. Tam, Mr. Xu and Mr. Muñoz being eligible, will offer themselves for re-election, at the AGM.

Particulars of the Directors proposed to be re-elected at the AGM are as follows:

Mr. Tam, aged 62, is an independent non-executive director, the chairman of audit committee and remuneration committee member of the Company. He is a practising Certified Public Accountant in Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the Institute of Chartered Accountants of Ontario, Canada. Mr. Tam is serving as a member of the Ethics Committee and Practice Review Committee in the Hong Kong Institute of Certified Public Accountants. He is also a Past President of The Society of Chinese Accountants and Auditors.

Mr. Tam also serves as an independent non-executive director of five other listed companies on the main board of the Stock Exchange namely, CCT Telecom Holdings Limited, Kingmaker Footwear Holdings Limited, Shougang Concord Grand (Group) Limited, Starlite Holdings Limited and West China Cement Limited and a company listed on the GEM board of the Stock Exchange namely, North Asia Strategic Holdings Limited. Mr. Tam resigned as an independent non-executive director of Yun Sky Chemical (International) Holdings Limited, a company listed on the main board of the Stock Exchange, on 4 September 2008. Save as disclosed above, Mr. Tam did not hold any other directorship in any other listed company in the last three years.

The total amount of the directors' emoluments received by Mr. Tam for the year ended 31 March 2011 were HK\$120,000. No service contract has been signed between Mr. Tam and the Company. Mr. Tam is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Company's Bye-laws and his emolument will be determined by the Board and will be reviewed annually taking into consideration prevailing market practice.

LETTER FROM THE CHAIRMAN

As at the Latest Practical Date, Mr. Tam has personal interest of 1,000,000 options of the Company granted under the 2001 Share Option Scheme within the meaning of Part XV of the Securities and Future Ordinance. Mr. Tam does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.

Save as disclosed above, there is no other matter relating to the re-election of Mr. Tam that needs to be brought to the attention of the Shareholders and there is no information which is discloseable nor is/was Mr. Tam involved in any matters required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Xu, aged 62, is an independent non-executive director and audit committee member of the Company. Mr. Xu holds an EMBA degree from Fudan University, Shanghai. He is a senior qualified economist. Mr. Xu has been an administrative director of China Real Estate Association from 1999 to May 2006, the chairman of directors of the committee of management of China Real Estate Association from 1999 to June 2005, and currently the vice chairman of Real Estate Research Center of Shanghai Academy of Social Sciences and chairman of directors of Yi-ju China Real Estate Research Center. Mr. Xu served as the vice chairman in Shanghai Real Estate Trade Association from 1999 to January 2006 and the chairman of directors in Shanghai Housing and Land Group from 1996 to December 2005. Save as the above, Mr. Xu did not hold any other directorship in any other listed company in the last three years.

The total amount of the directors' emoluments received by Mr. Xu for the year ended 31 March 2011 were HK\$120,000. No service contract has been signed between Mr. Xu and the Company. Mr. Xu is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Company's Bye-laws and his emolument will be determined by the Board and will be reviewed annually taking into consideration prevailing market practice.

As at the Latest Practicable Date, Mr. Xu has personal interest of 1,000,000 options of the Company granted under the 2001 Share Option Scheme, within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Xu does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.

Save as disclosed above, there is no other matter relating to the re-election of Mr. Xu that needs to be brought to the attention of the Shareholders and there is no information which is discloseable nor is/was Mr. Xu involved in any matters required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Muñoz, aged 42, is a non-executive director of the Company. He holds a bachelor's degree in electrical engineering. He is the president and chief executive officer of Ryerson China Limited and president of Ryerson Asia Limited. He is also the chairman of the operating committee of the joint venture of Ryerson China Group and Shinsho Corporation, and the board director of Guangzhou Baosteel Jing Chang Steel Processing Company Limited (a joint venture of Ryerson China Group, Shanghai Baosteel

LETTER FROM THE CHAIRMAN

Corporation and Japan Mitsui & Co., Ltd.) in Nansha, China. Mr. Muñoz joined Ryerson Inc. in 1989 and has held various sales and operating positions. In 1994, he was part of the leadership team of Ryerson de Mexico SA de CV. From 1998 to 2006, he was the president and the chief operating officer of Ryerson de Mexico SA de CV. In 2006, he moved to China as the vice president of international of Ryerson Inc. and the board director of VSC-Ryerson China Limited (*Name changed to "Ryerson China Limited"*). Mr. Muñoz was a member of the executive and remuneration committees and the board director from April 2006 to June 2009, and the chairman of the board from October 2007 to June 2009 of Tata Ryerson India Limited (a joint venture of Ryerson Inc. and Tata Steel Ltd.). Mr. Muñoz is a member of American Chamber of Commerce in Shanghai. He is also the chairman of all the subsidiaries of Ryerson China Limited. Saved as the above, Mr. Muñoz did not hold any other directorship in any other listed company in the last three years.

Mr. Muñoz is entitled to receive an annual director's fee of HK\$120,000. No service contract has been signed between Mr. Muñoz and the Company. Mr. Muñoz is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Company's Bye-laws and his emolument will be determined by the Board and will be reviewed annually taking into consideration prevailing market practice.

As at the Latest Practicable Date, Mr. Muñoz does not have any interest in shares of the Company, within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Muñoz does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.

Save as disclosed above, there is no other matter relating to the re-election of Mr. Muñoz that needs to be brought to the attention of the Shareholders and there is no information which is discloseable nor is/was Mr. Muñoz involved in any matters required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

ADOPTION OF THE 2011 SHARE OPTION SCHEME AND TERMINATION OF THE 2001 SHARE OPTION SCHEME

The 2001 Share Option Scheme was adopted by the Company on 12 November 2001 and will expire on 11 November 2011. The Board considers that it is in the interest of the Company to terminate the 2001 Share Option Scheme and adopt the 2011 Share Option Scheme. A summary of the principal terms of the 2011 Share Option Scheme is set out in Appendix II to this circular. Upon termination of the 2001 Share Option Scheme, no further options will be granted thereunder but in all other respects, the provisions of the 2001 Share Option Scheme shall remain in force and all options granted prior to such termination shall continue to be valid and exercisable in accordance therewith. As at the Latest Practicable Date, the Company had granted 70,260,000 share options to certain participant pursuant to the 2001 Share Option Scheme, out of which 27,323,000 had been exercised, 33,315,000 were still outstanding and 9,622,000 had lapsed in accordance with the terms of the 2001 Share Option Scheme.

LETTER FROM THE CHAIRMAN

The purpose of the 2011 Share Option Scheme is to provide incentives to Participants to contribute to the VSC Group and/or to enable the VSC Group to recruit and/or to retain high-calibre employees and attract human resources that are valuable to the VSC Group. To ensure that this purpose is achieved, the rules of the 2011 Share Option Scheme provide that the Board will grant options only to Participants who have made valuable contribution to the growth of the VSC Group based on their performance and/or years of service, or who are regarded as valuable human resources of the VSC Group based on their work experience, knowledge in the industry and other relevant factors, or are expected to be able to contribute to the business development of the VSC Group based on their business connection or network or other relevant factors.

On the basis of 414,128,251 Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or repurchased by the Company on or before the date of the AGM, the Company may initially grant options representing 41,412,825 Shares under the 2011 Share Option Scheme (i.e., 10% of the issued share capital of the Company as at the date of the AGM).

Although the rules of the 2011 Share Option Scheme provide that the 2011 Share Option Scheme is not subject to any performance target and does not prescribe any minimum period for which an option must be held before it can be exercised, the Board believes that the requirement for a minimum subscription price (which is summarised in paragraph (d) in Appendix II) as well as the selection criteria prescribed by the rules (which are summarised in paragraph (b) in Appendix II) of the 2011 Share Option Scheme will serve to protect the value of the Shares of the Company as well as to achieve the purpose of the 2011 Share Option Scheme. No trustees will be appointed under the 2011 Share Option Scheme.

The Directors consider that it is not appropriate to state the value of all options that can be granted pursuant to the 2011 Share Option Scheme as if they had been granted at the Latest Practicable Date. The Directors believe that any statement regarding the value of the options as at the Latest Practicable Date will not be meaningful to the Shareholders, taking into account the diversified nature of the businesses of the VSC Group (i.e., stockholding and trading of steel products, supplying kitchen, furniture, sanitary ware & fittings and conglomerate marble for commercial and high-end residential properties, trading of plastic resins and installation work of kitchen cabinet) and the growth businesses of the VSC Group (including, for example, metal recycling, property investment and management) and the fact that comparable data required for calculation of the value of the options and the weighing of each of such data may not be representative of the diversified nature of the businesses of the VSC Group.

The adoption of the 2011 Share Option Scheme is conditional upon:

- (i) the passing of an ordinary resolution at the AGM approving the termination of the 2001 Share Option Scheme and the adoption of the 2011 Share Option Scheme, and authorizing the Board to grant options thereunder and to allot and issue Shares pursuant to the exercise of any option; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, any Shares which may fall to be allotted and issued by the Company upon the exercise of any options that may be granted under the 2011 Share Option Scheme.

LETTER FROM THE CHAIRMAN

Application will be made to the Listing Committee of the Stock Exchange for approval of the 2011 Share Option Scheme and the subsequent granting of options thereunder and for listing of and permission to deal in the Shares which may fall to be allotted and issued pursuant to the exercise of the subscription rights under the options that may be granted under the 2011 Share Option Scheme.

The Company will comply with the relevant Listing Rules from time to time in force in respect of the 2011 Share Option Scheme and any other share option scheme(s) of the Company or any of its subsidiaries.

Copy of the 2011 Share Option Scheme will be available for inspection during normal business hours (Saturday and public holiday except) at the principal place of business of the Company at Rooms 4903-7, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for a period of 14 days before AGM.

VOTING BY WAY OF POLL

Pursuant to Bye-law 66 of the Bye-laws of the Company, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded:

- (a) by the chairman of such meeting; or
- (b) 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
- (c) 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 representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (d) 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 the right; or
- (e) by any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing 5% or more of the total voting rights of all the Shareholders having the right to vote at such meeting.

A demand by a person as proxy for a Shareholder or in the case of a Shareholder being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a Shareholder.

LETTER FROM THE CHAIRMAN

In accordance with Rule 13.39(4) of the Listing Rules, all votes at the AGM will be taken by poll and the results of the voting will be announced after the AGM. No Shareholders are required to abstain from voting at the AGM on the resolutions proposed at the AGM.

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 the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider the grant of general mandates to issue Shares and repurchase Shares, re-election of Directors and adoption of the 2011 Share Option Scheme and termination of the 2001 Share Option Scheme are in the best interests of the Company and the Shareholders and recommend that the Shareholders vote in favour of the resolutions nos. 5A, 5B, 5C and 6 to be proposed at the AGM.

Yours faithfully,
Andrew Yao Cho Fai
Chairman

This explanatory statement has been prepared in accordance with and as required by the provisions of the Listing Rules in relation to the resolution numbered 5B (the “Resolution”) contained in the Notice, as set out on pages 23 to 27 of this circular for the repurchase by the Company of its own Shares on the Stock Exchange. This explanatory statement includes information for the Shareholders to enable them to decide whether or not to approve the Repurchase Mandate. Repurchase by the Company of its own Shares pursuant to the Repurchase Mandate may be made subject to certain restrictions.

EXERCISE OF THE REPURCHASE MANDATE

The Resolution will, if passed, give a general unconditional Repurchase Mandate to the Directors authorising the repurchase by the Company of up to 10 per cent. of the fully paid Shares in issue as at the date of passing such resolution at any time during the Relevant Period (as defined in the Resolution).

Accordingly, on the basis of 414,128,251 Shares in issue as at the Latest Practicable Date, and assuming that no Shares will be issued or repurchased prior to the AGM, exercise in full of the Repurchase Mandate will result in up to 41,412,825 Shares being repurchased by the Company during the Relevant Period (as defined in the Resolution).

REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and Shareholders to have a general authority from Shareholders to enable the Directors to repurchase Shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement in the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and Shareholders. However, the Directors have no present intention to repurchase any Shares.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with laws of Bermuda and the Memorandum of Association and Bye-laws of the Company. Such funds may include capital paid up on the repurchased Shares or funds otherwise available for dividend or distribution and the proceeds of a fresh issue of Shares made for the purpose of the repurchases. Any premium payable on a repurchase over the par value of Shares to be repurchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company’s share premium account.

If the Repurchase Mandate was exercised in full at any time during the proposed repurchase period, there could be a material adverse effect on the working capital position of the VSC Group or the gearing levels (as compared with the position disclosed in the latest published audited consolidated accounts as at 31 March 2011). The Directors therefore do not propose to exercise the Repurchase Mandate to such an extent unless the Directors determine that such repurchases are, taking into account all relevant factors, in the best interests of the VSC Group.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months preceding the date of this circular were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
July 2010	1.07	0.79
August 2010	0.85	0.75
September 2010	0.83	0.76
October 2010	0.93	0.82
November 2010	0.96	0.74
December 2010	0.82	0.75
January 2011	0.85	0.79
February 2011	0.82	0.75
March 2011	0.82	0.70
April 2011	0.79	0.74
May 2011	0.77	0.70
June 2011	0.73	0.59
July 2011 (up to the Latest Practicable Date)	0.67	0.67

DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) currently intends to sell any Shares to the Company under the Repurchase Mandate if such Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the laws of Bermuda.

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 Repurchase Mandate is approved by the Shareholders.

THE CODES ON TAKEOVERS AND MERGERS AND SHARE REPURCHASES

If as a result of a share repurchase by the Company, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Codes. Accordingly, a shareholder or a group of shareholders acting in concert, could, depending upon the level of increase in shareholding interest(s), become obliged to make a mandatory offer in accordance with Rule 26 of the Codes. In the event that any exercise of the Repurchase Mandate will, to the knowledge of the Directors, have such a consequence, the Directors will not exercise the mandate to such an extent. As at the Latest Practicable Date, Huge Top, the only substantial shareholder who had registered an interest of 10% or more of the issued share capital of the Company, had a shareholding percentage in the Company of approximately 41.88%. If the Repurchase Mandate is exercised in full, Huge Top's shareholding percentage in the Company will be increased to approximately 46.53%. Such increase will give rise to an obligation to make a mandatory offer under Rule 26 of the Codes. The Directors have no present intention to exercise the proposed Repurchase Mandate to such an extent as would result in takeover obligations.

REPURCHASES MADE BY THE COMPANY

No purchase has been made by the Company of its Shares (on the Stock Exchange or otherwise) in the six months prior to the date of this document.

2011 SHARE OPTION SCHEME

This Appendix summaries the principal terms of the 2011 Share Option Scheme but does not form part of, nor is it intended to be, part of the 2011 Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the 2011 Share Option Scheme. The Directors reserve the right at any time prior to the AGM to make such amendments to the 2011 Share Option Scheme as they may consider necessary or appropriate provided that such amendments do not conflict in any material aspects with the summary in this Appendix.

The following is a summary of the principal terms of the 2011 Share Option Scheme proposed to be approved at the AGM:

(a) Purpose

The purpose of the 2011 Share Option Scheme is to provide incentives to Participants to contribute to the VSC Group and/or to enable the VSC Group to recruit and/or to retain high-calibre employees and attract human resources that are valuable to the VSC Group.

(b) Who may join

The Board may offer to grant an option to subscribe for such number of Shares as it may determine at a price calculated in accordance with paragraph (d) below to any Participant who, in the absolute discretion of the Board, has made valuable contribution to the growth of the VSC Group based on his performance and/or years of service, or is regarded as valuable human resources of the VSC Group, based on his work experience, knowledge in the industry and other relevant factors or is expected to be able to contribute to the business development of the VSC Group based on his/its business connection or network or other relevant factors.

The 2011 Share Option Scheme further provides that in the case where offers are made to Participants who are not employees of any member of the VSC Group, such offers shall not be made to such number of offerees or in such circumstances that the Company should be required under the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) or the Companies Act 1981 of Bermuda to issue a prospectus in respect thereof.

(c) Payment on acceptance of option offer

HK\$10.00 in cash is payable by the grantee of the option to the Company on acceptance of the offer.

(d) Subscription Price

The subscription price in respect of any Option shall, subject to any adjustments made pursuant to paragraph (k), be determined by the Board in its absolute discretion and notified to Participant at the time of offer of grant of the option and shall not be less than the highest of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of offer of the grant of the option, which must be a Business Day; (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the date of offer of the grant of the option; and (c) the nominal value of the Shares.

(e) Maximum number of Shares subject to the 2011 Share Option Scheme

The limit on the number of Shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the 2011 Share Option Scheme and any other share option schemes of the Company and/or its subsidiary (including the share option schemes of the Company adopted on 22 January 1994 and 12 November 2001), must not exceed 30% of the Shares in issue from time to time. No options may be granted under any schemes of the Company or its subsidiary if this would result in the 30% limit being exceeded.

In addition, the total number of Shares which may be issued upon exercise of all options to be granted under the 2011 Share Option Scheme and any other share option scheme(s) of the Company and/or its subsidiary must not in aggregate exceed 10% of the Shares in issue as at the date of approval of the 2011 Share Option Scheme (the "10% Limit"). Options lapsed in accordance with the terms of the 2011 Share Option Scheme or any other share option scheme(s) of the Company and/or its subsidiary shall not be counted for the purpose of calculating the 10% Limit.

The Company may refresh the 10% Limit at any time, subject to Shareholders' approval in general meeting of the Company and issuing a circular to the Shareholders in connection therewith pursuant to the Listing Rules, provided that the maximum number of Shares which may be allotted and issued upon exercise of all options to be granted under the 2011 Share Option Scheme and any other share option scheme(s) of the Company and/or its subsidiary under the limit as refreshed must not exceed 10% of the Shares of the Company in issue as at the date of the approval of the limit (the "Extended Limit"). Options previously granted under the 2011 Share Option Scheme and/or any other share option scheme(s) of the Company and/or any subsidiary (including those outstanding, cancelled or lapsed in accordance with the 2011 Share Option Scheme or such other schemes or those that are exercised) shall not be counted for the purpose of calculating the limit as refreshed. The Company may also seek separate approval from the Shareholders in a general meeting of the Company for granting options beyond the 10% Limit, or as the case may be, the Extended Limit, provided that the option in excess of the relevant limit are granted only to Participants specifically identified by the Company before such approval is sought and subject to issuing a circular to the Shareholders of the Company in connection therewith pursuant to the Listing Rules.

The total number of Shares issued and which may fall to be issued upon exercise of the options granted (including exercised or outstanding options) to each grantee within any twelve-month period under the 2011 Share Option Scheme and any other share option scheme(s) of the Company and/or any subsidiary must not exceed 1% of the number of Shares in issue (the “1% Limit”). Any further offer of the grant of options to a grantee which would result in Shares issued and to be issued upon exercise of all options granted and proposed to be granted to such grantee under the 2011 Share Option Scheme and any other share option scheme(s) of the Company and/or any subsidiary (including exercised, cancelled and outstanding options) in the twelve-month period up to and including the proposed date of offer of such further grant of options, in aggregate, to exceed the 1% Limit is subject to separate Shareholders’ approval given at a general meeting of the Company and the issue of a circular to the Shareholders in connection therewith pursuant to the Listing Rules, with the relevant grantee and his associates abstaining from voting. The number and terms (including the subscription price) of options to be offered to be granted to such Participant must be fixed before the general meeting of the Company to approve such offer. The date of the board meeting for proposing such further grant of options should be taken as the date of offer of grant of the options for the purpose of calculating the subscription price under paragraph (d) above.

(f) Time of exercise of option

An option may be exercised in accordance with the terms of the 2011 Share Option Scheme at any time during a period to be notified by the Board to each grantee at the time of offer of the grant of the option, which must not be more than 10 years from the date of offer of grant of the option. The 2011 Share Option Scheme does not prescribe any minimum period for which an option must be held before it can be exercised.

The exercise of an option is not subject to any performance targets.

(g) Rights are personal to grantee exercise of options

An option shall be personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest in favour of any third party over or in relation to any option or enter into any agreement to do so or purport to do any of the foregoing. Any breach of the foregoing shall entitle the Company to cancel any outstanding option, or any part thereof, granted to such grantee to the extent not exercised.

(h) Rights on death

In the case where the grantee of an option is an employee (including any executive or non-executive director) of the VSC Group, if the grantee dies before exercising the option in full and none of certain events which would be a ground for termination of his employment/appointment specified in the 2011 Share Option Scheme arises, his legal

personal representative(s) shall be entitled until whichever is the earlier of the date of expiry of the option period or the last day of the period of 6 months following the date of cessation of employment/appointment which date shall be the last day on which the grantee was at work with the VSC Group to exercise the option (to the extent not already exercised) to the full extent or to the extent specified in the notice to exercise such option.

(i) Rights on takeover

If a general or partial offer to acquire Shares (whether by takeover offer, merger, share repurchase offer, privatisation proposal by scheme of arrangement between the Company and its members or otherwise in like manner) is made to all the Shareholders (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer, having become or is declared unconditional, the grantee of the option (or his legal personal representatives) shall, notwithstanding any other terms on which his option was granted, be entitled to exercise the option (to the extent not already exercised) to the full extent or to the extent specified in the notice to exercise such option, at any time until whichever is the earlier of the date of expiry of the option period or the last day of the period of 14 days after the date on which the offer becomes or is declared unconditional, after which the option shall lapse.

(j) Rights on winding-up

If a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all grantees and thereupon, each grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his options (to the extent not already exercised), to the full extent or to the extent specified in the notice to exercise such option, at any time not later than five Business Days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot and issue the relevant Shares to the grantee credited as fully paid whereupon he shall accordingly be entitled, in respect of the Shares allotted and issued to him in the aforesaid manner, to participate in the distribution of the assets of the Company available in liquidation *pari passu* with the holders of the Shares in issue on the day prior to the date of such resolution. Subject thereto, all options then outstanding shall lapse and determine on the commencement of the winding-up.

(k) Effects of alterations to capital

In the event of any alteration in the capital structure of the Company whilst any option remains exercisable or the 2011 Share Option Scheme remains in effect, and such event arises from a capitalization of profits or reserves, rights issue, consolidation or sub-division of the Shares, or reduction of the share capital of the Company, then in any such case the Company shall instruct the auditors of the Company or an independent financial adviser to certify in writing the adjustment, if any, that ought in their opinion fairly and reasonably to be made either generally or as regards any particular grantee, to: (a) the number of nominal amount of Shares to which the 2011 Share Option Scheme or any option(s) relates (insofar as it is/they are unexercised); and/or (b) the subscription price of any option; and/or (c) (unless the relevant grantee elects to waive such adjustment) the number of Shares comprised in an option or which remains comprised in an option, and an adjustment as so certified by the auditors of the Company or such independent financial adviser shall be made, provided that: (a) any such adjustment shall give the grantee the same proportion of the issued share capital of the Company for which such grantee would have been entitled to subscribe had he exercised all the options held by him immediately prior to such adjustment; (b) no such adjustment shall be made the effect of which would be to enable a share to be issued at less than its nominal value; (c) the issue Shares or other securities of the VSC Group as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and (d) any such adjustment shall be in compliance with the Listing Rules and such applicable rules, codes, guidance notes, and/or interpretation of the Listing Rules from time to time promulgated by the Stock Exchanges. In respect of any adjustment required by the foregoing provisions, other than any made on a capitalisation issue, an independent financial adviser or the auditors of the Company must also confirm to the Board in writing that the adjustments satisfy the foregoing proviso.

(l) Lapse of options

An option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (i) the expiry of the option period;
- (ii) the expiry of any of the other periods referred to in paragraphs (h), (i) or (j);
- (iii) in the case where the grantee is an employee (including an executive or non-executive director) of the VSC Group and he ceases to be an employee of the VSC Group:
 - (1) by any reason other than his death, ill-health or retirement in accordance with his contract of employment/appointment or the termination of his employment/appointment on one or more of the grounds specified in paragraph (2) below, the grantee shall be entitled to exercise the option,

until the date of expiry of an one-month period following the date of cessation or termination (the “Extended Date”), or, if the Extended Date falls within the Blackout Period, the date of expiry of an one-month period following the last day of the Blackout Period. The date of cessation or termination as aforesaid shall be the last day on which the grantee was actually at work with the Company or the relevant subsidiary whether salary is paid in lieu of notice or not;

- (2) by reason of the grantee being dismissed by the VSC Group on certain grounds specified in the 2011 Share Option Scheme including, but not limited to, misconduct, bankruptcy, insolvency, having made any arrangement or composition with his creditors and conviction of any criminal offence involving his integrity or honesty, the date on which the grantee ceases to be an employee of the VSC Group or the date on which the employer serves notice to dismiss the grantee, whichever is the earlier; or

(For the purposes of this paragraph (iii), a grantee shall not be regarded as ceasing to be an employee (including an executive or non-executive director) of the VSC Group and shall continue to be an employee (including an executive or non-executive director) of the VSC Group if he ceases to hold a position of employment/appointment with the Company or any particular subsidiary of the Company but at the same time he takes up a different position of employment/appointment with the Company or another subsidiary of the Company, as the case may be.)

- (iv) the date on which the Board exercises the Company’s right to cancel the option because of a breach by the grantee of the rules summarized in paragraph (g) above.

(m) Ranking of Shares

The Shares allotted and issued upon the exercise of an option will be subject to all the provisions of the Company’s Bye-laws for the time being in force and will rank *pari passu* in all respects with the existing fully paid Shares in issue on the date of allotment or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members, other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the date of allotment, or, if later, before the date of registration of the allotment in the register of members of the Company.

(n) Cancellation of options

Where it is desired that any options granted but not exercised should be cancelled, the Board may effect such cancellation in a manner that complies with any legal requirements for cancellation.

Where the Company cancels any options granted but not exercised and wishes to offer the grant of new options, whether to the same grantee or not, the offer to grant such new options may only be made under the 2011 Share Option Scheme if there is available unissued options (excluding, for this purpose, the cancelled options) within the 10% Limit, the Extended Limit or the limit approved by the Shareholders as referred to in paragraph (e) above.

(o) Alteration to the 2011 Share Option Scheme

Subject to the following provisions, all the terms of the 2011 Share Option Scheme may be altered in any respect by a resolution of the Board without first obtaining Shareholders' approval given by resolution passed at a general meeting of the Company:

- (i) The provisions of the 2011 Share Option Scheme that relate to matters contained in Rule 17.03 of the Listing Rules shall not be altered to the advantage of the Participants unless with the prior sanction of a resolution of the Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the grantees as would be required of the holders of the Shares under the Company's Bye-laws for a variation of the rights attached to the Shares.
- (ii) Any alterations to the terms and conditions of the 2011 Share Option Scheme which are of a material nature or any change to the terms of options granted must be approved by the Shareholders, except where the alterations take effect automatically under the existing terms of the 2011 Share Option Scheme.
- (iii) The amended terms of the 2011 Share Option Scheme or the options must still comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (iv) Any change to the authority of the Board or the administrators of the 2011 Share Option Scheme in relation to any alteration to the terms of the 2011 Share Option Scheme must be approved by the Shareholders in general meeting.

(p) Termination of the 2011 Share Option Scheme

The Company by resolution in general meeting of its Shareholders or at a meeting of the Board may at any time terminate the operation of the 2011 Share Option Scheme and in such event no further options will be offered but the provisions of the 2011 Share Option Scheme shall remain in force in all other respects to the extent necessary to give effect to the exercise of any options (to the extent not already exercised) granted prior thereto or otherwise as may be required in accordance with the provisions of the 2011 Share Option Scheme. All options granted prior to such termination and not then exercised shall continue to be valid and exercisable subject to and in accordance with the 2011 Share Option Scheme.

(q) Duration and administration

The 2011 Share Option Scheme shall be valid and effective for a period of ten years commencing on the adoption date, after which period no further options will be issued but the provisions of the 2011 Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior to such expiry or otherwise as may be required accordance with the provisions of the 2011 Share Option Scheme.

(r) Conditions

The 2011 Share Option Scheme is conditional upon; (a) the passing by the Shareholders in the general meeting of an ordinary resolution approving the termination of the 2001 Share Option Scheme and the adoption of the 2011 Share Option Scheme, and authorising the Board to grant options thereunder and to allot and issue Shares pursuant to the exercise of any option; and (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, any Shares which may fall to be allotted and issued by the Company upon the exercise of any option that may be granted under the 2011 Share Option Scheme.

(s) Restrictions on the time of grant of option

Grant of options may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision, until such price sensitive information has been published or disclosed in accordance with the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of: (a) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under Listing Rules); and (b) the deadline for the Company to publish an announcement of its result for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under Listing Rules) and ending on the date of the results announcement, no option may be made. For the avoidance of doubt, if there is any delay in the publication of the results announcement, the period shall end on the actual date of publication of the results announcement; and the Board may not make any offer to a Participant who is a director of the Company during the periods or times in which the directors of the Company are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

(t) Grant of options to connected persons

Where any offer of the grant of options is proposed to be made to a director, chief executive or substantial shareholder of the Company, or any of their respective associates,

such offer must first be approved by the independent non-executive directors of the Company (excluding the independent non-executive director who or whose associate is the proposed grantee of the options).

If the grant of options is to be made to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the Shares issued and to be issued upon the exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person under the 2011 Share Option Scheme and any other share option scheme(s) of the Company and/or its subsidiary in the 12-month period up to and including the date of such grant: (a) representing in aggregate over 0.1 per cent. (0.1%) of the Shares in issue; and (b) having an aggregate value, based on the closing price of the Shares at the proposed date of each offer of the grant of the option, in excess of HK\$5 million, such further grant of options must be approved by the Shareholders in general meeting with all the connected persons of the Company abstaining from voting (except that any connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular required to be issued pursuant to the Listing Rules). Any vote taken at the meeting to approve the proposed grant of such options must be taken on a poll. The circular to be issued must contain details of the number and terms (including the subscription price) of the options proposed to be granted to each Participant, which must be fixed before the date of the general meeting, a recommendation from the independent non-executive directors of the Company (excluding any independent non-executive director who is the relevant Participant of the options) to the independent Shareholders as to voting, and other information required to be included by the Listing Rules. In addition, any change in the terms of options granted to a grantee who is a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, must be approved by the Shareholders in general meeting in the same manner as described above.

NOTICE OF ANNUAL GENERAL MEETING



VSC万顺昌

VAN SHUNG CHONG HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1001)

NOTICE IS HEREBY GIVEN that the annual general meeting of the members of Van Shung Chong Holdings Limited (the “Company”) will be held at Rooms 4903-7, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong on 11 August 2011 at 10:30 a.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements and the reports of the directors and auditor for the year ended 31 March 2011.
2. To consider and declare a final dividend of HK0.6 cents per share for the year ended 31 March 2011.
3. To re-elect the directors of the Company (the “Director(s)”) and authorise the board of Directors (the “Board”) to fix the Directors’ remuneration and to appoint new Directors from time to time.
4. To re-appoint PricewaterhouseCoopers as the Company’s auditor and authorise the Board to fix their remuneration.

As special business, to consider and, if thought fit, to pass with or without modifications, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

5. A. **“THAT:**
 - (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot and issue additional shares in the capital of the Company and to make or grant offers, agreements and options which would or 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 given to the Directors and shall authorise the Directors during the Relevant Period (as defined below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period (as defined below);

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) by the Directors pursuant to the approval in paragraph (a) otherwise than pursuant to (i) a Rights Issue (as defined below) or (ii) the exercise of subscription or conversion rights under any warrants of the Company and under any securities which are convertible into shares in the capital of the Company, (iii) on the exercise of the subscription rights under share option schemes of the Company approved by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or (iv) any scrip dividend scheme or similar arrangement implemented in accordance with the Bye-laws of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the 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 Bermuda law or the Company’s Bye-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; and

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

B. “THAT:

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase issued shares of HK\$0.10 each in the capital of the Company (“Shares”), subject to and in accordance with paragraph (c) below and all applicable laws, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as defined below) to procure the Company to purchase its Shares at such prices as the Directors at their discretion may determine;
 - (c) the aggregate nominal amount of Shares which are authorised to be purchased by the Directors pursuant to the approval in paragraph (a) shall not exceed 10 per cent. 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; 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 Bermuda law or the Company’s Bye-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.”
- C. **“THAT:** conditional upon the passing of Resolutions nos. 5A and 5B set out in the notice convening this meeting, the aggregate nominal amount of Shares which shall have been repurchased by the Company pursuant to and in accordance with Resolution no. 5B set out in the notice convening this meeting shall be added to the aggregate nominal amount of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with Resolution no. 5A set out in the notice convening this meeting, provided that such additional amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT** conditional upon the Listing Committee of the Stock Exchange approving the 2011 share option scheme (the “2011 Share Option Scheme”) (a copy of which marked “A” is produced to the Meeting and signed for the purpose of identification by the Chairman of the Meeting and the principal terms of which have been summarised in Appendix II to the circular of the Company dated 8 July 2011) and the granting of options to subscribe for new ordinary shares of HK\$0.10 each (the “Shares”) in the capital of the Company under the 2011 Share Option Scheme, and granting the listing of, and permission to deal in, any new Shares which may fall to be issued pursuant to the exercise of the subscription rights under the options that may be granted under the 2011 Share Option Scheme:
- (a) the 2011 Share Option Scheme be and is hereby approved and adopted;
 - (b) the directors of the Company be authorised to grant options to subscribe for Shares under the 2011 Share Option Scheme, to allot, issue and deal with Shares pursuant to the exercise of options that may be granted under the 2011 Share Option Scheme provided that the total number of Shares which may be issued upon exercise of the options to be granted under the 2011 Share Option Scheme and any other share option schemes of the Company and/or its subsidiary shall not exceed ten percent. (10%) of the aggregate nominal value of the share capital of the Company in issue at the date of passing this Resolution, and to do all such acts and things as they consider necessary or expedient to give effect to the 2011 Share Option Scheme; and
 - (c) the 2001 share option scheme of the Company adopted on 12 November 2001 be and is hereby terminated in accordance with its terms.”

By Order of the Board
Tse Sau Wai
Company Secretary

Hong Kong, 8 July 2011

NOTICE OF ANNUAL GENERAL MEETING

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head Office and Principal Place of Business:

Rooms 4903-7, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

The Directors as at the date of this notice are:

Executive Directors:

Andrew Yao Cho Fai (*Chairman*)
Fernando Dong Sai Ming
Kern Lim

Non-executive Director:

Frank Muñoz

Independent non-executive Directors:

Harold Richard Kahler
Kenny Tam King Ching
Xu Lin Bao

Notes:

1. A member entitled to attend and vote at the above meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company. In order to be valid, a form of proxy must be deposited to the Company's principal place of business at Rooms 4903-7, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, together with any power of attorney or other authority, if any, under which it is signed or a notorially certified copy of that power or authority, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
2. The register of members of the Company will be closed from Tuesday, 9 August 2011 to Thursday, 11 August 2011 (both dates inclusive) during which period no transfer of Shares can be registered. In order to qualify for the final dividend which, if approved, will be payable on or before 9 September 2011, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong Share Registrars, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. (Hong Kong SAR time) on 8 August 2011.
3. Under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), the general mandate lapses unless it is renewed at each annual general meeting.
4. With respect to Resolutions nos. 5B and 5C, approval is being sought from shareholders for a general mandate to be given to the Directors to repurchase Shares and to issue Shares as a result of such repurchase. In accordance with the Listing Rules and the Codes, an explanatory statement in connection with the general mandate to repurchase Shares, is included in the accompanying circular and will be despatched to shareholders together with the annual report for the year ended 31 March 2011.