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If you have sold or transferred all your shares in Water Oasis Group Limited (the “Company”), you should at once hand this circular and 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 the transferee.

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Water Oasis Group

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WATER OASIS GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1161)

RENEWAL OF GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES RE-ELECTION OF DIRECTORS INCREASE IN AUTHORISED SHARE CAPITAL

AND

NOTICE OF ANNUAL GENERAL MEETING

A notice convening an annual general meeting of the Company to be held on Tuesday, 8th February, 2011 at 10:00 a.m. at Salon I & II, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong is set out on pages 11 to 14 of this circular. Whether or not you are able to attend the annual general meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s principal place of business at 18th Floor, World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the annual general meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting, or any adjournment thereof, should you so wish.

30th December, 2010

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held on Tuesday, 8th February, 2011 at 10:00 a.m. at Salon I & II, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong;
“AGM Notice”	the notice convening the AGM set out on pages 11 to 14 of this circular;
“Articles”	the Articles of Association of the Company;
“associates”	has the same meaning as defined in the Listing Rules;
“Board”	the Board of Directors;
“Company”	Water Oasis Group Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange;
“connected person”	has the same meaning as defined in the Listing Rules;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to allot and issue Shares set out as resolution no. 7 in the AGM Notice;
“Latest Practicable Date”	23rd December, 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase Shares set out as resolution no. 8 in the AGM Notice;
“SFO”	Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong;

DEFINITIONS

“Share(s)”	ordinary shares of HK\$0.10 each in the capital of the Company;
“Shareholder(s)”	holder(s) of (a) Share(s);
“Share Option Scheme”	the share option scheme adopted by the Company on 23rd January, 2002;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers; and
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong.

LETTER FROM THE BOARD



Water Oasis Group

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WATER OASIS GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1161)

Executive Directors:

YU Lai Si *Chief Executive Officer*

TAM Chie Sang

YU Lai Chu, Eileen

YU Kam Shui, Erastus

LAI Yin Ping

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

Independent Non-executive Directors:

WONG Lung Tak, Patrick, B.B.S., J.P.

WONG Chun Nam, Duffy, J.P.

WONG Chi Keung

Head Office and

Principal Place of Business:

18th Floor, World Trade Centre

280 Gloucester Road

Causeway Bay

Hong Kong

30th December, 2010

To the Shareholders

Dear Sir or Madam,

**RENEWAL OF GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE SHARES
RE-ELECTION OF DIRECTORS
INCREASE IN AUTHORISED SHARE CAPITAL**

AND

NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you information in respect of the ordinary resolutions to approve (i) the proposed Issue Mandate and the proposed Repurchase Mandate; (ii) the extension of the Issued Mandate; (iii) the re-election of retiring directors; (iv) the increase in authorised share capital and to give you notice of the AGM.

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES

Ordinary resolutions will be proposed at the AGM to grant to the Directors new general mandates:

- (i) to allot, issue and otherwise deal with new Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the proposed resolution at the AGM; and
- (ii) to repurchase Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the proposed resolution at the AGM.

In addition, a separate ordinary resolution will be proposed at the AGM to add to the Issue Mandate those Shares repurchased by the Company pursuant to the Repurchase Mandate (if granted to the Directors at the AGM).

The Directors have no present intention to exercise the Issue Mandate or the Repurchase Mandate (if granted to the Directors at the AGM).

An explanatory statement containing information regarding the Repurchase Mandate is set out in the Appendix to this circular.

RE-ELECTION OF DIRECTORS

At the AGM, ordinary resolutions will be put forward to the Shareholders in relation to the proposed re-election of Mr. Tam Chie Sang as executive director and Dr. Wong Chi Keung as an independent non-executive director. Pursuant to Rule 13.74 of the Listing Rules, details of Mr. Tam Chie Sang and Dr. Wong Chi Keung are set out below.

Mr. Tam Chie Sang

Mr. Tam Chie Sang (“Mr. Tam”), aged 58, is one of the founders of the Group. Mr. Tam started his career in the retail and services industry in 1967 and he once owned and managed a retail jewellery chain. Since 2006, Mr. Tam starts building up his business in catering industry. Mr. Tam first became involved in the cosmetic and skin-care businesses in 1993 and was, together with Ms. Yu Lai Si, and Ms. Yu Lai Chu, Eileen, the sole agent for several well-known international brands before the founders set up the Group. Mr. Tam is primarily responsible for the strategic planning of the Group.

Mr. Tam is also a director of Zinna Group Limited, a substantial shareholder (as that term is defined in the Listing Rules) of the Company, and a director of all the subsidiaries of the Company. Mr. Tam does not hold and has not held, in the last 3 years, any directorships in other listed public companies. As at the Latest Practicable Date, Mr. Tam is interested in 161,293,760 Shares within the meaning of Part XV of the SFO, representing approximately 21.1% of the issued share capital of the Company.

LETTER FROM THE BOARD

Mr. Tam is the husband of Ms. Yu Lai Chu, Eileen, an executive director of the Company, father of Mr. Tam Siu Kei, Alan, one of the senior management of the Group and brother-in-law of Ms. Yu Lai Si, Mr. Yu Kam Shui, Erastus and Ms. Lai Yin Ping, executive directors of the Company. Ms. Lai Yin Ling is the sister of Ms. Lai Yin Ping, who is deemed to be a substantial shareholder of the Company by virtue of her being the shareholder of Advance Favour Holdings Limited and Billion Well Holdings Limited. Save as disclosed herein, he does not have any relationships with any other directors, senior management or substantial or controlling Shareholders of the Company.

The Company and Mr. Tam entered into a service contract on 2nd January, 2002 in relation to Mr. Tam's appointment as executive director. Mr. Tam's appointment shall be deemed to have commenced on 1st October, 2001 for a period of 3 years and shall continue thereafter unless and until terminated in accordance with the terms of his service contract or by either party giving to the other not less than 3 calendar months' prior notice in writing. Pursuant to the service contract, Mr. Tam is entitled to receive a director's emolument, of HK\$897,000 per annum (including basic salaries, housing allowances, other allowances and benefits-in-kinds payable to him as director's emolument from any company within the Group). Mr. Tam's emolument is determined by reference to his qualifications, experiences, work performance as well as market benchmarks and are subject to annual review by the Board by reference to market benchmarks.

Dr. Wong Chi Keung

Dr. Wong Chi Keung ("Dr. Wong"), aged 55, is an independent non-executive director. Dr. Wong holds a Doctorate Degree in Business and is a member of the Hong Kong Institute of Housing and Chartered Institute of Housing and a fellow of the Hong Kong Institute of Real Estate Administrators. He is an honorary fellow of Guangxi Academy of Social Science as well as a member of the Chinese People's Political Consultative Conference, Nanning City, Guangxi, the People's Republic of China, and vice chairman of Hong Kong Auxiliary Medical Services Officers' Club. Dr. Wong has also held various senior executive positions with some of Hong Kong's leading property companies.

Dr. Wong does not have any relationships with any directors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Dr. Wong is not interested in any Shares within the meaning of Part XV of the SFO. Dr. Wong is currently the managing director of Y. T. Realty Group Limited and an executive director of The Cross-Harbour (Holdings) Limited, both companies are listed on The Stock Exchange of Hong Kong Limited. Besides, he is a director of The Hong Kong School of Motoring Limited and an alternate director of Autotoll Limited.

Save as disclosed in the second paragraph, Dr. Wong does not hold and has not held any directorships in other listed public companies in the last three years.

No service contract was entered into between the Company and Dr. Wong in respect of his appointment. Dr. Wong was not appointed for a specific term and he is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provision of the Company's articles of association. Dr. Wong is entitled to receive a director's emolument of HK\$150,000 per annum. Dr. Wong's emolument is determined by reference to his qualifications and experiences as well as market benchmarks and is subject to annual review by the Board by reference to market benchmarks.

LETTER FROM THE BOARD

The Board is not aware of any other matters or information that need to be brought to the attention of Shareholders of the Company or to be disclosed pursuant to Rule 13.51(2)(h) to (v) in relation to the proposed re-election of the aforesaid retiring Directors.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$100,000,000 divided into 1,000,000,000 Shares of HK\$0.10 each.

To provide for flexibility and accommodate future expansion and growth of the Company, the Board proposed to the Shareholders to increase the authorised share capital for the Company from HK\$100,000,000 divided into 1,000,000,000 Shares to HK\$200,000,000 divided into 2,000,000,000 Shares by the creation of an additional 1,000,000,000 Shares of HK\$0.10 each.

Pursuant to Article 4 of the Articles, the proposed increase in authorised share capital is conditional upon the passing of an ordinary resolution by the Shareholders at the AGM.

As at the Latest Practicable Date, the Directors had no present intention of issuing any new Share.

ANNUAL GENERAL MEETING

A notice convening the AGM to be held on Tuesday, 8th February, 2011 at 10:00 a.m. at Salon I & II, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong is set out on pages 11 to 14 of this circular for the purpose of considering and, if thought fit, passing the resolutions set out therein.

You will find enclosed a form of proxy for use at the AGM. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's principal place of business at 18th Floor, World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM, or any adjournment thereof, should you so wish.

VOTING BY POLL

As required under Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the Chairman of the meeting will demand for a poll for all resolutions put forward at the forthcoming AGM to be held on Tuesday, 8th February, 2011.

RESPONSIBILITY STATEMENT

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

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the granting of the Issue Mandate, the Repurchase Mandate and the increase of authorised share capital are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders to vote in favour of the relevant resolutions as set out in the AGM Notice at the forthcoming AGM.

Yours faithfully,

YU Lai Si

Executive Director and Chief Executive Officer

This appendix includes an explanatory statement required by the Stock Exchange to be presented to Shareholders concerning the Repurchase Mandate proposed to be granted to the Directors.

1. STOCK EXCHANGE RULES FOR REPURCHASES OF SHARES

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions.

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

2. FUNDING OF REPURCHASES

Any repurchase will be made out of funds which are legally available for the purpose in accordance with the memorandum and articles of association of the Company, the Listing Rules and the applicable laws of the Cayman Islands. As compared with the financial position of the Company as at 30th September, 2010 (being the date to which the latest audited accounts of the Company have been made up), the Directors consider that there would not be a material adverse impact on the working capital and on the gearing position of the Company in the event the proposed repurchases were to be carried out in full during the proposed repurchase period.

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

3. REASONS FOR REPURCHASES

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

4. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 763,952,764 Shares.

Subject to the passing of the relevant ordinary resolutions to approve the general mandates to issue and repurchase Shares and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the AGM, the Directors would be authorised to exercise the powers of the Company to repurchase a maximum of 76,395,276 Shares.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and in accordance with the memorandum and articles of association of the Company.

6. EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert (as that term is defined in the Takeovers Code), depending on the level of increase of the shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, the substantial shareholders having interests in 10% or more of the issued share capital of the Company were:

Name of Shareholder	Number of Shares held	Approximate % shareholding	
		As at the Latest Practicable Date	If Repurchase Mandate is exercised in full
Yu Lai Si	166,113,760	21.7%	24.2%
Zinna Group Limited (<i>Note 1</i>)	155,333,760	20.3%	22.6%
Advance Favour Holdings Limited (<i>Note 2</i>)	77,666,880	10.2%	11.3%
Billion Well Holdings Limited (<i>Note 3</i>)	77,666,880	10.2%	11.3%

Notes:

1. Zinna Group Limited is a company incorporated in Hong Kong. All of its voting rights are held by Royalion Worldwide Limited, a British Virgin Islands company which is 51% owned by Tam Chie Sang and 49% owned by his spouse, Yu Lai Chu, Eileen, both are directors of the Company.
2. Advance Favour Holdings Limited is a British Virgin Islands company beneficially owned by Lai Yin Ling, sister of Lai Yin Ping, a director of the Company.
3. Billion Well Holdings Limited is a British Virgin Islands company beneficially owned by Lai Yin Ling, sister of Lai Yin Ping, a director of the Company.

In the event the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, the interests of each of the above Shareholders in the Company would be increased to approximately the percentages as set out opposite their respective names in the table above. The Directors believe that such increase may give rise to an obligation on the part of Yu Lai Si and Zinna Group Limited to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. However, the Directors do not intend to exercise the power to repurchase Shares to an extent which would render the aforesaid Shareholders or any Shareholder or group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code. The Board will endeavour to ensure that the exercise of the Repurchase Mandate will not result in less than 25% of the issued share capital of the Company, being the minimum prescribed public float requirement under the Listing Rules, being held in the hands of the public.

7. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective associates has any present intention, in the event that the proposed Repurchase Mandate is granted, to sell Shares to the Company. No connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Company is authorised to make repurchases of Shares.

8. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company (whether on the Stock Exchange or otherwise) during the six months ended on the Latest Practicable Date.

9. SHARE PRICES

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

	Highest <i>HK\$</i>	Shares	Lowest <i>HK\$</i>
2009			
December	1.490		1.060
2010			
January	2.150		1.465
February	2.205		1.555
March	1.975		1.690
April	2.100		1.520
May	1.900		1.280
June	1.690		1.200
July	1.350		1.000
August	1.230		1.000
September	1.500		1.000
October	1.380		1.220
November	1.530		1.260
December (till the Latest Practicable Date)	1.460		1.230

NOTICE OF ANNUAL GENERAL MEETING



Water Oasis Group

奧 思 集 團

WATER OASIS GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1161)

NOTICE IS HEREBY GIVEN that an annual general meeting (the “Meeting”) of Water Oasis Group Limited (the “Company”) will be held on Tuesday, 8th February, 2011 at 10:00 a.m. at Salon I & II, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong for the following purposes:

1. To receive and consider the audited consolidated financial statements and reports of the directors and independent auditor of the Company and its subsidiaries for the year ended 30th September, 2010.
2. To declare a final dividend for the year ended 30th September, 2010.
3. To re-elect Mr. Tam Chie Sang as executive director of the Company.
4. To re-elect Dr. Wong Chi Keung as an independent non-executive director of the Company.
5. To determine the directors’ emolument for their services and to authorise the Board of Directors to fix the directors’ emolument.
6. To re-appoint Deloitte Touche Tohmatsu as auditor and to authorise the Board of Directors to fix their remuneration.

ORDINARY RESOLUTIONS

7. **“THAT:**
 - (A) subject to paragraph (C) of this resolution below, the exercise by the directors of the Company (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 (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (B) the Directors be and are hereby authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers during or after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

(C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraphs (A) and (B) of this resolution above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under the share option scheme adopted by the Company or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to subscribe for shares in the Company; or (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in the Company in lieu of the whole or part of a dividend in accordance with the articles of association of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the time 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 time of 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 laws of the Cayman Islands or the Company’s articles of association to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members 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).”

8. **“THAT:**

(A) subject to paragraph (C) of this resolution below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, and that the exercise by the Directors of all powers of the Company to repurchase such shares are subject to and in accordance with all applicable laws

NOTICE OF ANNUAL GENERAL MEETING

and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby, generally and unconditionally approved;

- (B) the approval in paragraph (A) of this resolution above 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 to procure the Company to repurchase its shares at a price determined by the Directors;
- (C) the aggregate nominal amount of share capital of the Company repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (A) of this resolution above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the time 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 time of 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 laws of the Cayman Islands or the Company’s articles of association to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

- 9. “**THAT** conditional upon the passing of ordinary resolution nos. 7 and 8 in the notice convening the annual general meeting of the Company, the aggregate nominal amount of the share capital of the Company which are repurchased by the Company pursuant to and in accordance with the said ordinary resolution no. 8 shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with the said ordinary resolution no. 7.”
- 10. “**THAT** the authorised share capital of the Company be and is hereby increased from HK\$100,000,000 divided into 1,000,000,000 Shares to HK\$200,000,000 divided into 2,000,000,000 Shares by the creation of an additional 1,000,000,000 ordinary shares of HK\$0.10 each.

By Order of the Board
MO Yuen Yee
Company Secretary

Hong Kong, 30th December, 2010

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
3. The instrument appointing a proxy and (if required by the board of Directors) the power of attorney or other authority (if any) under which it is signed, or a notorially certified copy of such power or authority, shall be delivered to the principal place of business of the Company at 18th Floor, World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of the Meeting or any adjournment thereof, not less than 24 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.
4. No instrument appointing a proxy shall be valid after expiration of 12 months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at the Meeting or any adjournment thereof in cases where the Meeting was originally held within 12 months from such date.
5. Where there are joint holders of any shares, any one of such joint holder may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members of the Company in respect of the joint holding.
6. Completion and delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the Meeting if the member so wish and in such event, the instrument appointing a proxy should be deemed to be revoked.
7. An explanatory statement containing the information necessary to enable the members to make an informed decision as to whether to vote for or against Ordinary Resolutions 7 to 10 as set out in this notice will be sent to members of the Company together with the Company's 2010 Annual Report.
8. The transfer books and Register of Members of the Company will be closed from Wednesday, 2nd February, 2011 to Tuesday, 8th February, 2011, both days inclusive. During such period, no share transfers will be effected. In order to be entitled to attend and vote at the Meeting (or any adjournment thereof), and to qualify for the proposed final dividend, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrars in Hong Kong, Tricor Standard Limited whose share registration public offices are located at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:00 p.m. on Tuesday, 1st February, 2011.
9. A form of proxy for use at the Meeting is enclosed.