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**Hidili Industry International Development Limited**

**恒鼎實業國際發展有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 1393)

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of Hidili Industry International Development Limited (the “Company”) will be held at Mandarin Oriental, 5 Connaught Road Central, Hong Kong on Wednesday, 9 September 2009, at 10:30 a.m. to transact the following ordinary business:

1. To receive and adopt the audited financial statements and the reports of the directors of the Company and the auditors of the Company for the year ended 31 December 2008;
2. To re-elect Mr. Xian Yang as an executive Director;
3. To re-elect Mr. Chan Chi Hing as an independent non-executive Director;
4. To authorise the board of directors to fix the remuneration of the directors of the Company;
5. To re-appoint Deloitte Touche Tohmatsu as the auditors of the Company and to authorise the board of directors to fix their remuneration; and

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

6. “**THAT:**

- a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”), the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the share capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- b) the approval in paragraph (a) of this resolution shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such powers after the end of the Relevant Period (as hereinafter defined);
- c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the directors of the Company during the Relevant Period (as hereinafter defined) pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the grant or exercise of any option under the share option scheme of the Company or any other option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing warrants of the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- d) for the purpose of this resolution, “Relevant Period” means the period from the date 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 articles of association of the Company or any applicable law of the Cayman Islands 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; and

“Rights Issues” means an offer of shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the directors of the Company to holders of shares in the capital of the Company whose names appear on the register of members on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”

7. **“THAT:**

- a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (“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 (“Securities and Futures Commission”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange or any other stock exchange as amended from time to time and all applicable laws in this regard, be and is hereby generally and unconditionally approved;

- b) the aggregate nominal amount of shares of the Company authorised to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period (as hereinafter defined) shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
  - c) for the purpose of this resolution, “Relevant Period” means the period from the date 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 articles of association of the Company or any applicable law of the Cayman Islands 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.”
8. “**THAT** conditional upon Ordinary Resolutions No. 6 and 7 set out in the notice convening this meeting being passed, the unconditional general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue or otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to Ordinary Resolution No. 6 set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted by the directors of the Company pursuant to such general mandate an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution No. 7 set out in the notice convening this meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of the said resolution.”

## SPECIAL RESOLUTION

As special business, to consider and, if thought fit, passing the following resolution, with or without amendments, as special resolution:

9. **“THAT:**

The articles of association of the Company be and are hereby amended in the following manner:

**(a) Article 2(1)**

- (i) by adding the following new definition after the existing definition of “Board” or “Directors” in the existing Article 2(1):

““business day” shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day for the reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Articles be counted as a business day.”

- (ii) By deleting the existing definition of “ordinary resolution” in Article 2(1) in its entirety and substituting therefor the following:

““ordinary resolution” a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Article 59.”

- (iii) By deleting the existing definition of “special resolution” in Article 2(1) in its entirety and substituting therefor the following:

““special resolution” a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Article 59.

a special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles or the Statutes.”

**(b) Article 2(2)**

By deleting the full stop and replacing it with a semi-colon at the end of existing Article 2(2)(h) and adding the following new Article 2(2)(i) immediately after the existing Article 2(2)(h):

“(i) Section 8 of the Electronic Transactions Law (2003) of the Cayman Islands, as amended from time to time, shall not apply to these Articles to the extent it imposes obligations or requirement in addition to those set out in these Articles.”

**(c) Article 3**

By deleting the exiting Article 3(3) in its entirety and substituting therefor the following:

“(3) Subject to compliance with the rules and regulations of the Designated Stock Exchange and any other relevant regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.”

**(d) Article 10**

By deleting the existing Article 10 in its entirety and substituting therefor the following:

“Subject to the Law and without prejudice to Article 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company shall, mutatis mutandis, apply, but so that:

- (a) the necessary quorum (other than at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorized representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two holders present in person or (in the case of a Member being a corporation) its duly authorized representative or by proxy (whatever the number of shares held by them) shall be a quorum; and
- (b) every holder of shares of the class shall be entitled to one vote for every such share held by him.”

**(e) Article 51**

By deleting the words “an appointed newspaper or any other” and substituting thereof with the new word “any” after the words “given by advertisement in” in the second line of the existing Article 51.

**(f) Article 59(1)**

- (i) By inserting the words “shall be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days” after the words “An annual general meeting” in the first line of the existing Article 59(1);
- (ii) By inserting the words “Notice of” after the words “shall be called by” in the second line of the existing Article 59(1);
- (iii) By deleting the punctuation and word “Notice” after the words “(21) clear days” and substituting thereof with the new words “and not less than ten (10) clear business days” in the third line of the existing Article 59(1);
- (iv) By inserting the words “Notice of” after the words “may be called by” in the third line of the existing Article 59(1); and
- (v) By deleting the punctuation and word “Notice” after the words “(14) clear days” and substituting thereof with the new words “and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange,” in the fourth line of the existing Article 59(1).

**(g) Article 59(2)**

By inserting the words “particulars of resolutions to be considered at the meeting and” after the words “place of the meeting” in the first line of the existing Article 59(2).



**(h) Article 66**

By deleting the existing Article 66 in its entirety and substituting therefor the following:

“Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll.”

**(i) Article 67**

By deleting the existing Article 67 in its entirety and inserting the words “Intentionally Deleted”.

**(j) Article 68**

By deleting the existing Article 68 in its entirety and substituting therefor the following:

“The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”

**(k) Article 69**

By deleting the existing Article 69 in its entirety and inserting the words “Intentionally Deleted”.

**(l) Article 70**

By deleting the existing Article 70 in its entirety and inserting the words “Intentionally Deleted”.

**(m) Article 73**

By deleting the words and punctuation “whether on a show of hands or on a poll,” after the words “an equality of votes” in the third line of the existing Article 73.

**(n) Article 75(1)**

(i) By deleting the words and punctuation “whether on a show of hands or on a poll,” after the words “managing their own affairs may vote,” in the third line of the existing Article 75(1); and

(ii) By deleting the words “or poll” after the words “or adjourned meeting” in the last line of the existing Article 75(1).

**(o) Article 80**

By deleting Article 80 in its entirety and substituting therefor the following:

“The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.”

**(p) Article 81**

By deleting the words “demand or join in demanding a poll and to” after the words “to confer authority to” in the fourth line of the existing Article 81.

**(q) Article 82**

By deleting the punctuation and words “or the taking of the poll,” after the words “or adjourned meeting,” in the seventh and eighth lines of the existing Article 82.

**(r) Article 84(2)**

By deleting the words “including the right to vote individually on a show of hands” after the words “(or its nominee(s))” in the last line of the existing Article 84(2).

By Order of the Board  
**Hidili Industry International Development Limited**  
**Xian Yang**  
*Chairman*

Hong Kong, 10 August 2009

*Notes:*

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be deposited together with any power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting.
3. The register of members of the Company will be closed from Thursday, 3 September 2009 to Wednesday, 9 September 2009 (both days inclusive), during which period no transfer of shares in the Company will be registered. In order to be entitled to attend and vote, all transfers, accompanied by the relevant share certificates, have to be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Wednesday, 2 September 2009.
4. An explanatory statement containing further information concerning Ordinary Resolution No. 7 is set out in Appendix I to the circular of the Company dated 10 August 2009. Information of the retiring directors of the Company who are proposed to be re-elected at the annual general meeting is set out in the Appendix II to the circular of the Company dated 10 August 2009.
5. As at the date hereof, the Board comprises Mr. Xian Yang (*Chairman*), Mr. Sun Jiankun and Mr. Wang Rong as the executive Directors and Mr. Chan Chi Hing, Mr. Wang Zhiguo and Mr. Huang Rongsheng as the independent non-executive Directors.