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China Gamma Group Limited

中國伽瑪集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 164)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “Meeting”) of China Gamma Group Limited (the “Company”) will be held at Unit 3411, 34/F., COSCO Tower, Grand Millennium Plaza, 183 Queen’s Road Central, Hong Kong on Monday, 22 August 2011 at 4:30 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and consider the audited financial statements and the reports of the directors of the Company and auditors for the year ended 31 March 2011.
2. To re-elect retiring directors and to authorize the board of directors to fix the directors’ remuneration.
3. To re-appoint auditors and to authorize the board of directors to fix their remuneration.

AS SPECIAL BUSINESS

4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) of this resolution, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (the “Shares”) and to make or grant offers, agreements, options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into Shares) which might require the exercise of such power be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall authorize the Directors during the Relevant Period to make or grant offers, agreements, options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into Shares) which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the general mandate in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Bye-Laws of the Company or (iii) any grant or exercise of any option granted under any scheme or similar arrangement for the time being adopted for the grant or issue of options to subscribe for, or rights to acquire Shares or (iv) the exercise of any rights of subscription or conversion under any existing warrants, bonds, debentures, notes and other securities issued by the Company which carry rights to subscribe for or are convertible into Shares, shall not exceed 20% 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
- (d) for the purposes of this resolution,
 - (i) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (aa) the conclusion of the next annual general meeting of the Company;
 - (bb) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws of the Company or any applicable laws to be held; or
 - (cc) 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; and

(ii) “Rights Issue” means an offer of Shares or issue of options, warrants, or other securities giving the right to subscribe for Shares, open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities entitled to the offer) on a fixed record date in proportion to their then holdings of such Shares (or, where appropriate, such other securities), (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 jurisdiction applicable to the Company, or any recognized regulatory body or any stock exchange applicable to the Company).”

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to sub-paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the Shares may be listed and recognized 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/or requirements of the Stock Exchange or other applicable rules and regulations as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the approval in sub-paragraph (a) of this resolution shall, in addition to any other authorization given to the Directors, authorize the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its own Shares at a price to be determined by the Directors;
- (c) the aggregate nominal amount of the Shares to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company during the Relevant Period 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 and fully paid-up as at the date of the passing of this resolution and the said approval shall be limited accordingly; and
- (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 Bye-Laws of the Company or any applicable law to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolutions numbered 4 and 5 above, the general mandate granted to the Directors and for the time being in force to exercise the power of the Company to allot, issue or otherwise deal with Shares pursuant to the said resolution numbered 4 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of Shares repurchased by the Company under the authority granted pursuant to the said resolution numbered 5, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the said resolution numbered 5.”

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) the rules of the new share option scheme of the Company (the “New Share Option Scheme”) (a copy of which has been submitted to the Meeting and signed by the Chairman of the Meeting for the purpose of identification and a summary of the terms and conditions of which has been set out in the circular dated 3 June 2011) be and are hereby approved and adopted as the new share option scheme of the Company subject to the conditions set out therein, and that the Directors be and are hereby authorized to do such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme, notwithstanding that they or any of them may be interested in the same including without limitation to:
 - (i) implement the New Share Option Scheme and to grant options to persons eligible under the New Share Option Scheme to subscribe for Shares;

- (ii) modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is/are effected in accordance with the terms and provisions of the New Share Option Scheme in relation to modifications and/or amendments and the requirement of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
 - (iii) allot and issue and deal with from time to time such number of Shares as may be required to be issued pursuant to the exercise of the options granted under the New Share Option Scheme provided that the total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and other share option scheme(s) (excluding the Existing Share Option Scheme, as defined below) shall not exceed 10% of the issued share capital of the Company as at the date of passing this resolution (the “Scheme Mandate Limit”), with the acknowledgment that the Company may seek an approval from the shareholders in general meeting to refresh the Scheme Mandate Limit from time to time but provided always that the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and other share option scheme(s) shall not in aggregate exceed 30% of the issued share capital of the Company from time to time; and
 - (iv) make application at the appropriate time or times to The Stock Exchange of Hong Kong Limited and any other stock exchanges, if appropriate, for the listing of, and permission to deal in, any Shares or any part thereof that may hereafter from time to time be issued and allotted pursuant to the exercise of options granted under the New Share Option Scheme; and
- (b) the existing share option scheme adopted by the Company on 24 April 2002 (the “Existing Share Option Scheme”) be terminated upon the New Share Option Scheme becoming unconditional such that thereafter no further options shall be offered under the Existing Share Option Scheme but in all other respects the provisions of the Existing Share Option Scheme shall remain in full force and effect and options granted thereunder prior to such termination shall continue to be valid and exercisable in accordance with their terms of issue.”

By order of the board
China Gamma Group Limited
Ho Chi Ho
Executive Director

Hong Kong, 3 June 2011

As at the date hereof, the executive director of the Company is Mr. Ho Chi Ho; the non-executive directors of the Company are Mr. Ma Kwok Hung, Warren and Mr. Chow Siu Ngor; and the independent non-executive directors of the Company are Mr. Wong Hoi Kuen, Mr. Chan Chi Yuen and Mr. Hung Hing Man.

Notes:

1. Any shareholder entitled to attend and vote at the meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more Shares may appoint more than one proxy to attend and vote on the same occasion.
2. Where there are joint registered holders of any Share(s), any one of such joint holders may attend and vote at the meeting, either in person or by proxy in respect of such Share(s) as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the meeting or any adjourned meeting thereof (as the case may be), the more senior shall alone be entitled to vote, whether in person or by proxy. 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.
3. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or 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 fixed for holding the meeting.
4. Completion and return of the form of proxy will not preclude members from attending and voting at the annual general meeting or any adjourned meeting thereof (as the case may be) should they so wish and in such event, the form of proxy shall be deemed to be revoked.