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

If you have sold all your shares in China.com Inc., you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

This circular, for which the directors (“**Directors**”) of China.com Inc. (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities (the “**GEM Listing Rules**”) on the Growth Enterprise Market (the “**GEM**”) of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors of the Company have made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this circular is accurate and complete in all material aspects and not misleading; (ii) there are no other matters the omission of which would make any statement herein misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8006)

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION AND NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the extraordinary general meeting of the Company to be held at 11th Floor, ING Tower, 308 Des Voeux Road Central, Hong Kong on 12 July 2012 at 11:00 a.m. is set out in Appendix II of this circular. Whether or not you are able to attend the extraordinary general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the registrar 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 as soon as possible, but in any event not less than 48 hours before the time appointed for the holding of the extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy will not prevent members of the Company from attending and voting in person at the extraordinary general meeting or any adjourned meeting thereof if they so wish.

This circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at www.inc.china.com.

20 June 2012

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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LETTER FROM THE CHAIRMAN

china.com

China.com Inc.

中華網科技公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8006)

Executive Directors:

Wong Kwong Chi (*Chief Executive Officer*)

Cheng Loi (*Company Secretary and Chief Financial Officer*)

Non-Executive Directors:

Ch'ien Kuo Fung, Raymond (*Chairman*)

Mao Hongcheng

Chen Mouhua

Independent Non-Executive Directors:

Wang Cheung Yue

Anson Wang

Li On-kwok, Victor

Registered Office:

P.O. Box 309GT, Ugland House

South Church Street, George Town

Grand Cayman, Cayman Islands

Principal Place of Business:

11 th Floor, ING Tower

308 Des Voeux Road Central

Hong Kong

20 June 2012

To Shareholders of the Company

Dear Sir or Madam,

**PROPOSED AMENDMENTS TO THE MEMORANDUM AND
ARTICLES OF ASSOCIATION
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the information regarding the proposed amendments to the memorandum and articles of association and the extraordinary general meeting (“EGM”) of the Company.

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

As announced on 15 June 2012, the board of directors of the Company proposed to amend the existing memorandum and articles of association of the Company in order to bring the constitution of the Company in line with the various amendments to the GEM Listing Rules.

LETTER FROM THE CHAIRMAN

Full details of the proposed amendments to the memorandum and articles of association of the Company are set out in Appendix I to this circular.

The Company's legal advisers have confirmed that the proposed amendments to the memorandum and articles of association of the Company are in compliance with the requirements of the GEM Listing Rules and the laws of the Cayman Islands, the place of incorporation of the Company. The Company also confirmed that there is nothing unusual about the proposed amendments to the memorandum and articles of association for a company listed in Hong Kong.

Pursuant to Article 181 of the existing articles of association, the proposed amendments to the memorandum and articles of association set out in Appendix I will be subject to the approval by the shareholders in the form of special resolution.

The memorandum and articles of association of the Company are written in English. There is no official Chinese version. Should there be any discrepancies, the English version shall prevail.

EXTRAORDINARY GENERAL MEETING

Notice of Extraordinary General Meeting

The notice convening the EGM is set out in Appendix II of this circular. The resolution relate to the proposed amendments to the memorandum and articles of association will be proposed as special resolution at the EGM for your consideration and approval. No Shareholders are required to abstain from voting in respect of the resolution relating to the proposed amendments to the memorandum and articles of association.

Form of Proxy

A form of proxy for the EGM is enclosed with this circular. Whether or not you intend to be present at the EGM, you are requested to complete the form of proxy and return it to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the meeting. The completion of a form of proxy will not preclude you from attending and voting at the meeting in person.

Closure of Register of Members

The register of members of the Company will be closed from Monday, 9 July 2012 to Wednesday, 11 July 2012, both days inclusive, during which period no share transfer will be registered. For the purpose of determining the entitlement to vote at the EGM, all transfer of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:00 p.m. on Friday, 6 July 2012.

LETTER FROM THE CHAIRMAN

VOTING BY POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, all resolutions proposed at the EGM shall be voted by poll. An announcement on the poll vote results will be made by the Company after the EGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

RESPONSIBILITY STATEMENT

This circular, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors of the Company have made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this circular is accurate and complete in all material aspects and not misleading; (ii) there are no other matters the omission of which would make any statement herein misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

RECOMMENDATION

The Directors are of the opinion that the proposals referred to in this circular are in the best interests of the Company and its shareholders and recommend all shareholders to vote in favor of the relevant resolution to be proposed at the EGM as they intend to do themselves in respect of their own shareholdings, if any.

On behalf of the Board
Dr. Ch'ien Kuo Fung, Raymond
Chairman

Detailed proposed amendments to the Memorandum and Articles of Association of the Company are set out below:

	Articles	Proposed Amendments
1.	Article 4 – Issue of shares	4. Subject to the provisions of these Articles and to any direction that may be given by the Company in general meeting and without prejudice to any special rights conferred on the holders of any existing shares or attaching to any class of shares, any share may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, and to such persons at such times and for such consideration as the Board may determine, <u>provided always that where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”</u> . Subject to the Law and to any special rights conferred on any shareholders or attaching to any class of shares, any share may, with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company or the holder thereof is, liable to be redeemed. No shares shall be issued to bearer for so long as a recognised clearing house (in its capacity as such) is a member of the Company.
2.	Article 6 – How class rights may be modified (Insertion of new Article 6(c) immediately after Article 6(b))	<u>Disclosure of Interests</u> 6(c) <u>The Company shall not exercise any right to freeze or otherwise damage the aforesaid rights of any direct or indirect equity holder on the ground that the said holder has not disclosed his equity to the Company.</u>
3.	Article 15(c) – Notice for closure of the register	15(c) The register may, on 14 days’ notice being given by advertisement published in the newspapers <u>or by any electronic means in such manner as may be accepted by the Exchange</u> , be closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). The Company shall, on demand, furnish any person seeking to inspect the register or part thereof which is closed by virtue of this Article with a certificate under the hand of the Secretary stating the period for which, and by whose authority, it is closed.

	Articles	Proposed Amendments	
4.	Article 44 – When transfer books and register may close	When transfer books and register may close App 11 Part B r.3(2)	44. The registration of transfers may, on 14 days' notice being given by advertisement published in the newspapers <u>or by any electronic means in such manner as may be accepted by the Exchange</u> , be suspended and the register closed at such times for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year).
5.	Article 73(a) – Notice of meetings	Notice of meetings App 11 Part B r.3(1)	73(a) An annual general meeting shall be called by <u>notice in writing of not less than 21 clear days and not less than 20 clear business days</u> and any extraordinary general meeting called for the passing of a special resolution shall be called by <u>notice in writing of not less than clear 21 days' notice in writing and not less than 10 clear business days</u> and any other extraordinary general meeting shall be called by <u>notice in writing of not less than 14 days' notice in writing and not less than 10 clear business days</u> . The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place, and agenda of the meeting, particulars of the resolutions to be considered at the meeting and in the case of special business (as defined in Article 75) the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Notice of every general meeting shall be given to the Auditors and to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.

	Articles	Proposed Amendments
6.	Article 80 – Right to demand a poll	Voting by poll except purely procedural or administrative matter Right to demand a poll and what is to be evidence of the passing of a resolution where poll not demanded App-11 Part B r.2(3) 80. At any general meeting a resolution put to the vote of the meeting shall be decided on a <u>poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter (which has the meaning ascribed to it in the Listing Rules) to be voted on by a show of hands, unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded. A poll may be demanded by:</u> (a) — the Chairman of the meeting; or (b) — at least five members present in person or by proxy and entitled to vote or who represent in the aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or (c) — any member or members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right. Unless a poll is so demanded and not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Company's book containing the minutes of proceedings of meetings of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

	Articles	Proposed Amendments
7.	Article 81 – Poll	Poll 81. (a) If a poll is demanded as foresaid, it shall (subject as provided in Article 82) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was demanded as the Chairman directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting at which the poll was demanded or the taking of the poll, whichever is earlier. <u>The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Listing Rules.</u> Business may proceed notwithstanding demand for poll (b) The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
8.	Article 82 – In what case poll taken without adjournment (Deletion of the whole Article 82)	In what case poll taken without adjournment 82. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.
9.	Article 83 – Chairman to have casting vote	Chairman to have casting vote 83. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote. <u>All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Articles or by the Law. In the case of an equality of votes, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.</u>

	Articles	Proposed Amendments	
10.	Article 85 – Votes of members	Votes of members	85. Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a show of hands every member who is present in person (or, in the case of a member being a corporation by its duly authorised representative) shall have one vote, and on a poll every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy shall have one vote for each share registered in his name in the register. On a poll a member entitled to more than one vote is under no obligation to cast all his votes in the same way. Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll.
11.	Article 88 – Votes of member of unsound mind	Votes of member of unsound mind	88. A member in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote, whether on a show of hands or on a poll, by any person authorised in such circumstances to do so, and such person may vote on a poll by proxy.

	Articles	Proposed Amendments	
12.	Article 96(b) – Recognised clearing house	App 11 Part B r.6	96(b) If a recognised clearing house (or its nominee) is a member of the Company it may, by resolution of its directors or other governing body or by power of attorney, authorise such person or persons as it thinks fit to act as its proxy(ies) or representative(s) at any general meeting of the Company or at any general meeting of any class of members of the Company provided that, if more than one person is so authorised, the proxy form or authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person so authorised pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee) which he represents as that recognised clearing house (or its nominee) could exercise if it were an individual member of the Company holding the number and class of shares specified in such proxy from or authorisation including the right to vote individually on a show of hands notwithstanding provisions contained in Article 85.
13.	Article 106(vii) – Remove a director	App 11 Part B r.5(1)	106(vii) if he shall be removed from office by a special an <u>ordinary</u> resolution of the members of the Company under Article 122(a).

	Articles	Proposed Amendments
14.	Article 107(f) – Definition of “Associates”	Definition of “Associates” 107(f) (i) “Associate” <u>has the meaning attributed to it in the Listing Rules, in relation to an individual) means:</u> (aa) — his spouse; (bb) — any child or step-child, natural or adopted, under the age of 18 years of such individual or of his spouse (together with (i)(aa) above, the “family interests”); (cc) — the trustees, acting in their capacity as such trustees, of any trust of which he or any of his family interests is a beneficiary or, in the case of a discretionary trust, is (to his knowledge) a discretionary object and any company (“trustee-controlled company”) in the equity capital of which the trustees, acting in their capacity as such trustees, are directly or indirectly interested so as to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary (together, the “trustee interests”); (dd) — a holding company of a trustee-controlled company or a subsidiary of any such holding company; and (ee) — any company in the equity capital of which he, his family interests, any of the trustees referred to in (i)(cc) above, acting in their capacity as such trustees, and/or any trustee interests taken together are directly or indirectly interested so as to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company; and

	Articles	Proposed Amendments
14.	Article 107(f) – Definition of “Associates” (continued)	(ii) —“Associate” in relation to a company means:— (aa) —any other company which is its subsidiary or holding company or is a fellow subsidiary of any such holding company or one in the equity capital of which it and/or such other company or companies taken together are directly or indirectly interested so as to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the Takeover Codes as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors; (bb) —the trustees, acting in their capacity as such trustees, of any trust of which the company is a beneficiary or, in the case of a discretionary trust, is (to the company’s knowledge) a discretionary object and any company (“trustee-controlled company”) in the equity capital of which the trustees, acting in their capacity as such trustees, are directly or indirectly interested so as to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary (together, the “trustee interests”); (cc) —a holding company of a trustee-controlled company or a subsidiary of any such holding company; and (dd) —any other company in the equity capital of which the company, such other companies referred to in (ii)(aa) above, any of the trustees referred to in (ii)(bb) above, acting in their capacity as such trustees, and/or any trustee interests taken together are directly or indirectly interested so as to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company.

	Articles	Proposed Amendments	
15.	Article 122(a) – Power to remove Director	Power to remove Director by special-ordinary resolution App 11 Part B r.5(1) App 3 r.4(3)	122(a) The Company may by special -ordinary resolution at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed.
16.	Article 167(a) – Service of notices	Service of notices App 3 r.7(1)	167(a) Any notice or document (including a share certificate) may be served by the Company and any notices may be served by the Board on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or (in the case of notice) by advertisement published in the newspapers <u>or by any electronic means in such manner as may be accepted by the Exchange</u> . In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.

The logo for China.com Inc. features the word "china" in a bold, black, sans-serif font, followed by ".com" in a bold, red, sans-serif font. A small red dot is positioned above the "i" in "china".**China.com Inc.****中華網科技公司***(Incorporated in the Cayman Islands with limited liability)**(Stock Code: 8006)*

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of the shareholders of China.com Inc. (the “Company”) will be held at 11th Floor, ING Tower, 308 Des Voeux Road Central, Hong Kong on Thursday, 12 July 2012 at 11:00 a.m. for the purpose of considering and if thought fit, passing, with or without modifications, the following resolution as special resolution:

SPECIAL RESOLUTION

“**THAT** the articles of association of the Company be and are hereby amended in the following respects:

(A) by deleting the content of Article 4 and substituting therefor the following:

4. Subject to the provisions of these Articles and to any direction that may be given by the Company in general meeting and without prejudice to any special rights conferred on the holders of any existing shares or attaching to any class of shares, any share may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, and to such persons at such times and for such consideration as the Board may determine, provided always that where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”. Subject to the Law and to any special rights conferred on any shareholders or attaching to any class of shares, any share may, with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company or the holder thereof is, liable to be redeemed. No shares shall be issued to bearer for so long as a recognised clearing house (in its capacity as such) is a member of the Company.

- (B) by appending the following new Article 6(c) with margin note immediately after Article 6(b):

**Disclosure of
Interests**

App 3 r.12

- 6(c) The Company shall not exercise any right to freeze or otherwise damage the aforesaid rights of any direct or indirect equity holder on the ground that the said holder has not disclosed his equity to the Company.

- (C) by deleting the content of Article 15(c) and substituting therefor the following:

- 15(c) The register may, on 14 days' notice being given by advertisement published in the newspapers or by any electronic means in such manner as may be accepted by the Exchange, be closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). The Company shall, on demand, furnish any person seeking to inspect the register or part thereof which is closed by virtue of this Article with a certificate under the hand of the Secretary stating the period for which, and by whose authority, it is closed.

- (D) by deleting the content of Article 44 and substituting therefor the following:

44. The registration of transfers may, on 14 days' notice being given by advertisement published in the newspapers or by any electronic means in such manner as may be accepted by the Exchange, be suspended and the register closed at such times for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year).

- (E) by deleting the content of Article 73(a) and substituting therefor the following:

- 73(a) An annual general meeting shall be called by notice in writing of not less than 21 clear days and not less than 20 clear business days and any extraordinary general meeting called for the passing of a special resolution shall be called by notice in writing of not less than 21 clear days and not less than 10 clear business days and any other extraordinary general meeting shall be called by notice in writing of not less than 14 days and not less than 10 clear business days. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place, and agenda of the meeting, particulars of the resolutions to be considered at the meeting and in the case of

special business (as defined in Article 75) the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Notice of every general meeting shall be given to the Auditors and to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.

(F) by deleting Article 80 with marginal note and substituting therefor the following:

Voting by poll except purely procedural or administrative matter	80.	At any general meeting a resolution put to the vote of the meeting shall be decided on a poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter (which has the meaning ascribed to it in the Listing Rules) to be voted on by a show of hands.
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(G) by deleting Article 81 with marginal note and substituting therefor the following:

Poll	81.	The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Listing Rules.
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(H) by deleting Article 82 with marginal note;

(I) by deleting the content of Article 83 and substituting therefor the following:

83.	All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Articles or by the Law. In the case of an equality of votes, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.
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(J) by deleting the content of Article 85 and substituting therefor the following:

85.	Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll.
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(K) by deleting the content of Article 88 and substituting therefor the following:

88. A member in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote by any person authorised in such circumstances to do so, and such person may vote on a poll by proxy.

(L) by deleting the content of Article 96(b) and substituting therefor the following:

96(b) If a recognised clearing house (or its nominee) is a member of the Company it may, by resolution of its directors or other governing body or by power of attorney, authorise such person or persons as it thinks fit to act as its proxy(ies) or representative(s) at any general meeting of the Company or at any general meeting of any class of members of the Company provided that, if more than one person is so authorised, the proxy form or authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person so authorised pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee) which he represents as that recognised clearing house (or its nominee) could exercise if it were an individual member of the Company holding the number and class of shares specified in such proxy from or authorization notwithstanding provisions contained in Article 85.

(M) by deleting the content of Article 106(vii) and substituting therefor the following:

106(vii) if he shall be removed from office by an ordinary resolution of the members of the Company under Article 122(a).

(N) by deleting the content of Article 107(f) and substituting therefor the following:

107(f) “Associate” has the meaning attributed to it in the Listing Rules.

(O) by deleting Article 122(a) with marginal note and substituting therefor the following:

Power to remove Director by ordinary resolution App 11 Part B r.5(1) App 3 r.4(3)	122(a) The Company may by ordinary resolution at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed.
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(P) by deleting the content of Article 167(a) and substituting therefor the following:

167(a) Any notice or document (including a share certificate) may be served by the Company and any notices may be served by the Board on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or (in the case of notice) by advertisement published in the newspapers or by any electronic means in such manner as may be accepted by the Exchange. In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders. ”

By Order of the Board
Wong Kwong Chi
*Executive Director and Chief
Executive Officer*

Hong Kong, 20 June 2012

Notes:

1. Any member entitled to attend and vote at the Company's general meeting is entitled to appoint a person (who must be an individual) as his proxy to attend and, on a poll, vote instead of him. A member may appoint any number of proxies to attend in his stead at any one general meeting (or at any one class meeting). A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting and in default thereof the form of proxy shall not be treated as valid.
3. The register of members of the Company will be closed from Monday, 9 July 2012 to Wednesday, 11 July 2012, both days inclusive, during which period no share transfer will be registered. For the purpose of determining the entitlement to vote at the EGM, all transfer of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:00 p.m. on Friday, 6 July 2012.
4. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

As at the date of hereof, the Board is composed of Mr. Wong Kwong Chi and Dr. Cheng Loi as executive Directors, Dr. Ch'ien Kuo Fung, Raymond, Mr. Mao Hongcheng and Mr. Chen Mouhua as non-executive Directors, and Mr. Wang Cheung Yue, Mr. Anson Wang and Professor Li On-kwok, Victor as independent non-executive Directors.

This circular will appear on the GEM website at www.hkgem.com for at least 7 days from the date of this posting and on the website of the Company at www.inc.china.com.