

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **Yueshou Environmental Holdings Limited**

**粵首環保控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1191)**

### **NOTICE OF SPECIAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the special general meeting (“**Meeting**”) of both (i) holders of ordinary shares of HK\$0.05 each in the share capital of Yueshou Environmental Holdings Limited (the “**Company**”) and (ii) holders of convertible preference shares of HK\$0.05 each in the share capital of the Company will be held at The Boardroom, B2/F, The Wharney Guang Dong Hotel Hong Kong, 57-73 Lockhart Road, Wanchai, Hong Kong on Monday, 13 February 2012 at 10:30 a.m. to consider and, if thought fit, passing the following resolutions:

#### **SPECIAL RESOLUTION**

1. “**THAT**, conditional upon (a) the Listing Committee of The Stock Exchange of Hong Kong Limited approving the listing of, and granting the permission to deal in, shares of HK\$0.01 each in the issued share capital of the Company upon the Capital Reduction (as defined below) becoming effective; and (b) publication of a notice in respect of the Capital Reduction in accordance with section 46 of the Companies Act 1981 of Bermuda, with effect from the next business day (not being a Saturday) following the date on which this resolution is passed (the “**Effective Date**”):-
  - i. the issued share capital of the Company (comprising both ordinary shares of HK\$0.05 each and convertible preference shares of HK\$0.05 each of the Company) be reduced by cancelling paid up capital to the extent of HK\$0.04 on each of the shares of HK\$0.05 in the capital of the Company in issue on the Effective Date such that the par value of each ordinary share and each convertible preference share of the Company in issue shall become HK\$0.01 (the “**Capital Reduction**”);

- ii. subject to and forthwith upon the Capital Reduction taking effect, the credit arising from the Capital Reduction be credited to the contributed surplus account of the Company where it may be applied by the directors of the Company (“**Directors**”) in accordance with the bye-laws of the Company and all applicable laws (the “**Application of Credit**”);
- iii. the Directors be and are hereby authorised generally to do all such acts, deeds and things as they shall, in their absolute discretion, deem appropriate to effect and implement the Capital Reduction and the Application of Credit.”

## **ORDINARY RESOLUTIONS**

2. “**THAT:**

- i. subject to and forthwith upon the Capital Reduction (as defined in Resolution no.1 above) taking effect, all of the authorised but unissued shares of HK\$0.05 each in the capital of the Company (including those authorised but unissued ordinary shares and convertible preference shares arising from the Capital Reduction) be sub-divided into five (5) shares of HK\$0.01 each in the capital of the Company (the “**Share Subdivision**”); and
- ii. the directors of the Company be and are hereby authorised generally to do all such acts, deeds and things as they shall, in their absolute discretion, deem appropriate to effect and implement the Share Subdivision.”

3. “**THAT:**

- i. the form and substance of the Subscription Agreement (as defined in the Company’s circular (“**Circular**”) dated 19 January 2012 of which this notice of special general meeting forms part) be and are hereby approved, and the signing thereof by Yu Hong for and on behalf of the Company be and is hereby approved, ratified and confirmed;

- ii. the directors (“**Directors**”) of the Company be and they are hereby generally and specifically authorised (“**Special Mandate**”) to allot and issue such number of new shares of HK\$0.01 each in the issued share capital of the Company (“**Subscription Shares**”) as may be required to be allotted and issued at the subscription price of HK\$0.036 per Subscription Share on and subject to the terms and conditions of the Subscription Agreement, and **THAT** the Special Mandate shall be in addition to, and shall not prejudice nor revoke the existing general mandate granted to the Directors by the shareholders of the Company at the annual general meeting of the Company held on 16 December 2011 or such other general or special mandate(s) which may from time to time be granted to the Directors prior to the passing of this Resolution;

and **THAT** the Directors be and are hereby authorised to issue the Subscription Shares, and to sign or execute such other documents or agreements or deeds on behalf of the Company and to do such other things and to take all such actions as they consider necessary or desirable for the purposes of giving effect to the Subscription Agreement.”

4. “**THAT** each of Messrs Alberto A. Encomienda and Shannon Tan Siang-tau (alias Shannon Chen Xiangdao) who would retire from their respective office of directors (“**Directors**”) of the Company at the conclusion of the special general meeting as convened by this notice be re-elected as a Director (each as a separate resolution) and that the board (“**Board**”) of Directors be authorised (which authority may be further delegated to its duly authorised committee) to fix their remuneration and also to fill vacancies on the Board.”

By order of the Board

**Yueshou Environmental Holdings Limited**

**Yu Hong**

*Chairman*

Hong Kong, 19 January 2012

*Principal office:*

Unit 2102, 21st Floor, World-Wide House

19 Des Voeux Road Central

Hong Kong

*Notes:*

1. A member entitled to attend and vote at the meeting convened by the above notice may appoint one or more proxies to attend the meeting and vote on a poll instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy and the power of authority (if any) under which it is signed or a certified copy of such power of authority must be deposited at the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting.
3. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto. If more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. Corporate King Limited and its associates (as such term is defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) will abstain from voting in relation to resolution no. 3.
6. As at the date of this notice, the board of directors of the Company comprises Messrs Yu Hong, Tan Cheow Teck, Li Bin, Alberto A. Encomienda and Shannon Tan Siang-tau (alias Shannon Chen Xiangdao) as executive directors and Mister Zhang Xi Chu as independent non-executive director.
7. For the avoidance of doubt, the following Shareholders are entitled to exercise their voting rights in respect of the resolutions below as contained in this notice:
  - (i) Resolutions no.1 and 2: both holders of Ordinary Shares and holders of Preference Shares;
  - (ii) Resolution no.3: Independent Shareholders; and
  - (iii) Resolution no.4: holders of Ordinary Shares only.