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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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Shenyin Wanguo (H.K.) Limited, you should at once pass this circular together with the enclosed form of proxy to the purchaser, the transferee, the bank, the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

**SHENYIN WANGUO (H.K.) LIMITED****申銀萬國（香港）有限公司***(Incorporated in Hong Kong with limited liability)***(Stock code: 218)****NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS
REVISION OF ANNUAL CAPS**

**Independent Financial Adviser
to the Independent Board Committee
and
the Independent Shareholders**

**CIMB-GK Securities (HK) Limited**

A letter from the Independent Board Committee to the Independent Shareholders is set out on pages 15 to 16 of this circular.

A letter from CIMB-GK Securities (HK) Limited, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 17 to 30 of this circular.

A notice convening an extraordinary general meeting (“EGM”) of Shenyin Wanguo (H.K.) Limited (“Company”) to be held at the Dragon Room, The Hong Kong Bankers Club at 43rd Floor, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong, at 10:00 a.m. on 16 May 2008 is set out on pages 36 to 37 of this circular.

A form of proxy for use at the EGM is enclosed hereby and is also published on the website of the Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and the website of the Company (www.sywg.com.hk). Whether or not you are able to attend the EGM, you are advised to complete the accompanying proxy form in accordance with the instructions printed thereon and return it to the Company’s registered office at 28th Floor, Citibank Tower, Citibank Plaza, 3 Garden Road, Central, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting thereof. Completion of the proxy form will not preclude you from attending and voting at the meeting or any adjourned meeting if you so wish.

23 April 2008

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Associate(s)”	shall have the meaning ascribed thereto under the Listing Rules
“Board”	the board of the Directors
“Company”	Shenyin Wanguo (H.K.) Limited
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held at 10:00 a.m. on 16 May 2008 at the Dragon Room, The Hong Kong Bankers Club at 43rd Floor, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong for the purpose of approving, inter alia, the SWSC MOU, the Supplemental SWSC MOU, the SW Research MOU and the Supplemental SW Research MOU, and the transactions contemplated thereunder as well as the relevant annual caps for the two years ending 31 December 2009 and the five months ending 31 May 2010
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administration Region of PRC
“Independent Board Committee”	the independent board committee of the Company comprising the independent non executive Directors, namely, Mr. Ng Wing Hang Patrick, Mr. Kwok Lam Kwong Larry and Mr. Zhuo Fumin
“Independent Financial Adviser”	CIMB-GK Securities (HK) Limited, a licensed corporation permitted to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO, the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Non-exempt Continuing Connected Transactions
“Independent Shareholder(s)”	any shareholder of the Company that is not required to abstain from voting on the relevant matters at the EGM
“Latest Practicable Date”	18 April 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Non-exempt Continuing Connected Transactions”	collectively, the SWHK Brokerage Transactions, the SW Research Transactions, the SWSC Brokerage Transactions and the SWSC Supporting Services

DEFINITIONS

“PRC”	The People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macao Special Administration Region of PRC and Taiwan
“QDII”	the qualified domestic institutional investors
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	the shareholder(s) of the Company
“Supplemental SWSC MOU”	the supplemental memorandum of understanding entered into between the Company and SWSC on 3 April 2008 which forms part of the SWSC MOU
“Supplemental SW Research MOU”	the supplemental memorandum of understanding entered into between the Company and SW Research on 3 April 2008 which forms part of the SW Research MOU
“SWHK Brokerage Transactions”	provision of brokerage services by the Group to SWSC and its associates pursuant to the SWSC MOU and the Supplemental SWSC MOU
“SW Research”	Shanghai Shenyin Wanguo Research & Consulting Company Limited
“SW Research MOU”	the memorandum of understanding entered into between the Company and SW Research on 20 June 2007
“SW Research Transactions”	transactions arising from the cooperation between SW Research and the Group pursuant to the SW Research MOU and the Supplemental SW Research MOU
“SWSC”	Shenyin & Wanguo Securities Company Limited
“SWSC Brokerage Transactions”	provision of B-share brokerage services by SWSC to the Group pursuant to the SWSC MOU and the Supplemental SWSC MOU
“SWSC MOU”	the memorandum of understanding entered into between the Company and SWSC on 20 June 2007
“SWSC Supporting Services”	provision of certain supporting services by SWSC to the Group pursuant to the Supplemental SWSC MOU
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



SHENYIN WANGUO (H.K.) LIMITED

申銀萬國（香港）有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 218)

Executive Directors:

Feng Guorong (*Chairman*)
Lu Wenqing
Lee Man Chun Tony (*Chief Executive Officer*)
Guo Chun
Ying Niankang

Registered Office:

28th Floor
Citibank Tower
Citibank Plaza
3 Garden Road, Central
Hong Kong

Non-executive Directors:

Chang Pen Tsao
Huang Gang

Independent Non-executive Directors:

Ng Wing Hang Patrick
Kwok Lam Kwong Larry
Zhuo Fumin

23 April 2008

To the Shareholders

Dear Sirs or Madams,

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS REVISION OF ANNUAL CAPS

INTRODUCTION

Reference is made to the announcements of the Company dated 20 June 2007, 11 October 2007 and 3 April 2008.

On 20 June 2007, the Company entered into the SWSC MOU and the SW Research MOU with SWSC and SW Research respectively, outlining the cooperation between the Group and each of SWSC and SW Research for the provision of cross-border financial intermediary services in respect of the SWHK Brokerage Transactions, SWSC Brokerage Transactions and the SW Research Transactions. Pursuant to the SWSC MOU, SWSC Brokerage Transactions mainly consist of provision of B-share brokerage services by SWSC to the Group, and the SWHK Brokerage Transactions mainly consist of provision of brokerage services by the Group to a connected person beneficially owned by SWSC.

LETTER FROM THE BOARD

Pursuant to the SW Research MOU, SW Research Transactions mainly consist of provision of research supports and services by SW Research to the Group. Both the SWSC MOU and the SW Research MOU are effective for the period from 20 June 2007 to 31 May 2010 and the existing cap amounts for the relevant services under the SWSC MOU and the SW Research MOU during this period are as followings:

	Year ending 31 December			Five months ending 31 May
	2007	2008	2009	2010
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Existing cap amounts for services under the SWSC MOU comprising:	4,800,000	7,900,000	7,900,000	3,500,000
(i) Existing cap amounts for services received by the Group relating to the SWSC Brokerage Transactions:	4,500,000	7,300,000	7,300,000	3,200,000
(ii) Existing cap amounts for services provided by the Group relating to the SWHK Brokerage Transactions:	300,000	600,000	600,000	300,000
Existing cap amounts for the SW Research Transactions:	1,200,000	2,000,000	2,000,000	1,000,000
Existing annual cap amounts:	6,000,000	9,900,000	9,900,000	4,500,000

In view of the opportunities presented by the increasing business activities between the PRC stock market and the Hong Kong stock market, such as dual-listing of PRC companies, the QDII scheme and the anticipated introduction of securities trading through-train scheme, on 3 April 2008, the Company entered into the Supplemental SWSC MOU and the Supplemental SW Research MOU with SWSC and SW Research respectively to expand the services under the SWHK Brokerage Transactions and SW Research Transactions, as well as to introduce a new type of services provided by SWSC to the Group, namely the SWSC Supporting Services. Both the Supplemental SWSC MOU and the Supplemental SW Research MOU are effective from 3 April 2008 and expiring on 31 May 2010 which coincides with the expiry date of both the SWSC MOU and the SW Research MOU.

LETTER FROM THE BOARD

THE SUPPLEMENTAL SWSC MOU

Reasons for and benefits of entering into of the Supplemental SWSC MOU

Recently, the Group has pursued business opportunities brought about by the anticipated introduction of securities trading through-train scheme. The Group intends to act as a designated broker for the PRC citizens to invest in securities traded on the Hong Kong stock market. SWSC is a well established financial institution in the PRC. The Directors consider that it would be cost effective and less time consuming to engage SWSC in provision of certain supporting services to the Group's proposed securities trading through-train operations and, therefore, the Company and SWSC entered into the Supplemental SWSC MOU in respect of, among other things, provision of the SWSC Supporting Services. In addition, the Directors understand that SWSC and its associates are developing their anticipated overseas investment operations, particularly in connection with the QDII programs. In this regard, the Group will have the opportunity to provide brokerage services to SWSC and its associates in carrying out such operations. As such, the Company and SWSC agree, under the Supplemental SWSC MOU, to extend services relating to the SWHK Brokerage Transactions to SWSC and its associates when they launch their anticipated overseas investment operations in connection with the QDII programs.

Services under the Supplemental SWSC MOU

A. SWSC Supporting Services provided by SWSC to the Group

SWSC will provide network facilities, labour services and administration and marketing services in the PRC to the Group to support the Group's operations under the securities trading through-train scheme, if the approvals are granted. As the SWSC Supporting Services constitute a new category of continuing connected transactions of the Company, the Directors propose to set new cap amounts for such services for the years ending 31 December 2008 and 2009 and the five months ending 31 May 2010.

B. Services relating to the SWHK Brokerage Transactions provided by the Group to SWSC

Under the SWSC MOU, services relating to the SWHK Brokerage Transactions are provided to a connected person beneficially owned by SWSC. Pursuant to the Supplemental SWSC MOU, services relating to the SWHK Brokerage Transactions will be provided to, in addition to the above mentioned connected person, SWSC and its associates to support their anticipated overseas investment operations. As amount of services relating to the SWHK Brokerage Transactions will be expanded and will exceed the existing cap amounts, the Board proposes to revise the relevant cap amounts for the years ending 31 December 2008 and 2009 and the five months ending 31 May 2010.

LETTER FROM THE BOARD

New cap amounts for SWSC Supporting Services and rationale

With the Group seeking to become a designated broker under the anticipated securities trading through-train scheme, the Directors consider it cost effective and less time consuming to engage SWSC in the provision of certain supporting services as follows:

1. Provision of network facilities for setting up data centres in Shanghai. The rates for charge of provision of such services will be determined with reference to the prevailing market rate;
2. Provision of labour services to manpower approximate 50 client service centres in the PRC to handle account opening and client enquiries. The rate for charge of provision of such services is determined with reference to the personnel costs; and
3. Provision of administrative and marketing services, which include logistic support, office administrative work, market promotion, legal support and personnel training. The aggregate maximum fees charged for such services are HK\$150,000 per month. The fees are determined with reference to the estimated costs to be incurred in connection with provision of such services by SWSC.

The Directors expect that there will be an approximate 25% increase in fees payable by the Group in each year over the preceding year during the term of the Supplemental SWSC MOU. The increase is mainly attributable to the expected rise in demand for such services from the Group and the increase in costs due to inflation. In this regard, the Group expects the maximum amounts that will be paid by the Group to SWSC in respect of the SWSC Supporting Services for each of the two years ending 31 December 2008 and 2009 and the five months ending 31 May 2010 will not exceed HK\$5,800,000, HK\$12,300,000 and HK\$6,400,000, respectively. Hence, the aforesaid amounts for each of the two years ending 31 December 2008 and 2009 and the five month ending 31 May 2010 are set as the new annual cap amounts for the SWSC Supporting Services. The Directors consider that the bases of determination of the cap amounts are on normal commercial terms.

LETTER FROM THE BOARD

Proposed revised cap amounts for SWHK Brokerage Transactions and rationale

The existing cap amounts

The existing cap amounts for SWHK Brokerage Transactions under the SWSC MOU for each of the three years ending 31 December 2009 and the five months ending 31 May 2010 are as follows:

	Year ending 31 December			Five months ending
	2007	2008	2009	31 May
	HK\$	HK\$	HK\$	HK\$
Existing cap amounts for services provided by the Group relating to the SWHK Brokerage Transactions under the SWSC MOU:	300,000	600,000	600,000	300,000

Rationale for revising the cap amounts and the revised cap amounts

Under the SWSC MOU, services relating to the SWHK Brokerage Transactions are mainly provided by the Group to a connected person beneficially owned by SWSC. The brokerage fees charged by the Group are determined with reference to the prevailing market rates charged by the Group to its existing clients.

During the period from 20 June 2007 to 31 December 2007, being the effective period of the SWSC MOU in 2007, the aggregate brokerage fees received by the Group from SWSC under the SWSC MOU amounted to approximately HK\$158,000, representing approximately 53% of the relevant cap amount.

As mentioned above, the Directors understand that SWSC and its associates are developing their anticipated overseas investment operations, particularly in connection with the QDII programs and the Group would be one of the designated brokers for SWSC and its associates to provide brokerage services. As such, the amount of services relating to the SWHK Brokerage Transactions is expected to increase. Under the Supplemental SWSC MOU, in rendering the services relating to the SWHK Brokerage Transactions, the Group will charge SWSC and its associates brokerage fees which will be determined with reference to the prevailing market rates charged by the Group to its existing clients.

LETTER FROM THE BOARD

In view of the potential increase in demand for the brokerage services provided by the Group as mentioned above, the Board considers the existing cap amounts for the services provided by the Group in respect of the SWHK Brokerage Transactions may not be sufficient, and therefore proposes to revise the existing cap amounts for such services for the years ending 31 December 2008 and 2009 and the five months ending 31 May 2010 as follows:

	Year ending 31 December		Five months ending 31 May
	2008	2009	2010
	HK\$	HK\$	HK\$
Proposed revised cap amounts for services provided by the Group relating to the SWHK Brokerage Transactions:	5,600,000	10,600,000	5,300,000

THE SUPPLEMENTAL SW RESEARCH MOU

Reasons for and benefits of entering into of the Supplemental SW Research MOU

Under the SW Research MOU, SW Research provides the Group, on a regular basis, with various research materials, which include, amongst others, PRC listed company research reports, industry sector reports, investment strategy reports, daily market review notes, and macro economic analysis reports. In addition, SW Research is required to delegate relevant research analysts to attend analyst meetings as required by the Group.

Recently, in view of the increasing number of dual-listed PRC companies listed on both the Hong Kong and PRC markets, and the growing interest of the Group's foreign clients in investing in PRC related securities, the Directors foresee the demand for research materials covering these dual-listed PRC companies is expected to continue to grow. Headquartered in Shanghai, the PRC, SW Research is principally engaged in securities research business, primarily covering PRC listed companies. With such a significant and meaningful research capability in existence at SW Research, the Directors consider it natural that the Group would utilize these resources for better productivity, and thus engage SW Research to provide such products. The Directors are of the view that SW Research possesses sufficient expertise and knowledge to compile necessary research materials on these dual-listed PRC companies for the Group's foreign clients, as SW Research has been providing research reports on PRC-listed companies to its domestic institutional investors. In addition, from both logistical and commercial standpoints, the Directors view research coverage on these dual-listed PRC companies is better to be physically performed in the PRC, than in Hong Kong. In this regard, the Group and SW Research entered into the Supplemental SW Research MOU.

Services under the Supplemental SW Research MOU

Pursuant to the Supplemental SW Research MOU, SW Research will provide additional research materials covering dual-listed PRC companies by its newly set up research team. This designated research team will also participate in investor meetings organised by the Group.

LETTER FROM THE BOARD

Proposed revised caps for the SW Research Transactions and rationale

The existing cap amounts

The existing cap amounts for the service fee for the SW Research Transactions under the SW Research MOU for each of the three years ending 31 December 2009 and the five months ending 31 May 2010 is as following:

	Year ending 31 December			Five months ending
	2007	2008	2009	31 May
	HK\$	HK\$	HK\$	2010
Existing cap amounts for SW Research Transactions under the SW Research MOU:	1,200,000	2,000,000	2,000,000	1,000,000

Rationale for revising the cap amounts and the revised caps

For the year ended 31 December 2007, SW Research provided the Group with over 3,000 pieces of research reports/newsletters covering PRC listed companies, the mainland economy and the stock market in general. During the period from 20 June 2007 to 31 December 2007, being the effective period of the SW Research MOU in 2007, the actual amount of fee paid by the Group under the SW Research MOU amounted to approximately HK\$1,175,000 representing approximately 97.9% of the relevant cap. Such service fee was determined on mutually agreed terms with reference to the estimated operating costs for the provision of such research materials and services. The Directors consider, due to continues growth in qualified foreign institutional investors' interest in investing PRC listed companies, demand for research materials towards listed companies in the PRC A-share market will continue to rise. The Directors expect that there will be an approximate 25% annual increase in fees payable by the Group in each year over the preceding year during the term of the SW Research MOU. The increase is mainly attributable to the expected rise in demand for such services from the Group and the increase in costs due to inflation. Therefore, the Board proposes to revise the existing cap amounts for the years ending 31 December 2008 and 2009 and the five months ending 31 May 2010 to HK\$2,500,000, HK\$3,200,000 and HK\$1,600,000, respectively.

Pursuant to the Supplemental SW Research MOU, the Group will pay SW Research a service fee for obtaining additional research support services in particular relating to dual-listed PRC companies. Such service fee will be determined with reference to the estimated operating costs of setting up the designated research team as mutually agreed by the Group and SW Research. The Directors expect that there will be an approximate 25% increase in fees payable by the Group in each year over the preceding year during the term of the Supplemental SW Research MOU. The increase is mainly attributable to the expected rise in demand for such services from the Group and the increase in costs due to inflation. However, the Group expects the maximum amounts that will be paid by the Group to SW Research in respect of this additional service for the years ending 31 December 2008 and 2009 and the five months ending 31 May 2010 will not exceed HK\$1,200,000, HK\$3,000,000 and HK\$1,500,000, respectively.

LETTER FROM THE BOARD

In view of the above, the Directors consider that the amounts of the SW Research Transactions for the years ending 31 December 2008, 2009 and the five months ending 31 May 2010 may exceed the existing cap amounts, and therefore propose to revise the existing cap amounts as follows:

	Year ending 31 December		Five months ending 31 May
	2008	2009	2010
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Revised cap amounts under the SW Research MOU	2,500,000	3,200,000	1,600,000
Revised cap amounts under the Supplemental SW Research MOU	1,200,000	3,000,000	1,500,000
Proposed revised cap amounts for SW Research Transactions:	3,700,000	6,200,000	3,100,000

PROPOSED REVISED CAP AMOUNTS FOR THE SWSC BROKERAGE TRANSACTIONS AND RATIONALE

Background

Pursuant to the SWSC MOU, the SWSC Brokerage Transactions mainly consist of B-share brokerage services provided by SWSC to the Group. The brokerage fees charged by SWSC to the Group are determined with reference to the prevailing market rates charged by SWSC to its existing clients. The Directors are of the view that the brokerage fees charged by SWSC are in line with those charged by other securities houses in the PRC.

The existing cap amounts

The existing cap amounts in respect of services received by the Group for the SWSC Brokerage Transactions for each of the three years ending 31 December 2009 and the five months ending 31 May 2010 are as follows:

	Year ending 31 December			Five months ending 31 May
	2007	2008	2009	2010
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Existing cap amounts for services received by the Group relating to the SWSC Brokerage Transactions under the SWSC MOU:	4,500,000	7,300,000	7,300,000	3,200,000

LETTER FROM THE BOARD

Rationale for revising the cap amounts and the revised cap amounts

During the period from 20 June 2007 to 31 December 2007, being the effective period of the SWSC MOU in 2007, the actual amount of the SWSC Brokerage Transactions amounted to approximately HK\$4,160,000, representing approximately 92.4% of the relevant cap.

The B-share market has been quite volatile in the last few years. The total annual turnover of the Shanghai and Shenzhen B-share markets increased from approximately RMB56.3 billion in 2005 to approximately RMB578.3 billion, representing an increase of over 9 times. In addition, the Group is currently actively exploring overseas business opportunities, in particular, to attract Asian based institutional clients to invest in the Hong Kong and B-share stock markets. Given the exponential increase in trading volume of B-share market in the PRC in the past two years and the potential B-share brokerage business from new Asian based institutional clients, the Board considers that the existing cap amounts in respect of the SWSC Brokerage Transactions may not be sufficient, and therefore proposes to revise the existing cap amounts for such services for the years ending 31 December 2008 and 2009 and the five months ending 31 May 2010 as follows:

	Year ending 31 December		Five months ending
	2008	2009	31 May 2010
	HK\$	HK\$	HK\$
Proposed revised cap amounts for services received by the Group relating to the SWSC Brokerage Transactions:	10,200,000	14,300,000	8,300,000

INFORMATION ON THE GROUP, SWSC AND SW RESEARCH

The Group is principally engaged in the provision of securities broking services, securities financing services, corporate finance services, securities research services and asset management services. SWSC is principally engaged in securities trading, securities broking and dealing, and provision of investment banking and financial advisory services in the PRC. SW Research is principally engaged in securities research business covering the PRC and Hong Kong.

LISTING RULES IMPLICATIONS

As SWSC is deemed to be beneficially interested in approximately 50.9% of the issued share capital of the Company and a substantial shareholder of the Company and SW Research is a 90% owned subsidiary of SWSC, each of SWSC and SW Research is a connected person of the Company under the Listing Rules. As such, the SWSC Supporting Services, the SWHK Brokerage Transactions, the SW Research Transactions and the SWSC Brokerage Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

Notwithstanding that the applicable relevant percentage ratios as defined under Rule 14.07 of the Listing Rules (other than the profits ratio) in respect of SW Research Transactions are, on an annual basis, more than 0.1% but less than 2.5% for each of the two years ending 31 December 2009 and the five months ending 31 May 2010, taking into account SWSC and SW Research are parties associated with each other, the SWSC Supporting Services, the SWHK Brokerage Transactions, the SW Research Transactions and the SWSC Brokerage Transactions are aggregated. The Directors expect that, on an aggregate level, the maximum annual amount for such services to be more than HK\$10,000,000 for each of the two years ending 31 December 2009 and the five months ending 31 May 2010; and the applicable relevant percentage ratios as defined under Rule 14.07 of the Listing Rules (other than the profits ratio) are, on an annual basis, more than 2.5% but less than 25%. Therefore, the SWSC Supporting Services, the SWHK Brokerage Transactions, the SW Research Transactions and the SWSC Brokerage Transactions will be subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The terms of the SWSC MOU, the Supplemental SWSC MOU, the SW Research MOU and the Supplemental SW Research MOU were arrived at after arm's length negotiations between the Company and SWSC or SW Research (as the case may be). The Directors consider that the terms of the SWSC MOU, the Supplemental SWSC MOU, and the SW Research MOU and the Supplemental SW Research MOU are normal commercial terms and are fair and reasonable and are in the interest of the Company and Shareholders as a whole. The SWSC Supporting Services, the SWHK Brokerage Transactions, the SW Research Transactions and the SWSC Brokerage Transactions would be carried out in the ordinary and usual course of business of the Group. The Directors further consider that the proposed relevant annual cap amounts in respect of such services as reasonable.

The Company proposes to seek approval from the Independent Shareholders in respect of each of the SWSC Supporting Services, the SWHK Brokerage Transactions, the SW Research Transactions and the SWSC Brokerage Transactions and the relevant proposed annual cap amounts for the two years ending 31 December 2009 and the five months ending 31 May 2010 at the upcoming EGM by separate resolutions. SWSC and its respective Associates will abstain from voting at the EGM in respect of the SWSC Transactions and the relevant proposed revised annual caps. The proposed resolutions will be passed by way of ordinary resolutions and voting will be by way of poll in accordance with the requirements of the Listing Rules.

An independent board committee of the Company, comprising the independent non-executive Directors, namely Mr. Ng Wing Hang Patrick, Mr. Kwok Lam Kwong Larry and Mr. Zhuo Fumin, has been formed to advise the Independent Shareholders on the terms of the SWSC Supporting Services, the SWHK Brokerage Transactions, the SW Research Transactions and the SWSC Brokerage Transactions and the relevant proposed annual cap amounts in relation thereto for the two years ending 31 December 2009 and the five months ending 31 May 2010. An independent financial adviser has been appointed to advise the independent board committee and the Independent Shareholders as to whether the terms of the SWSC Supporting Services, the SWHK Brokerage Transactions, the SW Research Transactions and the SWSC Brokerage Transactions are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

EXTRAORDINARY GENERAL MEETING

A notice convening the EGM of Company to be held at the Dragon Room, The Hong Kong Bankers Club at 43rd Floor, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong, at 10:00 a.m. on 16 May 2008 is set out on pages 36 to 37 of this circular.

A form of proxy for use at the EGM is enclosed hereby and is also published on the website of the Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and the website of the Company (www.sywg.com.hk). Whether or not you are able to attend the EGM, you are advised to complete the accompanying proxy form in accordance with the instructions printed thereon and return it to the Company's registered office at 28th Floor, Citibank Tower, Citibank Plaza, 3 Garden Road, Central, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting thereof. Completion of the proxy form will not preclude you from attending and voting at the meeting or any adjourned meeting if you so wish.

PROCEDURES FOR DEMANDING A POLL BY SHAREHOLDERS

Pursuant to article 75 of the articles of association of the Company, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (a) by the Chairman of the meeting; or
- (b) by at least three members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by any member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) by a member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

LETTER FROM THE BOARD

RECOMMENDATIONS

The Directors (including the independent non-executive Directors) consider that the terms of the Non-exempt Continuing Connected Transactions and the proposed annual caps in relation thereto for the two years ending 31 December 2009 and five months ending 31 May 2010, are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) recommend you to vote in favour of the resolutions set out in the notice of the EGM contained in this circular.

FURTHER INFORMATION

Your attention is also drawn to the general information set out in the appendix to this circular.

Yours faithfully,
By order of the Board
Shenyin Wanguo (H.K.) Limited
Feng Guorong
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter from the Independent Board Committee to the Independent Shareholders for the inclusion in this circular.



SHENYIN WANGUO (H.K.) LIMITED

申銀萬國（香港）有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 218)

23 April 2008

To the Independent Shareholders of Shenyin Wanguo (H.K.) Limited

Dear Sirs or Madams,

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS REVISION OF ANNUAL CAPS

We refer to the circular dated 23 April 2008 of the Company (the “Circular”) of which this letter forms part. Terms defined in the Circular bear the same meanings herein unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to consider the terms of the SWSC MOU as supplemented by the Supplemental SWSC MOU, the SW Research MOU as supplemented by the Supplemental SW Research MOU (the “Relevant MOUs”), the terms of transactions contemplated thereunder as well as the relevant annual caps for the two years ending 31 December 2009 and the five months ending 31 May 2010 and to advise the Independent Shareholders whether, in our opinion, the terms of the Relevant MOUs, the terms of transactions contemplated thereunder as well as the relevant annual caps for the two years ending 31 December 2009 and the five months ending 31 May 2010 are fair and reasonable so far as the Independent Shareholders are concerned and are in the interest of the Company and the Shareholders as a whole. CIMB-GK Securities (HK) Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Relevant MOUs, the terms of transactions contemplated thereunder as well as the relevant annual caps for the two years ending 31 December 2009 and the five months ending 31 May 2010.

Your attention is drawn to the “Letter from the Board” set out on pages 3 to 14 of the Circular which contains, *inter alia*, information about the Relevant MOUs, the terms of transactions contemplated thereunder as well as the relevant annual caps for the two years ending 31 December 2009 and the five months ending 31 May 2010, and the “Letter from the Independent Financial Adviser” set out on pages 17 to 30 of the Circular which contains its advice in respect of the terms of the Relevant MOUs, the terms of transactions contemplated thereunder as well as the relevant annual caps for the two years ending 31 December 2009 and the five months ending 31 May 2010 as well as other additional information set out in other parts of the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered the advice given by, and the principal factors and reasons taken into consideration by the Independent Financial Adviser in arriving at its advice, we consider that the terms of the Relevant MOUs, the terms of transactions contemplated thereunder as well as the relevant annual caps for the two years ending 31 December 2009 and the five months ending 31 May 2010 are fair and reasonable so far as the Independent Shareholders are concerned and the Relevant MOUs, the terms of transactions contemplated thereunder as well as the relevant annual caps for the two years ending 31 December 2009 and the five months ending 31 May 2010 are in the interests of the Company and the Shareholders as a whole. We, therefore, recommend the Independent Shareholders to vote in favour of the relevant ordinary resolutions to be proposed at the EGM to approve the Relevant MOUs, the terms of transactions contemplated thereunder as well as the relevant annual caps for the two years ending 31 December 2009 and the five months ending 31 May 2010 as set out in the notice convening such meeting on pages 36 to 37 of the Circular.

Yours faithfully,

For and on behalf of

the Independent Board Committee

Ng Wing Hang Patrick

Kwok Lam Kwong Larry

Zhuo Fumin

Independent non-executive Director

Independent non-executive Director

Independent non-executive Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the letter of advice from the Independent Financial Adviser, CIMB-GK Securities (HK) Limited, to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.



CIMB

CIMB-GK Securities (HK) Limited

25/F Central Tower
28 Queen's Road Central
Hong Kong

23 April 2008

*To the Independent Board Committee and
the Independent Shareholders of Shenyin Wanguo (H.K.) Limited*

Dear Sirs,

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS REVISION OF ANNUAL CAPS

INTRODUCTION

We refer to our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the terms of the SWSC MOU as supplemented by the Supplemental SWSC MOU and the SW Research MOU as supplemented by the Supplemental SW Research MOU, the terms of the transactions contemplated thereunder, and the respective proposed cap amounts relating to the SWHK Brokerage Transactions, the SW Research Transactions and the SWSC Brokerage Transactions for the two years ending 31 December 2009 and the five months ending 31 May 2010 and the proposed cap amounts relating to the SWSC Supporting Services for the six months ending 31 December 2008, the year ending 31 December 2009 and the five months ending 31 May 2010, details of which are set out in a circular of the Company (the "Circular") to the Shareholders dated 23 April 2008, of which this letter forms part. Expressions used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

As set out in the announcements of the Company dated 20 June 2007 and 11 October 2007, on 20 June 2007, the Company entered into the SWSC MOU and the SW Research MOU with SWSC and SW Research respectively in respect of the SWHK Brokerage Transactions, the SWSC Brokerage Transactions and the SW Research Transactions.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As set out in the Letter from the Board, on 3 April 2008, the Company entered into the Supplemental SWSC MOU and the Supplemental SW Research MOU with SWSC and SW Research respectively to expand the services under the SWHK Brokerage Transactions and the SW Research Transactions, as well as to introduce a new type of services provided by SWSC to the Group, namely the SWSC Supporting Services.

Under the Supplemental SWSC MOU, the relevant cap amounts of the SWHK Brokerage Transactions for the two years ending 31 December 2009 and the five months ending 31 May 2010 will be revised to HK\$5,600,000, HK\$10,600,000 and HK\$5,300,000 respectively; and the relevant cap amounts of the SWSC Brokerage Transactions for the two years ending 31 December 2009 and the five months ending 31 May 2010 will be revised to HK\$10,200,000, HK\$14,300,000 and HK\$8,300,000 respectively. Besides, the Directors propose to set the cap amounts for the SWSC Supporting Services for the six months ending 31 December 2008, the year ending 31 December 2009 and the five months ending 31 May 2010 at HK\$5,800,000, HK\$12,300,000 and HK\$6,400,000 respectively.

Under the Supplemental SW Research MOU, the Directors propose to revise the relevant cap amounts for the two years ending 31 December 2009 and the five months ending 31 May 2010 to HK\$3,700,000, HK\$ 6,200,000 and HK\$3,100,000 respectively.

As set out in the Letter from the Board, as at the Latest Practicable Date, as SWSC is deemed to be beneficially interested in approximately 50.9% of the issued share capital of the Company and thus a substantial shareholder of the Company and SW Research is a 90% owned subsidiary of SWSC, each of SWSC and SW Research is a connected person of the Company under the Listing Rules. As such, the SWHK Brokerage Transactions, the SW Research Transactions, the SWSC Brokerage Transactions and the SWSC Supporting Services constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the Directors expect that, on an aggregate level, the maximum annual amount for the Non-exempt Continuing Connected Transactions to be more than HK\$10,000,000 for each of the two years ending 31 December 2009 and the five months ending 31 May 2010; and the applicable relevant percentage ratios as defined under Rule 14.07 of the Listing Rules (other than the profits ratio) are, on an annual basis, more than 2.5% but less than 25%, the entering into of the Supplemental SWSC MOU and the Supplemental SW Research MOU and the relevant proposed cap amounts will be subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

SWSC and its associates will abstain from voting at the EGM in respect of the entering into of the Supplemental SWSC MOU and the Supplemental SW Research MOU and the relevant proposed cap amounts. The proposed resolutions will be passed by way of ordinary resolutions and voting will be by way of poll in accordance with the requirements of the Listing Rules.

An independent board committee of the Company, comprising the independent non-executive Directors, namely Mr. Ng Wing Hang Patrick, Mr. Kwok Lam Kwong Larry and Mr. Zhuo Fumin, has been formed to advise the Independent Shareholders on the terms of the SWSC MOU as supplemented by the Supplemental SWSC MOU and the SW Research MOU as supplemented by the Supplemental SW Research MOU, the terms of the transactions contemplated thereunder and the relevant proposed cap amounts in relation thereto.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

BASIS AND ASSUMPTIONS OF THE OPINION

In formulating our recommendation, we have relied on the information and facts contained or referred to in the Circular, the information provided by the Company and our review of the relevant public information. The Directors have declared in a responsibility statement set out in the appendix to the Circular that they collectively and individually accept full responsibility for the accuracy of the information contained in the Circular. We have also assumed that the information and representations contained or referred to in the Circular were true and accurate at the time they were made and continue to be so up to the date of the EGM. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Company. We have also been advised by the Company and believe that no material facts have been omitted from the Circular.

We consider that we have reviewed sufficient information to reach an informed view, to justify reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our recommendation. We have not, however, conducted an independent verification of the information nor have we conducted any form of in-depth investigation into the businesses and affairs or the prospects of the Company or SWSC or any of their respective subsidiaries or associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the terms of the SWSC MOU as supplemented by the Supplemental SWSC MOU and the SW Research MOU as supplemented by the Supplemental SW Research MOU, the terms of the transactions contemplated thereunder and the relevant proposed cap amounts in relation thereto, we have considered the following principal factors and reasons:

(I) REASONS FOR AND BENEFITS OF ENTERING INTO OF THE SUPPLEMENTAL SWSC MOU AND THE SUPPLEMENTAL SW RESEARCH MOU

(A) Supplemental SWSC MOU

The Group is principally engaged in the provision of securities broking services, securities financing services, corporate finance services, securities research services and asset management services.

As set out in the Letter from the Board, SWSC is principally engaged in securities trading, securities broking and dealing, and provision of investment banking and financial advisory services in the PRC.

As set out in the Letter from the Board, on 20 June 2007, the Company entered into the SWSC MOU with SWSC, effective for the period from 20 June 2007 to 31 May 2010, in respect of (i) the SWHK Brokerage Transactions which mainly consist of provision of brokerage services by the Group to a connected person beneficially owned by SWSC (the “Connected Client”); and (ii) the SWSC Brokerage Transactions which mainly consist of provision of B-share brokerage services by SWSC to the Group.

On 3 April 2008, the Company and SWSC entered into the Supplemental SWSC MOU, which is effective from 3 April 2008 and will expire on 31 May 2010 coinciding with the expiry date of the SWSC MOU.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As set out in the Letter from the Board, services under the Supplemental SWSC MOU include:

1. *SWSC Supporting Services to be provided by SWSC to the Group*

Under the Supplemental SWSC MOU, SWSC will provide the Group with network facilities, labour services, administration and marketing services in the PRC to support the Group's operations under the securities trading through-train scheme, if the Group is granted the approval to act as a designated broker for PRC citizens to invest in the Hong Kong stock market.

2. *Services relating to the SWHK Brokerage Transactions to be provided by the Group to SWSC and its associates*

Under the Supplemental SWSC MOU, services relating to the SWHK Brokerage Transactions will be provided to, in addition to the Connected Client, SWSC and its associates to support their anticipated overseas investment operations.

In addition, as set out in the Letter from the Board, the Company and SWSC entered into the Supplemental SWSC MOU in consideration of the followings:

- (i) The Directors consider it cost effective and less time consuming for the Group to engage SWSC, a well established financial institution in the PRC, to provide certain supporting services to enable it to capture the business opportunities brought about by the expected introduction of the securities trading through-train scheme, including but not limited to acting as a designated broker for PRC citizens to invest in the Hong Kong stock market; and
- (ii) The Directors consider it a good opportunity for the Group to provide relevant brokerage services to SWSC and its associates in carrying out their anticipated overseas investment operations, as the Directors understand that SWSC and its associates are developing such operations, particularly in connection with the QDII programs.

Given the principal business of the Group as described above and the nature of the SWSC Supporting Services, the SWHK Brokerage Transactions and the SWSC Brokerage Transactions contemplated under the Supplemental SWSC MOU, we consider that entering into of the Supplemental SWSC MOU falls in the ordinary and usual course of business of the Group and is in the interests of the Group and the Shareholders as a whole.

Moreover, given the rich experience and the strong background possessed by SWSC in the PRC stock market and the relationship between the Group and SWSC, we concur with the view of the Directors that it is cost effective and less time consuming to engage SWSC to provide the SWSC Supporting Services.

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(B) Supplemental SW Research MOU

As set out in the Letter from the Board, SW Research is principally engaged in securities research business covering the PRC and Hong Kong.

As set out in the Letter from the Board, on 20 June 2007, the Company entered into the SW Research MOU with SW Research, effective for the period from 20 June 2007 to 31 May 2010, in respect of the SW Research Transactions, under which SW Research provides the Group, on a regular basis, with various research materials, including, amongst others, PRC listed company research reports, industry sector reports, investment strategy reports, daily market review notes and macro economic analysis reports. In addition, SW Research is required to delegate relevant research analysts to attend analyst meetings as required by the Group.

On 3 April 2008, the Company entered into the Supplemental SW Research MOU with SW Research, which is effective from 3 April 2008 and will expire on 31 May 2010 coinciding with the expiry date of the SW Research MOU. Pursuant to the Supplemental SW Research MOU, a newly set up research team of SW Research will provide the Group with additional research products covering dual-listed PRC companies and will participate in investor meetings organised by the Group.

We note from our discussion with the management of the Company that given the increasing number of dual-listed PRC companies listed on both the Hong Kong and PRC markets and the growing interest of overseas and Hong Kong investors in investing in PRC related securities recently, the Directors anticipate a growing demand for research materials covering dual-listed PRC companies. We are advised by the Company that SW Research has been providing research reports on PRC-listed companies to its domestic institutional investors and possesses strong research capability including the knowledge on the local stock market and the dual-listed companies as well as the substantial expertise and knowledge to compile research materials on these dual-listed PRC companies. In this regard, we concur with the view of the Directors that it is logical and commercially justifiable for the Group to engage SW Research to provide such research products for the Group's overseas and Hong Kong clients.

Taking into account the principal business of the Group and the nature of the SW Research Transactions contemplated under the Supplemental SW Research MOU, we consider that the entering into of the Supplemental SW Research MOU falls in the ordinary and usual course of business of the Group and is in the interests of the Group and the Shareholders as a whole.

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(II) TERMS OF THE SWSC MOU AS SUPPLEMENTED BY THE SUPPLEMENTAL SWSC MOU AND THE SW RESEARCH MOU AS SUPPLEMENTED BY THE SUPPLEMENTAL SW RESEARCH MOU

(A) SWSC MOU as supplemented by the Supplemental SWSC MOU

SWSC Supporting Services

Pursuant to the Supplemental SWSC MOU, SWSC will be engaged to provide the following supporting services upon the Group being granted an approval to act as a designated broker under the anticipated securities trading through-train scheme:

1. Provision of network facilities for setting up data centres in Shanghai, the PRC. The relevant rates charged by SWSC will be determined with reference to the prevailing market rate;
2. Provision of labour services to manpower approximately 50 client service centres in the PRC to handle account opening and client enquiries. The relevant rates charged by SWSC will be determined with reference to the local personnel costs; and
3. Provision of administrative and marketing services, including logistics support, office administrative work, market promotion, legal support and personnel training. The relevant fees charged by SWSC will be determined with reference to the estimated costs to be incurred for the provision of such services by SWSC, subject to an aggregate maximum monthly fee of HK\$150,000.

SWHK Brokerage Transactions

As set out in the Letter from the Board, the existing services relating to the SWHK Brokerage Transactions are mainly provided by the Group to the Connected Client, while under the Supplemental SWSC MOU, the relevant services will be expanded to cover services to SWSC and its associates.

As set out in the Letter from the Board, the brokerage rates charged by the Group to the Connected Client are determined with reference to the prevailing market rates charged by the Group to its existing clients, and under the Supplemental SWSC MOU, the brokerage rates charged by the Group to SWSC and its associates will also be determined with reference to the prevailing market rates charged by the Group to its existing clients. The Company confirms that the brokerage rates to be charged by the Group to SWSC and its associates will be determined after arm's length negotiation between the relevant parties on normal commercial terms.

We have reviewed the information provided by the Company, including (i) a list of brokerage rates charged by the Company to its clients, including independent third party customers and the Connected Client, for the provision of the relevant brokerage services; and (ii) the transaction records of certain clients of the Group selected on a random basis. Based on our review, we concur with the view of the Directors that the brokerage rates charged by the Group to the Connected Client are determined with reference to the prevailing market rates charged by the Group to its existing clients and are on normal commercial terms.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

SWSC Brokerage Transactions

As set out in the Letter from the Board, the existing services relating to the SWSC Brokerage Transactions mainly consist of B-share brokerage services provided by SWSC to the Group, and the relevant brokerage rates charged by SWSC to the Group are determined with reference to the prevailing market rates charged by SWSC to its existing clients. We note from the Supplemental SWSC MOU that the brokerage rates charged by SWSC to the Group relating to the SWSC Brokerage Transactions are determined with reference to the brokerage rates charged by SWSC to its existing clients.

We have compared the brokerage rate charged by SWSC to the Group with that charged to an independent third party customer. Based on our review, we note that the brokerage rate charged by SWSC to the Group relating to the SWSC Brokerage Transactions is on normal commercial terms.

Besides, as set out in the Letter from the Board, the Directors consider that the brokerage rates charged by SWSC are in line with those charged by other securities houses in the PRC.

(B) SW Research MOU as supplemented by the Supplemental SW Research MOU

SW Research Transactions

As set out in the Letter from the Board, service fee relating to the SW Research Transactions under the SW Research MOU is determined on mutually agreed terms with reference to the estimated operating costs for the provision of such research materials and services by SW Research.

Pursuant to the Supplemental SW Research MOU, the Group will pay SW Research a service fee for obtaining additional research support services in particular relating to dual-listed PRC companies, which will be determined with reference to the estimated operating costs of setting up the designated research team as mutually agreed by the Group and SW Research.

We are advised by the Company that as the research services provided by SW Research under the SW Research MOU and the additional research support services in particular relating to dual-listed PRC companies to be provided under the Supplemental SW Research MOU will be of a comprehensive range and there is no comparable research services package available for comparison purpose, it is reasonable to set the respective service fees under the SW Research MOU and the Supplemental SW Research MOU with reference to the estimated operating costs incurred for the provision of such research products under the SW Research MOU and that to be incurred during the course of setting up and maintaining the designated research team as mutually agreed by the Group and SW Research under the Supplemental SW Research MOU.

Our view

Having considered the above, we consider that the respective terms, including the pricing policies of the SWSC MOU as supplemented by the Supplemental SWSC MOU and the SW Research MOU as supplemented by the Supplemental SW Research MOU are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Group and the Shareholders as a whole.

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(III) THE PROPOSED CAP AMOUNTS RELATING TO THE NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

As set out in the Letter from the Board, the existing cap amounts for the relevant transactions under the SWSC MOU and the SW Research MOU for the three years ending 31 December 2009 and the five months ending 31 May 2010 are as follows:

	Year ending 31 December			Five months ending
	2007	2008	2009	31 May 2010
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Existing cap amounts for services under the SWSC MOU comprising:	4,800,000	7,900,000	7,900,000	3,500,000
(i) Existing cap amounts for services received by the Group relating to the SWSC Brokerage Transactions:	4,500,000	7,300,000	7,300,000	3,200,000
(ii) Existing cap amounts for services provided by the Group relating to the SWHK Brokerage Transactions:	300,000	600,000	600,000	300,000
Existing cap amounts for the SW Research Transactions:	1,200,000	2,000,000	2,000,000	1,000,000
Existing annual cap amounts:	6,000,000	9,900,000	9,900,000	4,500,000

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We also note from the Letter from the Board that the Company expects the cap amounts for the Non-exempt Continuing Connected Transactions will be as follows:

	Year ending 31 December		Five months ending
	2008	2009	31 May
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Proposed cap amounts relating to the SWSC Supporting Services, the SWHK Brokerage Transactions and the SWSC Brokerage Transactions :	21,600,000	37,200,000	20,000,000
(i) Proposed cap amounts for services received by the Group relating to the SWSC Supporting Services:	5,800,000*	12,300,000	6,400,000
(ii) Proposed revised cap amounts for services provided by the Group relating to the SWHK Brokerage Transactions:	5,600,000	10,600,000	5,300,000
(iii) Proposed revised cap amounts for services received by the Group relating to the SWSC Brokerage Transactions:	10,200,000	14,300,000	8,300,000
Proposed cap amounts relating to the SW Research Transactions:	3,700,000	6,200,000	3,100,000
(i) Proposed revised cap amounts under the SW Research MOU	2,500,000	3,200,000	1,600,000
(ii) Proposed cap amounts under the Supplemental SW Research MOU	1,200,000*	3,000,000	1,500,000
Proposed cap amounts:	25,300,000	43,400,000	23,100,000

* for six months ending 31 December 2008

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Our analysis

In assessing the fairness of each of the proposed cap amounts as set out above, we have taken into consideration the following factors:

SWSC Supporting Services

As the SWSC Supporting Services constitute a new category of continuing connected transaction of the Company, the Directors propose to set new cap amounts for such supporting services under the Supplemental SWSC MOU as set out above.

In assessing the reasonableness of the proposed cap amounts relating to the SWSC Supporting Services under the Supplemental SWSC MOU, we have discussed with the management of the Company the bases and the underlying assumptions for the purpose of setting the proposed cap amounts.

As advised by the Company, the service rates/ fees relating to the above-mentioned three categories of supporting services will account for the proposed cap amounts for the SWSC Supporting Services, and the respective proposed cap amount for each of the three categories of supporting services is determined with reference to the Group's internal estimates regarding the operation conditions under the anticipated securities trading through-train scheme.

We have discussed with the management of the Company regarding the relevant internal estimates, and understand that, when setting the internal estimates, the Company has made reference to the prevailing market rates, the personnel costs and the estimated costs to be incurred by SWSC. To assess the reasonableness of such internal estimates, we have reviewed the information provided by the Company regarding the actual operating cost incurred by the Group for the provision of network facilities, discussed with the management of the Company the bases of the estimate of the administrative and marketing services cost, and reviewed the information sourced from public domains regarding the average salary levels in Shanghai, the PRC to verify the Company's estimate regarding the personnel costs.

Besides, we understand from the Company that the estimated year-on-year ("yoy") growth rate of approximately 25% relating to the service fees payable by the Group relating to the SWSC Supporting Services under the Supplemental SWSC MOU is mainly attributable to (i) the expected increase in demand for the SWSC Supporting Services from the Group as a result of the expected business growth brought about by the stock market development; and (ii) the increase in costs due to inflation.

Having considered the above, we concur with the view of the Directors that the bases of determination of the relevant cap amounts relating to the SWSC Supporting Services are fair and reasonable so far as the Independent Shareholders are concerned.

SWHK Brokerage Transactions

As set out in the Letter from the Board, during the period from 20 June 2007 to 31 December 2007, being the effective period of the SWSC MOU in 2007, the aggregate brokerage fees received by the Group from SWSC under the SWSC MOU amounted to approximately HK\$158,000, representing approximately 53% of the relevant cap amount.

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As further noted from the Letter from the Board, the Directors understand that SWSC and its associates are developing their anticipated overseas investment operations, particularly in connection with the QDII programs, and the Group would be one of the designated brokers for SWSC and its associates to provide brokerage services.

Having considered the aforesaid, we concur with the view of the Directors that it is reasonable to expect that the relevant service fees charged by the Group relating to the SWHK Brokerage Transactions will increase as the service scope relating to the SWHK Brokerage Transactions will be expanded and thus the existing cap amounts relating to the SWHK Brokerage Transactions under the SWSC MOU may not be sufficient. Therefore it is reasonable and beneficial to the Company for it to revise the existing annual cap amounts relating to the SWHK Brokerage Transactions.

In assessing the reasonableness of the proposed revised cap amounts relating to the SWHK Brokerage Transactions, we have discussed with the management of the Company the bases and the underlying assumptions for the purpose of setting the proposed revised cap amounts, particularly the bases for setting the proposed revised cap amounts for the provision of brokerage services by the Group to SWSC and its associates as a result of the anticipated overseas investment operations of SWSC.

We understand from the management of the Company that the existing cap amounts relating to the SWHK Brokerage Transactions under the SWSC MOU were determined based on the then business environment and the Hong Kong stock market conditions, and the proposed revised cap amounts relating to the SWHK Brokerage Transactions under the Supplemental SWSC MOU are determined with reference to the Company's internal estimates of the development trends of both Hong Kong and PRC stock markets in the near future, as well as the business opportunities brought about by the anticipated overseas investment operations of SWSC to be approved by the relevant PRC authorities.

In addition, in respect of the proposed cap amounts relating to the brokerage services to be provided by the Group to SWSC and its associates, we have reviewed the relevant calculation and the assumptions adopted by the Company regarding the anticipated brokerage rate to be charged by the Group to SWSC and its associates and the anticipated annual transaction volume.

Having considered the aforesaid factors, we consider the bases of determination of the revised cap amounts relating to the SWHK Brokerage Transactions are fair and reasonable so far as the Independent Shareholders are concerned.

SWSC Brokerage Transactions

As set out in the Letter from the Board, the SWSC Brokerage Transactions mainly consist of B-share brokerage services provided by SWSC to the Group.

We have reviewed public information regarding B-share market in the PRC. We noted that the total annual turnover of the Shanghai and Shenzhen B-share markets amounted to approximately RMB56.5 billion in 2005, approximately RMB125.2 billion in 2006, and approximately RMB578.5 billion in 2007, representing a yoy growth rate of approximately 1.2 times and approximately 3.6 times respectively. The turnover of the Shanghai and Shenzhen B-share markets amounted to approximately RMB47.7 billion for the three months ended 31 March 2008, representing a decrease of approximately 42.3% as compared to

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that of the same period in 2007, the decrease of which was in line with the performance of the global stock markets, including but not limited to A-share market and the Hong Kong stock market, as a result of the United States sub-prime disturbances. We also note from the news articles in public domains that there is a possibility for the relevant domestic authorities to issue favourable policies regarding the reform of B-share market in order to promote the development of B-share market. Having considered the above, together with the growing interest of overseas and Hong Kong investors in the PRC related securities, we are of the view that, despite the weak performance of B-share market in early 2008, the B-share market has the potential to develop further.

We note from the Company's 2007 interim report that the Group focuses its securities broking business on the stocks and futures market in Hong Kong as well as the B-share market in mainland China. In the first half of 2007, the Group achieved a satisfactory progress in developing the market of institutional customers and retail clients with its thorough understanding of the PRC market. As stated in the Group's 2007 results announcement dated 14 March 2008, in 2007, the Group stepped up expanding its business scale and the coverage of its institutional customers has continued to expand to the regional markets such as Japan and Korea.

As set out in the Letter from the Board, during the period from 20 June 2007 to 31 December 2007, being the effective period of the SWSC MOU in 2007, the actual amount of the SWSC Brokerage Transactions amounted to approximately HK\$4,160,000, representing approximately 92.4% of the relevant cap amount.

Taking into account the aforesaid factors, we concur with the view of the Directors that the existing cap amounts relating to the SWSC Brokerage Transactions under the SWSC MOU may not be sufficient and it is beneficial to the Company for it to revise the cap amounts relating to the SWSC Brokerage Transactions.

In assessing the reasonableness of the proposed revised cap amounts relating to the SWSC Brokerage Transactions, we have discussed with the management of the Company the bases and the underlying assumptions for the purpose of setting the proposed revised cap amounts.

We understand from the Company that the existing cap amounts for services received by the Group relating to the SWSC Brokerage Transactions under the SWSC MOU were determined with reference to the then and the expected business environment and the B-share stock market conditions.

As advised by the Company, when determining the revised cap amounts relating to the SWSC Brokerage Transactions under the Supplemental SWSC MOU, the Board has taken into account (i) the historical amount of such transactions during the effective period of 2007 under the SWSC MOU; and (ii) the internal estimates of the demand for the SWSC Brokerage Transactions by the Group based on the Board's analysis on the potential development of the PRC B-share market and the business opportunities brought about by such market development.

We have discussed with the management of the Company in respect of the above-mentioned internal estimates and we note that the relevant internal estimates relating to the SWSC Brokerage Transactions were prepared by the Directors with reference to the historical transacted amounts, the potential development of the B-share market as expected by the Directors and the anticipated B-share brokerage business from new Asian based institutional clients.

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Having considered the above, including our independent review and analysis relating to B-share market in the PRC and the discussion with the Company, we are of the view that the bases of determination of the revised cap amounts relating to the SWSC Brokerage Transactions are fair and reasonable so far as the Independent Shareholders are concerned.

SW Research Transactions

We note from the Letter from the Board that, for the year ended 31 December 2007, SW Research provided the Group with over 3,000 research reports/newsletters covering PRC listed companies, the mainland economy and the stock market in general. During the period from 20 June 2007 to 31 December 2007, being the effective period of the SW Research MOU in 2007, the actual amount of fee paid by the Group under the SW Research MOU amounted to approximately HK\$1,175,000, representing approximately 97.9% of the relevant cap.

Having considered the above and the Directors' anticipated growing demand for research services covering dual-listed PRC companies as explained under the paragraph headed "Reasons for and benefits of entering into of the Supplemental SWSC MOU and the Supplemental SW Research MOU" above, we concur with the view of the Directors that the existing cap amounts relating to the SW Research Transactions under the SW Research MOU may not be sufficient and it is beneficial to the Company to revise the cap amounts relating to the SW Research Transactions.

In assessing the reasonableness of the proposed cap amounts relating to the SW Research Transactions, we have discussed with the management of the Company the bases and the underlying assumptions for the purpose of setting the proposed cap amounts.

Given the growing interest of qualified foreign institutional investors in investing in PRC listed companies, the Directors consider the demand for research products covering PRC A-share listed companies will continue to rise and therefore expect a yoy growth rate of approximately 25% for the revised cap amounts relating to the SW Research Transactions under the SW Research MOU and the Supplemental SW Research MOU respectively. We understand from the Company that the increase of approximately 25% is mainly attributable to the internally-estimated increase in demand for such research services from the Group and the increase in costs due to inflation.

In addition, as set out in the Letter from the Board, the Group expects the maximum amounts payable by the Group to SW Research in respect of the additional research service under the Supplemental SW Research MOU for the six months ending 31 December 2008, the year ending 31 December 2009 and the five months ending 31 May 2010 will not exceed HK\$1,200,000, HK\$3,000,000 and HK\$1,500,000, respectively.

We have reviewed the information provided by the Group in respect of the average research analyst salary of the Group and the information sourced from public domains regarding the average salary level of research analysts in the PRC. Based on our review, we concur with the view of the Directors that the cost to establish and maintain a designated research team by the Group itself to provide such additional research services should exceed the proposed cap amounts relating to the SW Research Transactions under the Supplemental SW Research MOU as set out above.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Having considered the above factors, we consider that the bases adopted by the Group to determine the proposed cap amounts relating to the SW Research Transactions are fair and reasonable so far as the Independent Shareholders are concerned.

Our view

Having considered the above, we are of the view that the respective terms of the SWSC MOU as supplemented by the Supplemental SWSC MOU and the SW Research MOU as supplemented by the Supplemental SW Research MOU, and the terms of the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned and the bases adopted by the Directors in determining the proposed cap amounts in relation thereto are fair and reasonable so far as the Independent Shareholders are concerned.

However, Shareholders should note that the proposed cap amounts relating to the Non-exempt Continuing Connected Transactions relate to future events and they do not represent a forecast of turnover or expenditure to be generated or incurred under the Non-exempt Continuing Connected Transactions. Consequently, we express no opinion as to how closely the actual amounts to be generated or incurred under the above Non-exempt Continuing Connected Transactions correspond with the proposed cap amounts.

RECOMMENDATION

Having considered the principal factors and reasons referred to the above, we consider that (i) the entering into of the Supplemental SWSC MOU and the Supplemental SW Research MOU is in the ordinary course of business of the Group and in the interests of the Group and the Shareholders as a whole; (ii) the terms of the SWSC MOU as supplemented by the Supplemental SWSC MOU and the SW Research MOU as supplemented by the Supplemental SW Research MOU, and the terms of the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (iii) the bases for determining the relevant proposed cap amounts in relation thereto for the relevant period as stated above are fair and reasonable so far as the Independent Shareholders are concerned.

Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the entering into of the Supplemental SWSC MOU and the Supplemental SW Research MOU and the relevant proposed cap amounts for the relevant period as stated above.

Yours faithfully,

For and on behalf of

CIMB-GK Securities (HK) Limited

Alex Lau

Heidi Cheng

Director

Director

Head of Corporate Finance

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts concerning the Group not contained herein the omission of which would make any statement herein concerned the Group misleading.

2. DISCLOSURE OF DIRECTORS' INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Director in the Shares of the Company or its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

Long Positions in the Shares of the Company		
Name of Director	Number of Shares directly beneficially owned	Approximate percentage of the Shares in issue
Lee Man Chun Tony	1,300,000	0.24

Save as disclosed above, none of the Directors of the Company had, as the Latest Practicable Date, registered an interest or short position in the Shares or underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

3. SUBSTANTIAL SHAREHOLDERS

So far as is known to the Directors or chief executives of the Company, as the Latest Practicable Date, the following Shareholders who have an interest of 5% or more of the issued Shares were recorded in the register kept by the Company pursuant to Section 336 of the SFO:

Long Positions in the Shares of the Company		
Name	Number of Shares held	Approximate percentage of the Shares in issue
Shenyin Wanguo Holdings (B.V.I.) Limited (“SWHBVI”)	268,334,875*	50.56
Venture-Some Investments Limited (“VSI”)	268,334,875*	50.56
Shenyin Wanguo (H.K.) Holdings Limited (“SWHKH”)	270,379,875*	50.94
Shenyin & Wanguo Securities Co., Ltd. (“SWSC”)	270,379,875*	50.94

* SWHBVI was held directly as to 50.51% by VSI. VSI was wholly owned by SWHKH. SWHKH was wholly owned by SWSC. Hence, VSI, SWHKH and SWSC were deemed to be interested in the same parcel of 268,334,875 Shares held by SWHBVI under the SFO. SWHKH also held directly 2,045,000 Shares of the Company and SWSC was deemed to be interested in the same parcel of 2,045,000 Shares of the Company.

Save as disclosed above, as at the Latest Practicable Date, no person, other than one director of the Company, whose interest is set out in the paragraph “Disclosure of Directors’ Interests” above, had registered an interest or short position in the Shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

4. DIRECTORS’ INTERESTS IN COMPETING BUSINESSES

As at the Latest Practicable Date, the interests of Directors or their respective Associates in the businesses which are considered to compete or are likely to compete, either directly or indirectly, with the businesses of the Group (“Competing Business”) as required to be disclosed pursuant to the Listing Rules were as follows:

(a) Core business activities of the Group

- (1) securities broking;
- (2) securities financing;
- (3) corporate finance;
- (4) securities research; and
- (5) asset management.

(b) Interests in Competing Business

Name	Number of Company	Nature of Interest	Competing Business (with reference to “Core business activities of the Group”)
Huang Gang, Director	SIIC Asset Management Company Limited	Director	(5)

Saved as disclosed above, as at the Latest Practicable Date, none of the Directors or their respective Associates was interested in any business apart from the Group’s business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

5. DIRECTORS’ INTERESTS IN ASSETS OF THE GROUP

As at the Latest Practicable Date, none of the Directors has any direct or indirect interests in any assets which have been acquired or disposed of by, or leased to, or which are proposed to be acquired or disposed of by or leased to the Company or any of its subsidiaries since 31 December 2007, the date to which the latest published audited consolidated financial statements of the Group were made up.

6. DIRECTORS’ INTERESTS IN CONTRACTS OF THE GROUP

As at the Latest Practicable Date, none of the Directors is materially interested in any contract or arrangement entered into by any member of the Group which is significant in relation to the business of the Group.

7. LITIGATION

No member of the Group is engaged in any litigation or arbitration of material importance and there is no litigation, arbitration or claim of material importance known to the Directors to be pending or threatened by or against any member of the Group save and except that a non-direct wholly-owned subsidiary of the Company is one of the plaintiffs in legal proceedings taken in Hong Kong against the other parties to an escrow agreement.

8. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors have entered into any service agreement with any member of the Group nor are there any other services agreements proposed which will not expire or be determinable by the Group within one year without payment of compensation (other than statutory compensation).

9. MATERIAL CONTRACT

The following is a contract (not being contract entered into in the ordinary course of business) entered into by members of the Group within the two years immediately preceding the Latest Practicable Date, and is or may be material:

On 20 June 2007, the Company entered into a memorandum of understanding with Shenyin & Wanguo Securities Co., Ltd. (“SWSC”) and Shanghai Wanguo Research & Consulting Co., Ltd. (“SW Research”) (both of which are connected persons of the Company under the Listing Rules) pursuant to which the Group would cooperate with SWSC and SW Research on all aspects of their business activities, being financial services which they do and will offer to the markets, such as investment banking, brokerage and general research support.

10. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, there was no material adverse change in the financial or trading position of the Group since 31 December 2007, being the date of the latest published audited consolidated financial statements of the Company.

11. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinions or advice which is contained in this circular:

Name	Qualification
CIMB-GK Securities (HK) Limited	a licensed corporation for carrying out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO

CIMB-GK Securities (HK) Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and reference to its name in the form and context in which they appear.

As at the Latest Practicable Date, CIMB-GK Securities (HK) Limited is not beneficially interested in any Share or share in any member of the Group nor has any right, whether legally enforceable or not, to subscribe for or nominate persons to subscribe for Share or share in any member of the Group.

12. MISCELLANEOUS

- (a) The company secretary of the Company is Mr. Wong Che Keung Leslie, who is a Fellow of the Hong Kong Institute of Certified Public Accountants.
- (b) The qualified accountant of the Company is Mr. Wong Che Keung Leslie.

- (c) The share registrar of the Company is Tricor Tengis Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (d) The English text of this circular and form of proxy shall prevail over the Chinese text in the case of inconsistency.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of following documents will be available for inspection at 28th Floor, Citibank Tower, Citibank Plaza, 3 Garden Road, Central, Hong Kong during normal business hours on any business day, from the date of this circular up to and including the date of the EGM:

- (a) the SWSC MOU;
- (b) the Supplemental SWSC MOU;
- (c) the SW Research MOU;
- (d) the Supplemental SW Research MOU;
- (e) the memorandum and articles of association of the Company;
- (f) the written consent of CIMB-GK Securities (HK) Limited;
- (g) 2006 and 2007 annual report of the Company;
- (h) 2006 and 2007 interim report of the Company; and
- (i) this circular.

NOTICE OF EXTRAORDINARY GENERAL MEETING



SHENYIN WANGUO (H.K.) LIMITED

申銀萬國（香港）有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 218)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“EGM”) of Shenyin Wanguo (H.K.) Limited (the “Company”) will be held at the Dragon Room, The Hong Kong Bankers Club at 43rd Floor, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong, on Friday, 16 May 2008 at 10:00 a.m. for the purposes of considering and, if thought fit, passing the following resolutions of the Company. Unless otherwise indicated, capitalized terms used in this notice and the following resolutions shall have the same meanings as those defined in the circular of the Company dated 23 April 2008:

ORDINARY RESOLUTIONS

1. **“THAT**

- (a) the SWSC MOU as supplemented by the Supplemental SWSC MOU entered into between Shenyin & Wanguo Securities Company Limited and the Company, a copy of which marked “A”, produced at the meeting and signed by the Chairman of the meeting for identification purpose; the terms of SWSC Supporting Services and the new annual caps in relation thereto; and the terms of SWHK Brokerage Transactions and the terms of SWSC Brokerage Transactions and their respective revised annual caps in relation thereto be and are hereby approved, confirmed and ratified; and
- (b) the Directors be and are hereby authorized to do all acts and execute all documents they consider necessary or expedient to give effect to the transactions contemplated under the SWSC MOU as supplemented by the Supplemental SWSC MOU.”

2. **“THAT**

- (a) the SW Research MOU as supplemented by the Supplemental SW Research MOU entered into between Shanghai Shenyin Wanguo Research & Consulting Company Limited and the Company, a copy of which marked “B”, produced at the meeting and signed by the Chairman of the meeting for identification purpose; the terms of SW Research Transactions and the revised annual caps in relation thereto be and are hereby approved, confirmed and ratified; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) the Directors be and are hereby authorized to do all acts and execute all documents they consider necessary or expedient to give effect to the transactions contemplated under the SW Research MOU as supplemented by the Supplemental SW Research MOU.”

By order of the Board
Wong Che Keung Leslie
Company Secretary

Hong Kong, 23 April 2008

As at the date of this notice, the Board of the Company comprises 10 directors, of which Mr. Feng Guorong, Mr. Lu Wenqing, Mr. Lee Man Chun Tony, Mr. Guo Chun and Mr. Ying Niankang are the executive directors of the Company, Mr. Chang Pen Tsao and Mr. Huang Gang are the non-executive directors of the Company, Mr. Ng Wing Hang Patrick, Mr. Kwok Lam Kwong Larry and Mr. Zhuo Fumin are the independent non-executive directors of the Company.

Notes:

1. A member entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and on a poll, vote on his behalf and such proxy need not be a member of the Company.
2. In order 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 the power of attorney or authority, must be deposited at the registered office of the Company not later than 48 hours before the time appointed for holding the EGM (or the adjourned meeting as the case may be).
3. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the EGM 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 shares if he/she was solely entitled thereto; and if more than one of such joint holders are present at the EGM, 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. The ordinary resolutions to be considered at the EGM will be decided by poll.