
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this document or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, company secretary, professional accountant or other professional adviser.

If you have sold all your shares in New Heritage Holdings Ltd., you should at once hand this document and the accompanying proxy form 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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**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
REFRESHMENT OF SCHEME MANDATE LIMIT
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of New Heritage Holdings Ltd. to be held at Falcon Room II, Luk Kwok Hotel, 72 Gloucester Road, Wanchai, Hong Kong on Wednesday, 9 June 2010 at 10:30 a.m. is set out on pages 13 to 15 of this document. Whether or not you propose to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the principal place of business of the Company at Room 2301, 23/F Fortis Tower, 77-79 Gloucester Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the meeting or at any adjourned meeting should you desire.

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Falcon Room II, Luk Kwok Hotel, 72 Gloucester Road, Wanchai, Hong Kong on Wednesday, 9 June 2010 at 10:30 a.m. (and any adjournment thereof), the notice of which is set out on pages 13 to 15 of this document
“Articles”	the articles of association of the Company
“Board”	the board of Directors
“Companies Law”	the Companies Law (2004 Revision) of the Cayman Islands and any amendments or other statutory modifications thereof
“Company”	New Heritage Holdings Ltd., a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“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”	the proposed general mandate to be granted to the Directors to exercise the powers of the Company to allot, issue and deal in, during the period as set out in the Issue Resolution, Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the Issue Resolution
“Issue Resolution”	the proposed ordinary resolution set out in the notice of the Annual General Meeting as resolution no.(1) in item 5 thereof
“Latest Practicable Date”	24 March 2010, being the latest practicable date prior to the printing of this document for ascertaining certain information referred to in this document
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors to exercise the powers of the Company to repurchase, during the period as set out in the Repurchase Resolution, Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the Repurchase Resolution
“Repurchase Proposal”	the proposal for granting the Repurchase Mandate
“Repurchase Resolution”	the proposed ordinary resolution set out in the notice of the Annual General Meeting as resolution no. (2) in item 5 thereof
“Scheme”	the share option scheme adopted by the Company on 14 November 2005

DEFINITIONS

“Scheme Mandate Limit”	the maximum number of Shares that may be issued upon the exercise of all options to be granted under the Scheme of the Company, which shall not in aggregate exceed 10% of the Shares in issue as at the date of approval of the Scheme
“Scheme Mandate Limit Refreshment Proposal”	the proposal to refresh the Scheme Mandate Limit under the Scheme
“Share Buy Back Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Shareholder(s)”	holder(s) of Share(s)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD

 新澤控股有限公司
New Heritage Holdings Ltd.

(Incorporated in the Cayman Islands with limited liability)

(HKSE Stock Code: 95)

Executive Directors:

Mr. TAOCHAIFU Choofuang

(also known as C.F. TAO) (Chairman)

Mr. TAO Richard (Vice Chairman)

Mr. TAO Paul

(also known as TAOCHAIFU Porn) (Managing Director)

Mr. KONG Mui Sum Lawrence

Mr. YIM Chun Leung

Registered Office:

Clifton House

75 Fort Street

P.O. Box 1350 GT

George Town

Grand Cayman

Cayman Islands

Non-Executive Director:

Mr. CHAN Bernard Charnwut

Head Office and Principal Place of Business:

Room 2301, 23/F

Fortis Tower

77-79 Gloucester Road

Wanchai, Hong Kong

Independent Non-Executive Directors:

Mr. WONG Gary Ka Wai

Mr. SUN Leland Li Hsun

Mr. CHAN Norman Enrique

12 April 2010

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
REFRESHMENT OF SCHEME MANDATE LIMIT
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this document is to seek your approval of the resolutions, *inter alia*, relating to the re-election of Directors, the Issue Mandate, the Repurchase Mandate and the Refreshment of Scheme Mandate Limit to be proposed at the Annual General Meeting to be held on Wednesday, 9 June 2010, notice of which is set out on pages 13 to 15 of this document.

RE-ELECTION OF DIRECTORS

In accordance with Article 108.(a) of the Articles, Mr. TAOCHAIFU Choofuang, Mr. TAO Paul and Mr. WONG Gary Ka Wai shall retire from office by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election at the Annual General Meeting.

Details of the above-mentioned Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix I to this circular.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant the Directors a general mandate to allot, issue and deal in Shares up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the Issue Resolution. In addition, an ordinary resolution will also be proposed to authorise an extension of the Issue Mandate by adding thereto the aggregate nominal amount of any Shares repurchased under the Repurchase Mandate.

The Issue Mandate will end on the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by the Articles, or any other applicable laws; or (iii) the date upon which such authority is revoked or varied by ordinary resolution of the Company in general meeting.

Subject to the passing of the Issue Resolution and assuming that no further Shares will be issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Issue Mandate to allot or issue a maximum of 233,887,937 Shares (representing 20% of the issued shares as at the date of the Annual General Meeting).

GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant a general mandate to the Directors to exercise the powers of the Company to repurchase Shares up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the Repurchase Resolution.

The Repurchase Mandate will end on the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by the Articles, or any other applicable laws; or (iii) the date upon which such authority is revoked or varied by ordinary resolution of the Company in general meeting.

Subject to the passing of the Repurchase Resolution and assuming that no further Shares will be issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 116,943,968 Shares (representing 10% of the issued shares as at the date of the Annual General Meeting).

An explanatory statement as required under the Share Buy Back Rules to provide all the information reasonably necessary to enable Shareholders to make an informed decision whether to vote for or against the resolution concerning the Repurchase Mandate is set out in the Appendix II hereto.

REFRESHMENT OF SCHEME MANDATE LIMIT UNDER THE SCHEME

The Scheme was approved and adopted by the Shareholders on 14 November 2005. The purpose of the Scheme is to provide participants with the opportunity to acquire proprietary interests in the Company and to encourage participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

The existing Scheme Mandate Limit under the Scheme is 116,280,968 Shares, being 10% of the Shares in issue as at 9 June 2009, the date of approval of existing Scheme Mandate Limit. Since 9 June 2009 and up to the Latest Practicable Date, the Company has not granted any share options carrying rights to subscribe for Shares. As a result, share options carrying rights to subscribe for 116,280,968 Shares may be granted under the Scheme. Since the date of adoption of the Scheme, 41,175,000 shares have been issued under the Scheme, options carrying rights to subscribe for 45,307,791* Shares have lapsed and share options carrying rights to subscribe for 84,234,968* Shares (representing approximately 7.20% of the issued shares as at the Latest Practicable Date) remain outstanding and yet to be exercised. Apart from the Scheme, the Company has no other share option scheme in issue as at the Latest Practicable Date.

Pursuant to paragraph 9.1 of the Scheme, the Company may seek approval from the Shareholders in general meeting to refresh the Scheme Mandate Limit provided that the total number of Shares which may be issued upon exercise of all share options to be granted under the Scheme of the Company must not exceed 10% of the Shares in issue as at the date of the approval to refresh the Scheme Mandate Limit. Share options previously granted under the Scheme (including those outstanding, cancelled, lapsed in accordance with the Scheme or exercised) shall not be counted for the purpose of calculating the limit as renewed.

The limit on the number of Shares which may be issued upon exercise of all share options granted and yet to be exercised under the Scheme of the Company must not exceed 30% of the Shares in issue from time to time.

On the basis of 1,169,439,685 Shares in issue as at the Latest Practicable Date and assuming that no Shares are issued or purchased by the Company prior to the Annual General Meeting, the Scheme Mandate Limit may be “refreshed” to enable grant of further share options to subscribe up to 116,943,968 Shares, representing 10% of the Shares in issue as at the date of the Annual General Meeting. Options not yet granted under the existing mandate will lapse upon the ordinary resolution relating to the refreshment of the Scheme Mandate Limit being passed and approved at the Annual General Meeting.

Since only up to 116,280,968 share options may be granted pursuant to the Scheme Mandate Limit as of the Latest Practicable Date, the Directors consider that the refreshment of the Scheme Mandate Limit will be in the mission interests of the Company as the Scheme’s purpose is to incentivise the participants to work towards achieving the goals of the Group.

The refreshment of the Scheme Mandate Limit is conditional upon:

- (1) the passing of an ordinary resolution by the Shareholders to approve the Scheme Mandate Limit Refreshment Proposal at the Annual General Meeting; and
- (2) the Stock Exchange granting the listing of, and the permission to deal in, such number of Shares representing 10% of the Shares in issue at the date of the Annual General Meeting, which may fall to be issued pursuant to the exercise of the share options granted under the “refreshed” Scheme Mandate Limit.

Application will be made to the Stock Exchange for the listing of and the permission to deal in the Shares to be issued pursuant to the exercise of share options granted under the “refreshed” Scheme Mandate Limit.

* Note : number of share options have been adjusted following the adjustment events arising from the changes in the Company’s capital structure in 2007

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

On pages 13 to 15 of this document, you will find a notice convening the Annual General Meeting at which resolutions will be proposed to approve, inter alia, the re-election of Directors, the Issue Mandate, the Repurchase Mandate and the Scheme Mandate Limit Refreshment Proposal.

All the resolutions proposed to be approved at the Annual General Meeting will be taken by way of poll and an announcement will be made by the Company after the Annual General Meeting on the results of the Annual General Meeting.

ACTION TO BE TAKEN

A proxy form for use at the Annual General Meeting is enclosed herewith. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the proxy form and return it to the principal place of business of the Company at Room 2301, 23/F Fortis Tower, 77-79 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of a proxy form will not preclude you from attending and voting at the Annual General Meeting if you so wish.

RECOMMENDATION

The Directors believe that the proposal for re-election of Directors, the Issue Mandate, the Repurchase Mandate and the Scheme Mandate Limit Refreshment Proposal are all in the best interests of the Company and its Shareholders in general. Accordingly, the Directors recommend that you should vote in favour of all the relevant resolutions to be proposed at the Annual General Meeting.

By Order of the Board
New Heritage Holdings Ltd.
TAOCHAIFU Choofuang
Chairman

APPENDIX I DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

The following are the details of Directors who are proposed to be re-elected at the Annual General Meeting in accordance with the Articles:

(1) Mr. TAOCHAIFU Choofuang

Mr. TAOCHAIFU Choofuang (also known as C.F. TAO), 87, is an Executive Director, Chairman of the Company and a founder of the Group. He is responsible for determining the overall business strategies of the Group. He graduated from Nanjing University 南京大學 with a Bachelor of Science degree in mechanical engineering. Mr. Taochaifu had played a significant role in property investment and property development activities in the PRC since 1978. One of the most important PRC projects that Mr. Taochaifu participated in was the development of Nanjing Jinling Hotel (南京金陵飯店) in Nanjing, one of the earliest 5-star hotels built in the PRC following the “opening up” of the PRC to the outside world in 1978. He was appointed as a director of New Heritage Investments Limited (“NH Investments”) in 1984. He was involved in establishing and supervising 北京亮馬河大廈有限公司 (Beijing Landmark Towers Co., Ltd.) (“BLTCL”), the joint venture with Beijing Tourism Administration to develop the Beijing Landmark Towers complex. Mr. Taochaifu is the deputy chairman and an executive director of BLTCL. He was appointed as a director of New Heritage Development Limited (“NH Development”) in 1991. From 1991 onwards, he was responsible for forming 蘇州錦華苑建設發展管理有限公司 (Suzhou Garden Villa Development and Management Co., Ltd.) (“SGVDM”) and supervising the overall development of Suzhou Garden Villa and Suzhou Garden Court. He is also the chairman of SGVDM. Mr. Taochaifu was accredited as an Honorary Citizen by the municipal government of Suzhou in 1995. He was also a former independent non-executive director of Jiangsu Expressway Company Limited, a company listed on the Main Board. Mr. Taochaifu is the Honorary President of Hong Kong Federation of Overseas Chinese Associations Limited. He was granted the “World Outstanding Chinese” award in 2008. He was also awarded an Honorary Doctor Degree from The University of West Alabama in 2008. Mr. Taochaifu was appointed as an executive director of the Company on 23 December 2004 and is the father of Mr. TAO Richard and Mr. TAO Paul.

As at the Latest Practicable Date, Mr. Taochaifu is interested in 561,562,914 Shares (representing approximately 48.02% of the issued share capital of the Company) (which include corporate interest of 542,682,278 Shares held by Belbroughton Limited, personal interest of 11,515,000 Shares and 7,365,636 share options) within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”). Details of his shareholdings are set out in the section headed “Takeovers Code” in Appendix II of this circular.

Mr. Taochaifu entered into a service agreement with the Company for a term of 25 months commencing from 1 December 2009 which is terminable by either party by giving to the other party not less than 3 months’ written notice or by payment in lieu of such notice. The monthly salary of Mr. Taochaifu pursuant to his service agreement is HK\$45,000 from 1 December 2009 to 31 December 2009 and HK\$90,000 from 1 January 2010 to 31 December 2011. Under the service agreement, Mr. Taochaifu is also entitled to receive 3 year-end double pay and a sum being gratuity payment which is equivalent to 25% of the remuneration entitled by him within the appointment period. In addition, subject to the approval by the remuneration committee of the Company, Mr. Taochaifu is also entitled to receive the discretionary bonus.

Pursuant to the Articles, Mr. Taochaifu will retire from office by rotation at the Annual General Meeting and he will be eligible for re-election.

Save as disclosed above, there is no other matter that needs to be brought to the attention of the Shareholder in respect of his re-election and there is no other information that required to be disclosed pursuant to Rules 13.51(2)(h) to (w) of the Listing Rules.

APPENDIX I DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

(2) **Mr. TAO Paul**

Mr. TAO Paul (also known as TAOCHAIFU Porn), 42, is the Managing Director of the Company. He graduated from the University of Cambridge, England with a Master of Arts degree. He also holds a Master of Science degree in Real Estate from the University of Greenwich, England and participated in the Program for Management Development at the Graduate School of Business Administration, Harvard University, USA. Mr. Tao has been actively involved in property development and investment in the PRC for over 15 years since joining the Group. Mr. Tao was initially responsible for the sales and marketing activities for the projects in Suzhou, and latterly in general management. He is a member of The 12th Committee of Suzhou City, Jiangsu Province Chinese People's Political Consultative Conference 中國人民政治協商會議江蘇省蘇州市第十二屆委員會委員. Mr. Tao is also a qualified solicitor in Hong Kong. He was appointed as a director of NH Development, SGVDM and NH Investments in 1997, 1999 and 2001 respectively. Mr. Tao was also appointed as a director of BLTCL in 2006. He was appointed as an executive director of the Company on 23 December 2004. He is a son of Mr. TAOCHAIFU Choofuang and the brother of Mr. TAO Richard.

As at the Latest Practicable Date, Mr. Tao is interested in 572,749,671 Shares (representing approximately 48.98% of the issued share capital of the Company) (which include corporate interest of 542,682,278 Shares held by Belbroughton Limited, personal interest of 22,701,757 Shares and 7,365,636 share options) within the meaning of Part XV of the SFO. Details of his shareholdings are set out in the section headed "Takeovers Code" in Appendix II of this circular.

Mr. Tao entered into a service agreement with the Company for a term of 25 months commencing from 1 December 2009 which is terminable by either party by giving to the other party not less than 3 months' written notice or by payment in lieu of such notice. The monthly salary of Mr. Tao pursuant to his service agreement is HK\$65,000 from 1 December 2009 to 31 December 2009 and HK\$130,000 from 1 January 2010 to 31 December 2011. Under the service agreement, Mr. Tao is also entitled to receive 3 year-end double pay and a sum being gratuity payment which is equivalent to 25% of the remuneration entitled by him within the appointment period. In addition, subject to the approval by the remuneration committee of the Company, Mr. Tao is also entitled to receive the discretionary bonus.

Pursuant to the Articles, Mr. Tao will retire from office by rotation at the Annual General Meeting and he will be eligible for re-election.

Save as disclosed above, there is no other matter that needs to be brought to the attention of the Shareholder in respect of his re-election and there is no other information that required to be disclosed pursuant to Rules 13.51(2)(h) to (w) of the Listing Rules.

(3) **Mr. WONG Gary Ka Wai**

Mr. WONG Gary Ka Wai, 48, is an Independent Non-Executive Director of the Company. Mr. Wong graduated from The University of British Columbia with a Master Degree of Business Administration in Finance and Management Information Systems, and a Degree of Bachelor of Applied Science in Electrical Engineering. He is a member of the Association of Certified General Accountants' Association of Canada. Mr. Wong has been working for a number of international financial institutions and has numerous experiences in the banking industry. Currently, he is a manager in Standard Chartered Bank (Hong Kong) Limited in Hong Kong. He has internal controls and financial reporting experience. Mr. Wong was appointed as an independent non-executive director of the Company on 14 November 2005.

Mr. Wong did not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Wong has no interest in Shares of the Company within the meaning of Part XV of the SFO.

**APPENDIX I DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED
AT THE ANNUAL GENERAL MEETING**

Mr. Wong entered into a letter of appointment with the Company for a term of 3 years commencing from 14 November 2008 which is terminable by either party by giving to the other party not less than one month's written notice. The annual salary of Mr. Wong is HK\$225,000.

Pursuant to the Articles, Mr. Wong will retire from office by rotation at the Annual General Meeting and he will be eligible for re-election.

Save as disclosed above, there is no other matter that needs to be brought to the attention of the Shareholder in respect of his re-election and there is no other information that required to be disclosed pursuant to Rules 13.51(2)(h) to (w) of the Listing Rules.

This appendix serves as an explanatory statement, as required by the Share Buy Back Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the share capital of the Company in issue as at the date of passing the Repurchase Resolution. For the purpose of this appendix, the term “shares” means shares and securities which carry rights to subscribe or purchase shares.

1. SHARE CAPITAL

As at the Latest Practicable Date, there were 1,169,439,685 Shares in issue.

Subject to the passing of the Repurchase Resolution and assuming that no further Shares will be issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 116,943,968 Shares (representing 10% of the issued Shares as at the date of the Annual General Meeting).

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Proposal is in the best interests of the Company and its Shareholders. Such repurchase may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net assets value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association, the Articles and the applicable laws and regulations of the Cayman Islands. Pursuant to the Repurchase Mandate, repurchases will be made out of funds of the Company legally permitted to be utilised in this connection, including profits of the Company or out of a fresh issue of Shares made for the purpose of the repurchase or, if authorised by the Articles and subject to the Companies Law, out of capital and, in the case of any premium payable on the repurchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles and subject to the Companies Law, out of capital of the Company. The Company may not repurchase securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

4. GENERAL

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2009 in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, under the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company. In the opinion of the Directors, exercising the Repurchase Mandate under suitable working capital conditions or gearing levels is from time to time appropriate for the Company.

5. SHARE PRICES

The highest and lowest prices per Share at which the Shares have been traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

Month	Per Share	
	Highest HK\$	Lowest HK\$
March 2009	0.189	0.150
April 2009	0.230	0.159
May 2009	0.325	0.199
June 2009	0.315	0.270
July 2009	0.390	0.270
August 2009	0.385	0.290
September 2009	0.330	0.265
October 2009	0.340	0.260
November 2009	0.315	0.260
December 2009	0.360	0.260
January 2010	0.305	0.255
February 2010	0.290	0.250

6. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the Articles.

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), have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if such is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Proposal is approved by the Shareholders.

7. TAKEOVERS CODE

If on the exercise of the power to repurchase 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 purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, so far as is known to the Directors, the following parties (the “Substantial Shareholders”) held the following Shares:

Name	Personal interest	Spouse interest	Corporate interest	Total	Approximate percentage of shareholding
Belbroughton Limited (<i>Note 1</i>)	N/A	N/A	542,682,278	542,682,278	46.41%
Seal United Investments Limited (<i>Note 1</i>)	N/A	N/A	542,682,278	542,682,278	46.41%
United Islands Group Limited (<i>Note 1</i>)	N/A	N/A	542,682,278	542,682,278	46.41%
Mr. TAOCHAIFU Choofuang (<i>Note 1</i>)	11,515,000	NIL	542,682,278	554,197,278	47.39%
Mrs. TAO POON Lai Yew Nancy (<i>Note 1</i>)	NIL	11,515,000	542,682,278	554,197,278	47.39%
Mr. TAO Richard (<i>Note 1</i>)	22,701,757	NIL	542,682,278	565,384,035	48.35%
Mr. TAO Paul (<i>Note 1</i>)	22,701,757	NIL	542,682,278	565,384,035	48.35%
Ms. TAO Miriam (<i>Note 1</i>)	NIL	NIL	542,682,278	542,682,278	46.41%
Tian Xiang Business Limited	N/A	N/A	150,000,000	150,000,000	12.83%

Notes:

- Belbroughton Limited (“Belbroughton”) is the legal and beneficial owner of 542,682,278 Shares. Belbroughton is owned as to 20% by Seal United Investments Limited (“Seal United”) and 80% by United Islands Group Limited (“United Islands”). Seal United is owned by Mr. TAOCHAIFU Choofuang (“Mr. C.F. TAO”) and his spouse, Mrs. TAO POON Lai Yew Nancy (“Mrs. Nancy TAO”) in equal proportions. United Islands is owned by Mr. C.F. TAO, Mrs. Nancy TAO, Mr. TAO Richard (the son of Mr. C.F. TAO), Mr. TAO Paul (the son of Mr. C.F. TAO) and Ms. TAO Miriam (the daughter of Mr. C.F. TAO) in equal proportions. Accordingly, Seal United, United Islands as well as Mr. C.F. TAO, Mrs. Nancy TAO, Mr. TAO Richard, Mr. TAO Paul and Ms. TAO Miriam are deemed to be interested in 542,682,278 Shares held by Belbroughton.
- Belbroughton, Mr. C.F. TAO, Mr. TAO Richard and Mr. TAO Paul together are interested in 599,600,792 shares, representing approximately 51.27% of the issued share capital of the Company.

On the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, and in the event that the Repurchase Mandate is exercised in full, the aggregate shareholdings of the family of Mr. C.F. TAO and his party acting in concert would be increased to approximately 71.22%, the number of Shares held by the public would not fall below 25%. As at the Latest Practicable Date and before the full exercise of repurchase mandate, the aggregate shareholdings of the family of Mr. C.F. TAO and his party acting in concert (the “Substantial Shareholders”) is 64.10%. Since the Substantial Shareholders are parties acting in concert, therefore, the Directors consider that such repurchase would not give rise to an obligation on the Substantial Shareholders to make a mandatory offer under the Takeovers Code.

8. SHARES REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

9. RESPONSIBILITY STATEMENT

This document includes particulars given in compliance with the Listing Rule 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 document 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.

NOTICE OF ANNUAL GENERAL MEETING

新澤控股有限公司 New Heritage Holdings Ltd.

(Incorporated in the Cayman Islands with limited liability)

(HKSE Stock Code: 95)

NOTICE IS HEREBY GIVEN that an Annual General Meeting of New Heritage Holdings Ltd. (the “Company”) will be held at Falcon Room II, Luk Kwok Hotel, 72 Gloucester Road, Wanchai, Hong Kong on Wednesday, 9 June 2010 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 auditors for the year ended 31 December 2009.
2. To consider and declare a final dividend for the year ended 31 December 2009.
3. To re-elect the retiring Directors and to authorise the board of Directors to fix the Directors’ remuneration.
4. To appoint auditors of the Company for the ensuing year and to authorise the board of Directors to fix their remuneration.

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

ORDINARY RESOLUTIONS

5. (1) **“THAT:**
 - (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue, dispose of and deal in additional shares of HK\$0.01 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, notes, warrants, debentures and securities convertible into shares of the Company) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, notes, warrants, debentures and securities convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
 - (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 paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any bonds, notes, debentures or securities; (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to directors and/or employees of the Company and/or any of its subsidiaries and associated companies of shares or rights of the Company; and (iv) an issue of shares as scrip dividend pursuant to the Articles 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 as at the date of passing this Resolution and the said approval shall be limited accordingly; and

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- (d) for the purposes of this Resolution,

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of the Company or the laws of Cayman or any other applicable law to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company;

“Rights Issue” means an offer of shares open for a period fixed by the Directors to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (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, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

- (2) **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.01 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), or on 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, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, or of any other recognised stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of the Company or the laws of Cayman or any other applicable law to be held; or
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”

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- (3) “**THAT** subject to the passing of Resolutions Nos. (1) and (2) set out in item 5 of the notice convening this meeting, the general mandate granted to the directors of the Company to allot, issue, dispose of and deal in additional shares pursuant to Resolution No. (1) set out in item 5 of the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Resolution No. (2) set out in item 5 of the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing Resolution No. (2) set out in item 5 of the notice convening this meeting.”
6. “**THAT** the scheme mandate limit in respect of the granting of share options to subscribe for shares of the Company under the share option scheme adopted by the Company on 14 November 2005 (the “Share Option Scheme”) be refreshed and renewed provided that the total number of shares which may be allotted and issued pursuant to the grant or exercise of the share options under the Share Option Scheme (excluding share options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme and other share option schemes of the Company) shall not exceed 10% of the shares of the Company in issue as at the date of passing of this resolution (the “Refreshed Limit”) and subject to The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the listing of and permission to deal in such number of shares to be issued pursuant to the exercise of the share options granted under the Refreshed Limit and compliance with the Rules Governing the Listing of Securities on the Stock Exchange, the directors of the Company be and are hereby authorised to grant share options under the Share Option Scheme up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal in the shares pursuant to the exercise of such share options.”

By Order of the Board
New Heritage Holdings Ltd.
TAOCHAIFU Choofuang
Chairman

Hong Kong, 12 April 2010

Principal place of business in Hong Kong:

Room 2301, 23/F Fortis Tower,
77-79 Gloucester Road,
Wanchai, Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the annual general meeting (or at any adjournment thereof) is entitled to appoint one or, if he holds two or more shares, more person(s) as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. The register of members will be closed from 7 June 2010 to 9 June 2010, both days inclusive, during which period no transfer of shares will be registered. In order 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 registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong, not later than 4:30 p.m. on 4 June 2010.
3. For details of the Directors to be re-elected, please refer to Appendix I of this circular.
4. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed or the certified copy thereof, must be deposited at the principal place of business of the Company at Room 2301, 23/F Fortis Tower, 77-79 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the annual general meeting (or any adjournment thereof).
5. Completion and return of the form of proxy will not preclude members from attending and voting at the annual general meeting (or at any adjournment thereof).