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方興地產

**FRANSHION PROPERTIES (CHINA) LIMITED**

方興地產（中國）有限公司

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 00817)**

## **NOTICE OF 2010 ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 2010 Annual General Meeting (**AGM**) of Franshion Properties (China) Limited (the **Company**) will be held at Victoria & Chater Room, 2nd Floor, Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong at 10 a.m. on Friday, 17 June 2011 for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolutions:

### **ORDINARY RESOLUTION**

1. To consider and approve the audited consolidated financial statements and the reports of the directors and the auditors for the year ended 31 December 2010.
2. To declare a final dividend for the year ended 31 December 2010.
3. To consider and approve the re-election of Mr. He Binwu as executive Director, Ms. Li Xuehua as non-executive Director, and Mr. Lau Hon Chuen, Ambrose, Professor Su Xijia and Professor Liu Hongyu as independent non-executive Director, and the appointment of Mr. Li Congrui as executive Director and Mr. Li Xin as non-executive Director.
4. To consider and approve the re-appointment of Ernst & Young as the auditors of the Company and to authorise the board of directors of the Company to fix their remuneration.
5. **“THAT:**
  - (a) subject to paragraph (b) below, 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 with nominal value of HK\$1 each in the share capital of the Company on The Stock Exchange of Hong Kong Limited (the **Stock Exchange**), subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time) or of any other stock exchange, be and is hereby generally and unconditionally approved and authorised;

- (b) the aggregate nominal amount of the shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution and the approval pursuant to paragraph (a) shall be limited accordingly; and
- (c) for the purpose 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 to be held by any applicable law or the articles of association of the Company; and
  - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in a general meeting.”

6. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and/or otherwise deal with additional ordinary shares of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above, shall be in addition to any other authorisations given to the directors of the Company and shall authorise the directors during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion 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, issued and/or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued and/or otherwise dealt with (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval granted in paragraph (a) above, other than pursuant to (i) a Rights Issue (as defined in paragraph (d) below), or (ii) the exercise of any options granted under the share option scheme or similar arrangement for the time being adopted or to be adopted for the grant or issue of options to subscribe for, or rights to acquire shares of the Company approved by the Stock Exchange, 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, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly; and

(d) for the purpose of this resolution:

**Relevant Period** shall have the same meaning as ascribed to it under the resolution set out in paragraph 5(c) of this Notice; and

**Rights Issue** means the allotment, issue or grant of shares open for a period fixed by the directors of the Company to holders of the shares or any class of shares thereof on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

7. **“THAT:**

conditional upon the passing of Resolution Nos. 5 and 6, the general mandate granted to the directors of the Company pursuant to Resolution No. 6 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the shares repurchased by the Company after approval of Resolution No. 5 provided that such aggregate amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution.”

By order of the Board  
**Franshion Properties (China) Limited**  
**LUO Dongjiang**  
*Chairman*

Hong Kong, 18 May 2011

*As at the date of this Notice, the directors of the Company are Mr. HE Cao (Vice Chairman), Mr. HE Binwu and Mr. JIANG Nan as Executive Directors; Mr. LUO Dongjiang (Chairman), Ms. LI Xuehua (Vice Chairman) and Mr. WANG Hongjun as Non-executive Directors; Mr. LAU Hon Chuen, Ambrose, Mr. SU Xijia, Mr. LIU Hongyu, Mr. NGAI Wai Fung and Mr. GAO Shibin as Independent Non-executive Directors.*

*Notes:*

- (1) The register of members of the Company will be closed from Monday, 13 June 2011 to Friday, 17 June 2011, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for entitlement to the proposed final dividend and be entitled to attend and vote at the AGM, all duly completed transfers of shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Friday, 10 June 2011. Subject to approval by shareholders of the Company at the AGM, the final dividend for the year ended 31 December 2010 is expected to be paid on or before Wednesday, 17 August 2011 to shareholders whose names appear on the register of members of the Company on Friday, 17 June 2011.
- (2) Any member entitled to attend and vote at the AGM or any adjournment thereof convened by the above notice is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his/her stead. A proxy need not be a member of the Company.
- (3) In case of joint holders of any share, any one of such joint holders may vote at the AGM or any adjournment thereof, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders are present at the meeting in person or by proxy, then one of the said persons to present whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
- (4) In order to be valid, the form of proxy completed in accordance with the instructions set out therein, together with the power of attorney or other authority (if any) under which it is signed (or a certified copy of that power or authority) must be deposited at the share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
- (5) Completion and return of the form of proxy will not preclude members from attending and voting in person at the AGM should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
- (6) With reference to the Ordinary Resolution No. 5 set out in this notice, the directors of the Company wish to state that there is no immediate plan to repurchase any shares of the Company.
- (7) The explanatory statement prepared in accordance with the requirements of the Rules Governing the Listing of Securities on the Stock Exchange is set out in Appendix I to the circular of the Company dated 18 May 2011, containing information that enable shareholders to consider whether to vote for or against the resolution in relation to the repurchase of shares by the Company.
- (8) With reference to the Ordinary Resolution No. 6 set out in this notice, the directors of the Company wish to state that they have no immediate plans to issue any new shares in the Company. The ordinary resolution is being sought from shareholders as a general mandate in compliance with section 57B of the Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange.