



# **RUYAN GROUP (HOLDINGS) LIMITED**

## **如烟集團(控股)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 329)**

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

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Ruyan Group (Holdings) Limited (the “Company”) will be held at Rooms 1010-12, 10th Floor, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on 27 May 2008, Tuesday at 3:00 p.m. (the “Meeting”) for the following purposes:

1. To receive and consider the audited financial statements of the Company and its subsidiaries and the reports of the directors and auditors of the Company for the year ended 31 December 2007.
2. To re-elect the retiring directors of the Company (individually, a “Director” and collectively, the “Directors”) and to authorize the board of Directors (the “Board”) to fix the remuneration of the Directors.
3. To re-appoint auditors of the Company and to authorize the Board to fix their remuneration.

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

### **ORDINARY RESOLUTIONS**

#### **4. “THAT**

- (i) subject to paragraph (iii) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company (the “Share”) and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

(iii) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise), by the Directors pursuant to the approval in paragraph (i) of this Resolution, otherwise than pursuant to (aa) a Rights Issue (as defined below); or (bb) the exercise of any option granted under any Share Option Scheme (as defined below); or (cc) any scrip dividend or other similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company (the “Articles of Association”); or (dd) an exercise of rights of subscription or conversion under terms of any warrants issued by the Company or any securities which are convertible into Shares, shall not exceed 20 per cent 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

(iv) for the purpose of this Resolution:

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

(A) the conclusion of the next annual general meeting of the Company;

(B) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or

(C) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company (the “Shareholders”) in general meeting.

(bb) “Rights Issue” means an offer of Shares or other equity securities of the Company open for a period fixed by the Directors to holders of Shares or any class thereof on the register of members on a fixed record date in proportion to their then holdings of such Shares or class thereof (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 the Hong Kong Special Administrative Region of the People’s Republic of China applicable to the Company).

(cc) “Share Option Scheme” means a share option scheme or similar arrangement of the Company adopted from time to time in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).”

5. **“THAT**

- (i) subject to paragraph (ii) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with all applicable laws of the Cayman Islands and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange and other regulations as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of the share capital of the Company to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (i) of this Resolution during the Relevant Period shall not exceed 10 per cent 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
- (iii) for the purpose of this Resolution, “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 Articles of Association or any applicable laws of the Cayman Islands to be held; or
  - (cc) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in a general meeting.”

6. **“THAT** conditional upon Resolution 4 and Resolution 5 as set out in the notice of the annual general meeting of the Company dated 2 May 2008 (the “AGM Notice”) being passed, the aggregate nominal amount of the share capital of the Company which are repurchased by Company under the authority granted pursuant to Resolution 5 as set out in the AGM Notice (up to a maximum of 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of Resolution 5 as set out in the AGM Notice) shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to Resolution 4 as set out in the AGM Notice.”

7. “**THAT** the existing scheme mandate limit in respect of the granting of options to subscribe for shares in the Company (“Shares”) under the share option scheme adopted by the Company on 30 May 2003 (the “Share Option Scheme”) and any other share option schemes of the Company be refreshed and renewed provided that the total number of Shares which may be allotted and issued upon exercise of the options to be granted under the Share Option Scheme and any other share option schemes of the Company (excluding options previously granted, outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option schemes of the Company) (where such options hereinafter collectively referred to as “Options”) shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing 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 the Shares to be issued pursuant to the exercise of the Options to be granted under the Refreshed Limit and in compliance with the Rules Governing the Listing of Securities on the Stock Exchange, the Directors be and are hereby authorised, at their absolute discretion, to grant Options and to allot and issue Shares pursuant to the exercise of any Options up to the Refreshed Limit.”
8. “**THAT** conditional upon Resolution 7 as set out in the notice of the annual general meeting of the Company dated 2 May 2008 (the “AGM Notice”) being passed and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the listing of and permission to deal in the shares of HK\$0.10 each in the capital of the Company (the “Shares”) to be issued pursuant to the exercise of the Options (as defined in the Resolution 7 of the AGM Notice) to be granted under the Refreshed Limit (as defined in the Resolution 7 of the AGM Notice), the grant of options to subscribe for 15,000,000, 15,000,000 and 15,000,000 Shares to Messrs. Wong Yin Sen, Hon Lik and Wong Hei Lin respectively (all of which are directors and substantial shareholders of the Company), subject to and in accordance with the terms of the share option scheme adopted by the Company on 30 May 2003, be and is hereby approved; and **THAT** any director of the Company be and is hereby authorised to do such things and acts as may be necessary or expedient to give full effect to such grant of options.”

By order of the Board  
**Ruyan Group (Holdings) Limited**  
**Wong Yin Sen**  
*Chairman*

Hong Kong, 2 May 2008

*As at the date of this notice, the executive directors of the Company are Mr. Wong Yin Sen, Mr. Hon Lik, Mr. Wong Hei Lin and Mr. Li Kim Hung, and the independent non-executive directors of the Company are Mr. Pang Hong, Mr. Cheung Kwan Hung, Anthony, and Mr. Ding Xun.*

*Notes:*

- (a) The Register of Members will be closed from 22 May 2008 to 27 May 2008 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the Meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on 21 May 2008.
- (b) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or, if holding two or more Shares, more than one proxy to attend and, in the event of a poll, vote on his behalf. A proxy need not be a member of the Company.
- (c) In order to be valid, the form of proxy completed in accordance with the instructions set out therein, together with the power of attorney, if any, or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the Company's branch share registrar office in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1806-07, 18th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding in person at the general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting should you so wish and, in such event, the form of proxy shall be deemed to be revoked.
- (d) In the case of joint holders of any Share, any one of such joint holders may vote at the annual general meeting of the Company, 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 be present at the 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 registered holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
- (e) An explanatory statement regarding the general mandate for the purchase of Shares sought in Resolution 5 (as set out in the AGM Notice) is set out in Appendix II to the circular of the Company dated 2 May 2008.
- (f) With respect to Resolution 2 of this AGM Notice, Messrs. Li Kim Hung, Hon Lik and Pang Hong shall retire from the office of directorship and shall offer themselves for re-election at the Meeting in accordance with the Articles of Association. Details of the said Directors are set out in Appendix I to the circular of the Company dated 2 May 2008.