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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Sino Katalytics Investment Corporation (“Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Sino Katalytics Investment Corporation.

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**德泰中華投資有限公司**  
**SINO KATALYTICS INVESTMENT CORPORATION**  
*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 02324)

**SPECIFIC MANDATE IN RELATION TO THE ISSUANCE OF NEW SHARES  
AND  
INCREASE IN THE AUTHORISED SHARE CAPITAL  
AND  
NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

**Financial Adviser**

**ATHENS CAPITAL**

**Athens Capital Limited**

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A notice convening an extraordinary general meeting (“EGM”) of the Company to be held at Suite 802, 8th Floor, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong on Friday, 2 October 2009 at 10:00 a.m. is set out on pages 14 to 15 of this circular. Whether or not you intend to attend and vote at the EGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited, at 26/F, Tasbury Centre, 28 Queen’s Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting should you so wish.

16 September 2009

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following words and expressions shall have the following meanings ascribed to them respectively:*

“Board”	the board of Directors
“Company”	Sino Katalytics Investment Corporation, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened on Friday, 2 October 2009 to approve the Specific Mandate and the increase in the authorised share capital of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	14 September 2009, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Committee”	The Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chow”	Mr. Chow Ka Wo, Alex, being a Shareholder and an executive Director of the Company
“Mr. Chui”	Mr. Chui Tak Keung, Duncan, being a Shareholder and an executive Director of the Company
“PRC”	the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Specific Mandate”	the specific mandate proposed to be sought at the EGM to authorise the Directors to allot and issue new Shares

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## DEFINITIONS

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“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholders”	has the meaning as ascribed to it under the Listing Rules
“%”	per cent

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LETTER FROM THE BOARD

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德泰中華投資有限公司  
**SINO KATALYTICS INVESTMENT CORPORATION**  
*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 02324)

*Executive Directors:*

Mr. Chui Tak Keung, Duncan (*Chairman*)  
Mr. Yau Chung Hong  
Mr. Chow Ka Wo, Alex

*Non-executive Director:*

Mr. Ma Kwok Keung, Kenneth

*Independent non-executive Directors:*

Mr. Lam Kwan  
Mr. Chan Ming Sun, Jonathan  
Mr. Shiu Siu Tao

*Registered office:*

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

*Head office and principal place  
of business in Hong Kong:*

Suite 802, 8th Floor  
Harcourt House  
39 Gloucester Road  
Wanchai, Hong Kong

16 September 2009

*To the Shareholders*

Dear Sir or Madam,

**SPECIFIC MANDATE IN RELATION TO THE ISSUANCE OF NEW SHARES  
AND  
INCREASE IN THE AUTHORISED SHARE CAPITAL  
AND  
NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

We refer to the announcement of the Company dated 15 September 2009 in relation to the proposed granting of the Specific Mandate to the Board to issue not more than 1,742,177,822 new Shares to professional or institutional investors at a subscription price of not less than HK\$0.185 per Share and the increase in the authorised share capital of the Company from HK\$ HK\$100,000,000 to HK\$200,000,000. The EGM will be convened to approve, among other things, the Specific Mandate and the increase in the authorized share capital of the Company.

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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you with further details of the Specific Mandate, the increase in the authorised share capital of the Company and the notice of the EGM.

### **SPECIFIC MANDATE IN RELATION TO THE ISSUANCE OF NEW SHARES**

On 14 September 2009, the Board resolved to convene the EGM for the grant of the Specific Mandate to the Board to issue not more than 1,742,177,822 new Shares to professional or institutional investors at a subscription price of not less than HK\$0.185 per Share, representing a discount of 26% of the closing price of the Shares of HK\$0.25 on the Latest Practicable Date.

The Specific Mandate will require the approval of the Shareholders at the EGM by way of an ordinary resolution and it is also subject to the approval of the Shareholders at the EGM by way of an ordinary resolution in relation to the increase in the authorised share capital of the Company as set out in this circular.

As at the Latest Practicable Date, such professional or institutional investors are yet to be identified or confirmed but are currently expected that they are independent of and not connected to any directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates. Further announcement(s) will be made by the Company when the professional or institutional investors are identified.

The terms of the Specific Mandate are as follows:

The Board is granted, during the Relevant Period (as defined below), an unconditional specific mandate:

- (1) conditional upon the obtaining of the approval from the Shareholders at the EGM in relation to the increase in the authorised share capital of the Company, to issue not more than 1,742,177,822 new Shares, by way of non-public offering, to a number of professional or institutional investors as determined by the Board, to determine the exact number of new Shares to be issued and the subscription price of those new Shares (which should not be less than HK\$0.185 per Share) and the respective terms and conditions of such subscriptions, and appoint placing agent(s) as the Board may deem appropriate and determine the respective terms and condition for the respective placing arrangement(s); and
- (2) to do or cause to be done all acts, matters or things and to sign and deliver or cause to be signed or delivered all agreements, deeds, documents, instruments, forms and certificates as it considers necessary, desirable or appropriate in order to effectuate, carry out and consummate, or relating to, the transactions contemplated under the Specific Mandate, and to otherwise perform or give effect to the transactions and obligations contemplated by and under the Specific Mandate and the compliance by the Company with the Company's obligations and covenants agreed therein.

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## LETTER FROM THE BOARD

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and for the purpose of the Specific Mandate:

“**Relevant Period**” means the period from the passing of the ordinary resolutions granting the Specific Mandate and the increase in the authorised share capital of the Company at the EGM until the earlier of:

- (a) the expiration of the 6-month period following the passing of the ordinary resolution;  
or
- (b) the date on which the Specific Mandate is revoked or varied by an ordinary resolution of the Shareholders in a shareholders’ general meeting.

### **INCREASE IN THE AUTHORISED SHARE CAPITAL**

As a result of the proposed issuance of new Shares under the Specific Mandate, the Board proposes to increase the authorised share capital of 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 unissued Shares.

Such increase shall be conditional upon the approval of an ordinary resolution by the Shareholders at the EGM.

As at the Latest Practicable Date, the issued share capital of the Company is HK\$25,782,217.80 comprising 257,822,178 Shares.

In addition to the purpose of issuing new Shares under the Specific Mandate, the increase in the authorised share capital of the Company can provide flexibility for the Company’s future expansion (such as fund-raising activities) by way of issuing new Shares. Save as relating to the Specific Mandate, as at the Latest Practicable Date, the Directors have no present intention of issuing any part of the increased authorised share capital.

### **REASONS FOR THE SPECIFIC MANDATE**

The Company is an investment company under Chapter 21 of the Listing Rules with the primary objective of achieving earnings in the form of short to medium term (i.e. less than five years) capital appreciation as well as income from interest and dividends by investing in listed and unlisted companies mainly in Hong Kong and the PRC. The Company may from time to time make other investments outside Hong Kong and the PRC should the Directors believe that such investments may provide attractive returns. The Company also invests in unlisted companies with the potential to seek a listing on the Stock Exchange or any overseas stock exchanges.

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## LETTER FROM THE BOARD

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The Directors consider that the Company is in growth stage and revealed that the Company has encountered difficulties in competing with other sizeable local and overseas investors when potential investment opportunities were identified but eventually failed to conclude a contract as a result of the Company's insufficient financial resources. As such, the Directors are of the view that increasing the fund size of the Company is more practical and efficient in terms of economies of scale when making investments. The Specific Mandate, when granted, provides the Board with flexibility in procuring professional or institutional investors and the Directors can proceed with future fund-raising activities in a timely fashion. In addition, the Directors believe that it would be more feasible to procure sizeable institutional investors to broaden its shareholders' base if the fund size of the Company reaches above HK\$300 million. Therefore, the Directors are of the view that the proposed issuance of new Shares under the Specific Mandate is fair and reasonable and is in the interests of the Shareholders and the Company as a whole. As stated in the interim reports for the six months ended 31 December 2008, the Company registered a loss attributable to Shareholders of the Company of approximately HK\$20.3 million and the bank balances and cash of the Company of HK\$513,855. The Company raised a total of approximately HK\$8.15 million by placing and subscription of Shares in January 2009 and June 2009 respectively and the amount has been earmarked for general working capital.

The Directors have considered the feasibility of other fund raising methods, including the issuance of new Shares pursuant to a general mandate or by refreshment of the general mandate. However, given that the issued share capital of the Company is HK\$25,782,217.80 comprising 257,822,178 Shares and the rather small size of the Company's capital base, the Directors are of the view that any new fund to be raised via a general mandate or refreshment of the general mandate would not be too meaningful.

The Directors also considered rights issue or open offer of Shares to all Shareholders, and have approached securities firms for the feasibility. Nevertheless, in light of (i) the global financial crisis since late 2008 and the current volatile market conditions; and (ii) the size of the Specific Mandate with a gross proceeds of up to approximately HK\$322.3 million, the Company had not successfully secured an underwriter to commit to underwrite a rights issue or open offer of Shares on pro-rata basis to all the Shareholders with a size similar to the Specific Mandate. The Directors therefore contemplate the Specific Mandate which is considered by the Directors to be a preferred channel of financing.

As time will be required for the Board to implement the transactions contemplated under the issuance of new Shares under the Specific Mandate, for example, to identify the professional or institutional investors, to appoint the placing agent(s), to negotiate with each of them the terms of the subscription and/or the appointment, the Board is of the view that it is reasonable to have the Specific Mandate valid for a 6-month period.



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## LETTER FROM THE BOARD

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### THE USE OF PROCEEDS

Under the currently anticipated scale of the subscription of new Shares under the Specific Mandate, the gross proceeds from the subscription of new Shares under the Specific Mandate will be approximately HK\$322.3 million. Under the circumstances that the Company successfully procures the professional or institutional investors as a result of its own endeavor, the net proceeds are expected to amount to approximately HK\$322 million and the net price is approximately \$0.1848 per Share. The Directors, under the circumstances that the Company cannot procure any professional or institutional investors on its own endeavor and thus need to appoint placing agent(s), estimate that commission for placing agent(s), will be no more than 2.5%. After taking into account the estimated commission for placing agent(s) and expenses of approximately HK\$0.3 million in relation to the subscription of new Shares under the Specific Mandate, the net proceeds are expected to amount to approximately HK\$313.9 million and the net price is approximately \$0.1802 per Share.

The Company currently plans to use the net proceeds according to the investment policies and objectives of the Company and particularly on making more sizeable new investments with attractive returns particularly in the PRC as follows:

- a. Approximately 35% of the net proceeds will be used for making new investments on natural resources related projects in the PRC;
- b. Approximately 35% of the net proceeds will be used for making new investments on green energy related projects in the PRC;
- c. Approximately 25% of the net proceeds will be used for investing on listed securities in Hong Kong; and
- d. Approximately 5% of the net proceeds will be used for general working capital.

Any proceeds not deployed will be placed in deposits with financial institutions in Hong Kong in any currency, bonds or treasury securities or other instruments denominated in any currency issued by any government.

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## LETTER FROM THE BOARD

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The Company has been in preliminary discussions in respect of the potential investment opportunities to acquire certain equity interest in a number of ventures in Hong Kong and the PRC including: (i) several individual and unrelated gold and coal mines in Kazakhstan where it is the top ten country with highest reserves in gold and coal in the world. The Company intends to invest not more than HK\$40 million, as long as it is in compliance with its investment restrictions, in each of the gold or coal mine; and (ii) a Hong Kong energy-saving solution provider serving the northeast PRC with proprietary technical knowhow. The Company intends to invest not more than HK\$30 million, as long as it is in compliance with its investment restrictions, in this target company. The Directors have obtained certain verbal and written background information on the aforesaid potential projects for discussions with the agent or vendor but have yet to conduct thorough due diligence. As at the Latest Practicable Date, no formal agreement has been entered into between the parties and these preliminary discussion are still in progress. The Directors expect to expedite the due diligence process as and when financial resources are secured. However, Shareholders and potential investors should note that even if the Specific Mandate is granted to the Board, the aforementioned potential investment opportunities or any future potential investment opportunities to be contemplated in accordance with the intended use of proceeds stated above may not be consummated. There is also no assurance that the Group can eventually acquire the expected percentage of shareholding in the potential investment opportunities.

As at the Latest Practicable Date, the Group had various equity interests in investments in Hong Kong and the PRC, including but not limited to (i) CNI Bullion Limited, which is engaged in the provision of trading of precious metals; (ii) Quidam Assets Limited, which is licensed in the PRC to provide factoring services including financing, sales ledger administration and debt collection; (iii) Winwide Management Limited, which will develop a platform to identify, test and implement superior trading strategies while measuring and controlling risk in the process; (iv) King Alliance Limited, which has interest in an exclusive mobile lottery operator in the northern PRC; (v) Woddlock Investment Limited, which is developing an online travel channel in the PRC; and (vi) IIN Network Education Limited, which operates a joint venture with a division of the Ministry of Education in the PRC to provide electronic education content to elementary schools and middle schools. As the aforesaid projects are still in progress, the allocations of proceeds to other projects shall be subject to the investment restrictions of the Company.

### THE SUBSCRIPTION PRICE

The subscription price of not less than \$0.185 is determined after the Directors have made reference to the previous preliminary discussions with certain professional investors with reference to the then market price of the Share. The Directors confirm that the discussion with this group of professional investors has ceased. As at the Latest Practicable Date, no formal agreement has been entered into between the Company and any professional or institutional investors. The Company might eventually procure the same or a different group of professional investors. In any event, the Directors will make their best effort in striking the best terms, including but not limited to the subscription price, that are beneficial to the Company and the Shareholder as a whole.

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## LETTER FROM THE BOARD

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The Directors noted the share price of the Company has consistently been trading at a deep discount to its net asset value (“NAV”) per share. The following table illustrates the discount of the Company’s share price to its NAV per share for the 12 months from August 2008 to July 2009 on a monthly basis (the “Discount”) and it can be noted that the lowest Discount of 64.3% occurred in August 2008 whereas the highest Discount of 85.5% occurred in January 2009. For illustrative purposes only, the subscription price of not less than \$0.185 represents a discount of 82% to the NAV per share as announced in July 2009 and such discount lies in the range of the Discount but below the average Discount. The Directors noted the fact that the discount of the subscription price to the Company’s future NAV per share may further increase or decrease if the share price and/or the NAV of the Company increases or decreases in the future.

Record Date	Closing Price on the Last Trade Day of the Month <i>HK\$</i>	Record Date	NAV per Share <i>HK\$</i>	Discount to NAV per Share %
<b>2008</b>		<b>2008</b>		
29 August	0.410	31 August	1.147	64.3
30 September	0.220	30 September	1.104	80.1
31 October	0.220	31 October	1.280	82.8
28 November	0.210	30 November	1.280	83.6
31 December	0.215	31 December	1.288	83.3
<b>2009</b>		<b>2009</b>		
30 January	0.185	30 January	1.279	85.5
27 February	0.214	28 February	1.136	81.2
31 March	0.213	31 March	1.133	81.2
30 April	0.201	30 April	1.133	82.3
29 May	0.370	31 May	1.072	65.5
30 June	0.280	30 June	1.016	72.4
31 July	0.315	31 July	1.025	69.3
			Highest	85.5
			Lowest	64.3
			Average	77.6

*Source: the Stock Exchange*

*Note:* Closing price on the last trade day and NAV per share have been adjusted for the share consolidation of the Company during the period.

Given that not more than 1,742,177,822 new Shares will be issued under the Specific Mandate and its magnitude and after the Directors have made reference to the previous preliminary discussions with certain professional investors with reference to the then market price of the Share, the Directors are of the view that the subscription price of not less than HK\$0.185 per Share is fair and reasonable as the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### SUBSCRIPTION SIZE

The minimum subscription size per subscriber/placee is HK\$500,000 (excluding placing commission, where applicable).

### THE NEW SHARES TO BE ISSUED UNDER THE SPECIFIC MANDATE

The issuance of not more than 1,742,177,822 new Shares under the Specific Mandate, which has a nominal value of HK\$174,217,782.2, at a subscription price of not less than HK\$0.185 per Share represent:

- (i) approximately 675.7% of the issued share capital of the Company as at the Latest Practicable Date; and
- (ii) approximately 87.1% of the issued share capital of the Company as enlarged by the issuance of not more than 1,742,177,822 new Shares under the Specific Mandate.

### POSSIBLE CHANGE IN SHARE CAPITAL AND SHAREHOLDING STRUCTURE

For illustrative purposes only, assuming that: (1) the Specific Mandate and the increase in the authorised share capital of the Company are approved by the Shareholders at the EGM; and (2) the Board exercises in full the Specific Mandate to issue new Shares, the possible changes in the share capital and shareholding of the Company will be as follows:

Shareholders	Existing (as at the Latest Practicable Date)		Immediately after the subscription of new Shares under the Specific Mandate and the increase in the authorised share capital of the Company	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Mr. Chui ( <i>Note 1</i> )	30,365,000	11.78	30,365,000	1.52
Mr. Chow	180,000	0.07	180,000	0.009
Professional or institutional investors to subscribe under the Specific Mandate	–	–	1,742,177,822	87.11
Other public Shareholders	227,277,178	88.15	227,277,178	11.36
Total	257,822,178	100.00	2,000,000,000	100.00

*Notes:*

- (1) Mr. Chui is personally interested in 17,595,000 shares and deemed to be interested in 12,770,000 shares by virtue of his control in FLM Investment Limited.
- (2) The percentages shown are rounded to the nearest 2 decimal places.
- (3) The percentages shown are based on the currently anticipated scale of the subscription of new Shares under the Specific Mandate and assumed full implementation of such scale.

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## LETTER FROM THE BOARD

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### DILUTION EFFECT ON SHAREHOLDERS

The Directors noted the potential dilution effect of the Specific Mandate to the Shareholders. However, taking into account that (i) the capital base of the Group will be enhanced so that the Company can be in a more advantageous position to compete with other local and overseas investors; (ii) the Company intends to apply the net proceeds from the Specific Mandate for more sizeable new investments with attractive returns particularly in the PRC; and (iii) the cash position of the Group will be improved upon completion of the Specific Mandate, the Directors consider that Shareholders' value will be improved in a longer time spectrum and thus the dilution effect to the Shareholders is acceptable and commercially justifiable.

In view of the potential dilution effect on existing Shareholders on the issuance of the new Shares under the Specific Mandate, for so long as any of the new Shares shall be eligibly issued but unissued, the Company will keep Shareholders informed of the level of dilution and details of issuance of any new Shares in form of announcement.

### DETAILS OF THE PREVIOUS FUND RAISING IN THE PAST 12 MONTHS

Save as disclosed below, the Company has not conducted any fund raising activities in the past 12 months before the date of this circular.

<b>Date of announcement</b>	<b>Event</b>	<b>Net proceeds</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceeds as at the Latest Practicable Date</b>
17 December 2008	Issue of Convertible Bond which can be converted to 180,000,000 fully-paid Shares	Approximately HK\$8 million	Intended to be fully utilized for the Group's business development and general working capital	Approximately HK\$6 million for identified investment projects; and HK\$2 million for working capital
13 January 2009	Placing of 150,150,000 Shares	Approximately HK\$6 million	Intended to be used for general working capital and/or possible investment in the future	Approximately HK\$6 million has been used for working capital
17 June 2009	Subscription of 6,940,363 Shares	Approximately HK\$ 2.15 million	Intended to be used for general working capital	Approximately HK\$2.15 million has been used for working capital

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## LETTER FROM THE BOARD

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### **PUBLIC FLOAT**

The Company confirmed that it shall monitor closely to ensure that the Company is maintaining the minimum public float percentage as prescribed under the Listing Rules from time to time. If and when the public float of the Company falls below 25% of the Company's issued share capital as a result of the issuance of the new Shares under the Specific Mandate, the Company will take appropriate measures and steps to ensure restoration of the minimum public float.

### **GENERAL**

The Group is principally engaged in investments in a diversified portfolio of listed and unlisted companies mainly in Hong Kong and the PRC.

Application will be made by the Company to the Stock Exchange for the granting of the listing of, and permission to deal in, all new Shares issued pursuant to the Specific Mandate. The new Shares to be issued pursuant to the Specific Mandates will rank, upon issue, *pari passu* in all respects with those Shares in issue at the time of issue of such new Shares.

The Company has been advised by its legal advisor that, where the marketing and offering of the new Shares issuable pursuant to the Specific Mandate will only be targeted at investors who are "professional investors" within the meaning of the Securities and Futures Ordinance, Cap 571 of Laws of Hong Kong (the "SFO") and the Securities and Futures (Professional Investor) Rules made thereunder, and not to the public in Hong Kong, such marketing and offering of the new Shares will be exempted from the offering restrictions and requirements under Section 103 of the SFO.

### **EGM**

A notice convening the EGM to be held at Suite 802, 8th Floor, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong on Friday, 2 October 2009 at 10:00 a.m. is set out on pages 14 to 15 of this circular. The EGM will be convened for the purpose of considering and, if thought fit, passing the ordinary resolutions to approve the Specific Mandate and the increase in the authorised share capital of the Company. To the best of the Directors' knowledge and information, no Shareholder is required to abstain from voting for the Specific Mandate and the increase in the authorised share capital of the Company at the EGM.

Whether or not you intend to attend and vote at the EGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at 26/F, Tasbury Centre, 28 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting should you so wish.

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## LETTER FROM THE BOARD

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### PROCEDURE FOR VOTING

Voting on the EGM in relation to the resolutions for the Specific Mandate and the increase in the authorised share capital of the Company will be taken by way of poll.

### RECOMMENDATIONS

The Board is of the opinion that the Specific Mandate and the increase in the authorised share capital of the Company are in the interests of the Company and the Shareholders as a whole, and recommends you to vote in favour of the resolution to be proposed at the EGM to approve the same.

By order of the Board  
**Chui Tak Keung, Duncan**  
*Chairman*

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## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

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德泰中華投資有限公司  
**SINO KATALYTICS INVESTMENT CORPORATION**  
*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 02324)

### NOTICE OF THE EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting of the shareholders of Sino Katalytics Investment Corporation (the “**Company**”) will be held at Suite 802, 8th Floor, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong at 10:00 a.m. on Friday, 2 October 2009, or any adjournment thereof, for the purpose of considering, and if thought fit, passing, with or without modifications, the following resolutions (unless otherwise indicated, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 16 September 2009 (the “**Circular**”) relating to, among other things, granting of the specific mandate to the board of directors of the Company (the “**Board**”) to issue new Shares and the increase in the authorised share capital of the Company):

#### AS ORDINARY RESOLUTIONS

1. “**THAT**, the Board is granted, during the Relevant Period (as defined below), an unconditional specific mandate to issue new Shares under the following terms and conditions be hereby approved, ratified and confirmed:
  - (1) conditional upon the obtaining of the approval from the Shareholders for resolution no.2, to issue not more than 1,742,177,822 new Shares, by way of non-public offering, to a number of professional or institutional investors as determined by the Board, to determine the exact number of new Shares to be issued and the subscription price of those new Shares (which should not be less than HK\$0.185 per Share) and the respective terms and conditions of such subscriptions, and appoint placing agent(s) as the Board may deem appropriate and determine the respective terms and condition for the respective placing arrangement(s); and
  - (2) to do or cause to be done all acts, matters or things and to sign and deliver or cause to be signed or delivered all agreements, deeds, documents, instruments, forms and certificates as it considers necessary, desirable or appropriate in order to effectuate, carry out and consummate, or relating to, the transactions contemplated under the Specific Mandate, and to otherwise perform or give effect to the transactions and obligations contemplated by and under the Specific Mandate and the compliance by the Company with the Company’s obligations and covenants agreed therein.



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## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

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and for the purpose of the Specific Mandate:

“**Relevant Period**” means the period from the passing of the ordinary resolutions granting the Specific Mandate and the increase in the authorised share capital of the Company at the EGM until the earlier of:

- (a) the expiration of the 6-month period following the passing of the ordinary resolution;  
or
  - (b) the date on which the Specific Mandate is revoked or varied by an ordinary resolution of the Shareholders in a shareholders’ general meeting.
2. “**THAT**, the increase in the authorised share capital of 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 unissued Shares be hereby approved, ratified and confirmed and that the Directors are authorized to do or cause to be done all acts, matters or things and to sign and deliver or cause to be signed or delivered all agreements, deeds, documents, instruments, forms and certificates as it considers necessary, desirable or appropriate in order to effectuate, carry out and consummate, or relating to, the transactions contemplated in relation to the increase in the authorized share capital of the Company, and to otherwise perform or give effect to the transactions and obligations contemplated by and relating to the increase in the authorized share capital of the Company and the compliance by the Company with the Company’s obligations and covenants agreed therein.

By order of the Board  
**Chui Tak Keung, Duncan**  
*Chairman*

Hong Kong, 16 September 2009

*Notes:*

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy or 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. To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited with the Company’s Hong Kong Branch Registrar, Tricor Tengis Ltd., at 26/F, Tasbury Centre, 28 Queen’s Road East, Hong Kong no later than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. Completion and return of the accompanying form of proxy will not preclude members of the Company from attending and voting in person at the meeting or any adjournment thereof should they so wish.