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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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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 your 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 hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**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)**

## CONTINUING CONNECTED TRANSACTIONS

**Independent financial adviser to  
the Independent Board Committee and the Independent Shareholders**



**CIMB Securities (HK) Limited**

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A letter from the independent board committee of Shenyin Wanguo (H.K.) Limited (the “Company”) is set out on pages 17 and 18 of this circular. A letter from CIMB Securities (HK) Limited, the independent financial adviser, containing its advice to the independent board committee and the independent shareholders of the Company is set out on pages 19 to 35 of this circular.

A notice convening an extraordinary general meeting of the Company (the “EGM”) 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 14 May 2010 is set out on pages 41 to 42 of this circular. 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.

19 April 2010

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## DEFINITIONS

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*In this circular, the following expressions shall have the meanings set out below unless the context requires otherwise:*

“2007 SW Research MOU”	the memorandum of understanding entered into between the Company and SW Research on 20 June 2007, details of which have been disclosed in the announcement of the Company dated 20 June 2007
“2007 SWSC MOU”	the memorandum of understanding entered into between the Company and SWSC on 20 June 2007, details of which have been disclosed in the announcement of the Company dated 20 June 2007
“2008 Supplemental SW Research MOU”	the supplemental memorandum of understanding entered into between the Company and SW Research on 3 April 2008, which formed part of the 2007 SW Research MOU and details of which have been disclosed in the announcement of the Company dated 3 April 2008 and the circular of the Company dated 23 April 2008
“2008 Supplemental SWSC MOU”	the supplemental memorandum of understanding entered into between the Company and SWSC on 3 April 2008, which formed part of the 2007 SWSC MOU and details of which have been disclosed in the announcement of the Company dated 3 April 2008 and the circular of the Company dated 23 April 2008
“2010 SW Research MOU”	the memorandum of understanding entered into between the Company and SW Research on 29 March 2010
“2010 SWSC MOU”	the memorandum of understanding entered into between the Company and SWSC on 29 March 2010
“Annual Caps”	the proposed annual cap amounts of the Continuing Connected Transactions for the seven months ending 31 December 2010, each of the two years ending 31 December 2012 and the five months ending 31 May 2013, as set out in the paragraph headed “Annual Caps” in this circular
“associates”	shall have the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors

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## DEFINITIONS

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“CIMB Securities”	CIMB Securities (HK) Limited, a corporation licensed to carry on 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 to the Independent Board Committee and the Independent Shareholders in relation to the Continuing Connected Transactions
“Company”	Shenyin Wanguo (H.K.) Limited
“connected person”	shall have the meaning ascribed thereto under the Listing Rules
“Continuing Connected Transactions”	SWSC Transactions and SW Research Transactions
“Corporate Finance Transactions”	transactions arising from the cooperation between SWSC and the Group pursuant to the 2010 SWSC MOU in relation to corporate finance business
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be held on 14 May 2010 for the purpose of, among other things, approving the 2010 SWSC MOU, the 2010 SW Research MOU and the transactions contemplated thereunder as well as the Annual Caps
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative 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, formed to advise the Independent Shareholders in relation to the terms of the 2010 SWSC MOU and the 2010 SW Research MOU as well as the Annual Caps

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## DEFINITIONS

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“Independent Shareholders”	Shareholders who are not required to abstain from voting on the relevant matters at the EGM
“Latest Practicable Date”	15 April 2010, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules
“Overseas Individual Investors Securities Trading Scheme”	the anticipated scheme under which overseas individual investors are permitted to invest directly in securities traded on the PRC A-share markets, if relevant approvals are granted
“PRC”	The People’s Republic of China, which for the purpose of this circular excludes Hong Kong, the Macao Special Administrative Region of PRC and Taiwan
“Previous Annual Caps”	the maximum aggregate annual value of various payments receivable from, or payable to SWSC and/or SW Research arising from the continuing connected transactions under the 2007 SWSC MOU as supplemented by the 2008 Supplemental SWSC MOU and the 2007 SW Research MOU as supplemented by the 2008 Supplemental SW Research MOU
“QDII Scheme”	the qualified domestic institutional investors scheme of the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.50 each in the share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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## DEFINITIONS

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“substantial shareholder”	shall have the meaning ascribed thereto under the Listing Rules
“SW Research”	Shanghai Shenyin Wanguo Research & Consulting Company Limited
“SW Research Transactions”	transactions arising from the cooperation between SW Research and the Group pursuant to the 2010 SW Research MOU
“SWHK Brokerage Transactions”	provision of brokerage services by the Group to SWSC and its associates pursuant to the 2010 SWSC MOU
“SWSC”	Shenyin & Wanguo Securities Company Limited
“SWSC Brokerage Transactions”	provision of brokerage services by the SWSC Group to the Group pursuant to the 2010 SWSC MOU
“SWSC Group”	SWSC and its subsidiaries
“SWSC Supporting Services”	provision of certain supporting services by the SWSC Group to the Group pursuant to the 2010 SWSC MOU
“SWSC Transactions”	SWSC Brokerage Transactions, SWSC Supporting Services, SWHK Brokerage Transactions and Corporate Finance Transactions
“%”	per cent.

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## LETTER FROM THE BOARD

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**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:*

Mr. Feng Guorong (*Chairman*)

Mr. Lu Wenqing

Mr. Lee Man Chun Tony (*Chief Executive Officer*)

Mr. Guo Chun

Mr. Ying Niankang

*Registered office:*

28th Floor

Citibank Tower

Citibank Plaza

3 Garden Road, Central

Hong Kong

*Non-executive Directors:*

Mr. Chang Pen Tsao

Mr. Huang Gang

*Independent non-executive Directors:*

Mr. Ng Wing Hang Patrick

Mr. Kwok Lam Kwong Larry

Mr. Zhuo Fumin

19 April 2010

*To the Shareholders*

Dear Sir or Madam,

### CONTINUING CONNECTED TRANSACTIONS

#### 1. INTRODUCTION

Reference is made to the announcements of the Company dated 20 June 2007, 11 October 2007, 3 April 2008 and 29 March 2010 as well as the circular of the Company dated 23 April 2008.

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## LETTER FROM THE BOARD

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The continuing connected transactions contemplated under the 2007 SWSC MOU as supplemented by the 2008 Supplemental SWSC MOU and the 2007 SW Research MOU as supplemented by the 2008 Supplemental SW Research MOU were approved by the then independent Shareholders at the extraordinary general meeting of the Company held on 16 May 2008. The 2007 SWSC MOU as supplemented by the 2008 Supplemental SWSC MOU and the 2007 SW Research MOU as supplemented by the 2008 Supplemental SW Research MOU will expire on 31 May 2010.

On 29 March 2010, the Company entered into (i) the 2010 SWSC MOU in relation to the SWSC Transactions with SWSC to replace the 2007 SWSC MOU as supplemented by the 2008 Supplemental SWSC MOU; and (ii) the 2010 SW Research MOU in relation to the SW Research Transactions with SW Research to replace the 2007 SW Research MOU as supplemented by the 2008 Supplemental SW Research MOU. The 2010 SWSC MOU and the 2010 SW Research MOU shall be effective from 1 June 2010 upon the obtaining of the approval of Independent Shareholders at the EGM and expire on 31 May 2013.

The purpose of this circular is to provide you with, among other things, (i) further details of the Continuing Connected Transactions; (ii) the letter from the Independent Board Committee setting out its recommendation to the Independent Shareholders on the Continuing Connected Transactions and the Annual Caps; (iii) the letter from the independent financial adviser to the Independent Board Committee and the Independent Shareholders setting out its opinion on the Continuing Connected Transactions and the Annual Caps; and (iv) a notice of the EGM.

## 2. CONTINUING CONNECTED TRANSACTIONS

### I. 2010 SWSC MOU

Date	:	29 March 2010
Parties	:	(1) the Company (2) SWSC
Term	:	1 June 2010 to 31 May 2013



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## LETTER FROM THE BOARD

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Services : The scope of services consists of the following:

- (i) services provided by the SWSC Group to the Group relating to the SWSC Brokerage Transactions which consist of B-share brokerage services and potential brokerage services upon the anticipated introduction of the Overseas Individual Investors Securities Trading Scheme, if relevant approvals are granted;
- (ii) SWSC Supporting Services provided by the SWSC Group to the Group which include mainly marketing services and personnel training services in the PRC to support the Group's proposed operations upon the anticipated introduction of new securities and derivatives products, which include, but are not limited to, exchange-traded funds and commodity futures, in the PRC;
- (iii) services provided by the Group relating to the SWHK Brokerage Transactions which consist of brokerage services provided to a connected person beneficially owned by SWSC and potential brokerage services to be provided to SWSC and its associates when they launch their anticipated overseas investment operations in connection with the QDII Scheme, if relevant approvals are granted; and
- (iv) services relating to the Corporate Finance Transactions provided by the Group and the SWSC Group to each other in connection with corporate finance business which includes, but is not limited to, the following areas: (a) corporate finance projects; (b) mergers and acquisitions projects; and (c) financial advisory projects.

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## LETTER FROM THE BOARD

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- Service fees : (i) The brokerage fees charged by the SWSC Group to the Group relating to the SWSC Brokerage Transactions will be determined with reference to the prevailing market rates charged by the SWSC Group to its existing clients.
- (ii) The fees charged by the SWSC Group to the Group relating to the SWSC Supporting Services will be determined with reference to the estimated costs to be incurred in connection with provision of services which include, among others, marketing services and personnel training services.
- (iii) The fees charged by the Group relating to the SWHK Brokerage Transactions will be determined with reference to the prevailing market rates charged by the Group to its existing clients.
- (iv) The fees charged by the Group or the SWSC Group relating to the Corporate Finance Transactions will be based on normal commercial terms and determined with reference to the fees charged by the relevant party to its clients for similar work or services.

### II. 2010 SW Research MOU

- Date : 29 March 2010
- Parties : (1) the Company  
(2) SW Research
- Term : 1 June 2010 to 31 May 2013

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## LETTER FROM THE BOARD

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Services : Services provided by SW Research to the Group relating to the SW Research Transactions mainly consist of the provision of (i) various research materials, which include, among others, Hong Kong and PRC listed company research reports, industry sector reports, fixed income product research reports, derivative product research reports, investment strategy reports as well as macro economic analysis reports; and (ii) additional materials covering Hong Kong and PRC listed companies by a designated research team of SW Research which will also participate in investor meetings organised by the Group.

Service fees : The fees charged by SW Research to the Group relating to the SW Research Transactions will be based on normal commercial terms and determined with reference to the prevailing market rates and the estimated operating costs for the provision of such research materials and services.

### 3. PREVIOUS ANNUAL CAPS

Set out below are the Previous Annual Caps:

	Period from 20 June 2007 to 31 December 2007 HK\$	Year ended 31 December 2008 HK\$	2009 HK\$	Five months ending 31 May 2010 HK\$
<b>Cap amounts for services relating to the SWSC Transactions comprising:</b>	4,800,000	21,600,000	37,200,000	20,000,000
(i) SWSC Brokerage Transactions	4,500,000	10,200,000	14,300,000	8,300,000
(ii) SWSC Supporting Services	–	5,800,000	12,300,000	6,400,000
(iii) SWHK Brokerage Transactions	300,000	5,600,000	10,600,000	5,300,000
<b>SW Research Transactions annual cap</b>	1,200,000	3,700,000	6,200,000	3,100,000
<b>Previous Annual Caps</b>	<b>6,000,000</b>	<b>25,300,000</b>	<b>43,400,000</b>	<b>23,100,000</b>

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## LETTER FROM THE BOARD

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### 4. HISTORICAL TRANSACTION AMOUNTS

Set out below is a summary of the Group's historical transaction amounts of the SWSC Transactions and the SW Research Transactions for the period from 20 June 2007 to 31 December 2007, each of the two years ended 31 December 2009 and the two months ended 28 February 2010:

	Period from 20 June 2007 to 31 December 2007 <i>HK\$</i> <i>(Audited)</i>	Year ended 31 December 2008 <i>HK\$</i> <i>(Audited)</i>	Year ended 31 December 2009 <i>HK\$</i> <i>(Audited)</i>	Two months ended 28 February 2010 <i>HK\$</i> <i>(Unaudited)</i>
<b>Actual amounts for services relating to the SWSC Transactions comprising:</b>	4,318,000	5,093,839	4,498,835	628,345
(i) SWSC Brokerage Transactions	4,160,000	5,074,105	4,375,861	615,912
(ii) SWSC Supporting Services	–	–	–	–
(iii) SWHK Brokerage Transactions	158,000	19,734	122,974	12,433
<b>Actual amounts for services relating to the SW Research Transactions</b>	1,175,000	3,150,000	5,150,000	858,333
<b>Historical transaction amounts</b>	<b>5,493,000</b>	<b>8,243,839</b>	<b>9,648,835</b>	<b>1,486,678</b>

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## LETTER FROM THE BOARD

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### 5. ANNUAL CAPS

Set out below is a summary of the annual cap amounts in respect of the Continuing Connected Transactions proposed for the seven months ending 31 December 2010, each of the two years ending 31 December 2012, and the five months ending 31 May 2013:

	Seven months ending 31 December 2010 <i>HK\$</i>	Year ending 31 December 2011 <i>HK\$</i>	2012 <i>HK\$</i>	Five months ending 31 May 2013 <i>HK\$</i>
<b>Proposed cap amounts for services relating to the SWSC Transactions comprising:</b>	23,310,000	46,142,000	53,135,200	25,543,300
(i) SWSC Brokerage Transactions	11,620,000	21,912,000	24,103,200	11,047,300
(ii) SWSC Supporting Services	1,050,000	2,160,000	2,592,000	1,296,000
(iii) SWHK Brokerage Transactions	6,040,000	12,440,000	14,880,000	7,420,000
(iv) Corporate Finance Transactions				
(a) Services provided by the Group	4,000,000	8,400,000	10,080,000	5,040,000
(b) Services received by the Group	600,000	1,230,000	1,480,000	740,000
<b>Proposed cap amount for services relating to the SW Research Transactions</b>	7,058,000	19,360,000	30,976,000	20,650,000
<b>Annual Caps</b>	<b>30,368,000</b>	<b>65,502,000</b>	<b>84,111,200</b>	<b>46,193,300</b>

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## LETTER FROM THE BOARD

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### 6. BASIS OF THE ANNUAL CAPS FOR THE CONTINUING CONNECTED TRANSACTIONS

#### **SWSC Brokerage Transactions**

During the term of the 2007 SWSC MOU as supplemented by the 2008 Supplemental SWSC MOU, the SWSC Brokerage Transactions have been mainly related to B-share brokerage services provided by SWSC to the Group. The Annual Caps in respect of the SWSC Brokerage Transactions are determined with reference to (i) the historical transaction amounts of the B-share brokerage services provided by SWSC to the Group; (ii) the potential increase in demand for the brokerage services to be provided by SWSC to the Group upon the anticipated introduction of the Overseas Individual Investors Securities Trading Scheme, if relevant approvals are granted; and (iii) the estimated annual growth rate of 10% in service fees taking into account of the anticipated growth of the PRC's A-share and B-share markets.

#### **SWSC Supporting Services**

With the Group seeking to pursue business opportunities brought about by the anticipated introduction of new securities and derivatives products, which include, but are not limited to, exchange-traded funds and commodity futures, in the PRC, the Directors consider it cost effective and less time consuming to engage the SWSC Group in the provision of certain supporting services which include mainly marketing services and personnel training services.

The Annual Caps in respect of the SWSC Supporting Services are determined based on (i) the estimated costs to be incurred in connection with provision of the supporting services; and (ii) the estimated annual growth rate of 20% in service fees taking into account of the expected rise in demand for such services from the Group and the increase in costs due to inflation.

#### **SWHK Brokerage Transactions**

During the term of the 2007 SWSC MOU as supplemented by the 2008 Supplemental SWSC MOU, services relating to the SWHK Brokerage Transactions have been mainly provided by the Group to a connected person beneficially owned by SWSC. The Directors understand that SWSC and its associates are developing their anticipated overseas investment operations, particularly in connection with the QDII Scheme, and the Group would be one of the designated brokers for SWSC and its associates to provide brokerage services pursuant to the 2010 SWSC MOU upon SWSC and its associates becoming qualified under the QDII Scheme.

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## LETTER FROM THE BOARD

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The Annual Caps in respect of the SWHK Brokerage Transactions are determined with reference to (i) the historical transaction amounts of the brokerage services provided by the Group to a connected person beneficially owned by SWSC; (ii) the potential increase in demand for the brokerage services to be provided by the Group to SWSC and its associates when they launch their anticipated overseas investment operations in connection with the QDII Scheme; and (iii) the estimated annual growth rate of approximately 20% in service fees taking into account of the anticipated growth in demand for such services.

### **Corporate Finance Transactions**

The Directors believe that the Group and the SWSC Group could further broaden the scope of cooperation in providing corporate finance services in view of the increasing number of dual-listed PRC companies listed on both the Hong Kong and PRC markets as well as H-share companies listed or seeking listing on the Hong Kong stock market.

The Annual Caps in respect of the Corporate Finance Transactions are determined with reference to (i) the estimated level of services to be provided by each of the Group and the SWSC Group; and (ii) the estimated annual growth rate of approximately 20% in service fees taking into account of the number of newly listed PRC companies on the Hong Kong and PRC markets in recent years as well as anticipated growth of both markets.

### **SW Research Transactions**

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 PRC companies listed on both the Hong Kong and PRC markets is expected to continue to grow. In addition, the Group is actively pursuing business opportunities, in particular, to develop its operations in connection with qualified domestic institutional investors and to attract overseas institutional clients to invest in the Hong Kong stock market. The Directors believe that interest of these institutional clients in investing in PRC related securities would also lead to a rise in demand for research materials covering PRC companies. 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 utilise these resources for better productivity, and thus engage SW Research to provide such products.

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## LETTER FROM THE BOARD

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The Annual Caps in respect of the SW Research Transactions are determined with reference to (i) the historical transaction amounts of the SW Research Transactions; and (ii) the estimated annual growth rate of approximately 60% in service fees taking into account of the expected rise in demand for such services from the Group and the increase in costs due to inflation.

### **7. REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS**

The Directors believe that the entering into of the 2010 SWSC MOU and the 2010 SW Research MOU will serve as a platform for more extensive cooperation with SWSC and SW Research. The Company, SWSC and SW Research would benefit through efficient use of their respective clientele and resources, and a synergy effect is expected to be achieved as a result of the cooperation. The Directors also believe that the service quality to the clients of the Group will be enhanced through the provision of cross-border financial intermediary services. Therefore, the Directors consider that the entering into of the 2010 SWSC MOU and the 2010 SW Research MOU is in the interests of the Company and the Shareholders as a whole.

### **8. 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 markets.

### **9. IMPLICATIONS UNDER THE LISTING RULES**

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 Transactions and the SW Research Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.



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## LETTER FROM THE BOARD

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Taking into account SWSC and SW Research are parties associated with each other, the SWSC Transactions and the SW Research Transactions are aggregated. Since the revenue ratio and the consideration ratio as defined under Rule 14.07 of the Listing Rules with reference to the largest Annual Caps in respect of the SWSC Transactions and the SW Research Transactions in aggregate exceed 2.5%, the 2010 SWSC MOU and the 2010 SW Research MOU are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

### **10. GENERAL**

The terms of the 2010 SWSC MOU and the 2010 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 Continuing Connected Transactions are conducted in the ordinary and usual course of business of the Group and on normal commercial terms, and the terms of the Continuing Connected Transactions and the Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

The Company proposes to seek approval from the Independent Shareholders in respect of the Continuing Connected Transactions and the Annual Caps at the EGM. Voting at the EGM will be conducted by poll. SWSC and its associates shall abstain from voting at the EGM in respect of the Continuing Connected Transactions as well as the Annual Caps.

The Independent Board Committee has been formed to advise the Independent Shareholders in relation to the terms of the 2010 SWSC MOU and the 2010 SW Research MOU as well as the Annual Caps. An independent financial adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

### **11. THE EGM**

A notice convening the EGM 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 14 May 2010 is set out on pages 41 to 42 of this circular.

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## LETTER FROM THE BOARD

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A form of proxy for use at the EGM is enclosed hereby and is also published on the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the website of the Company ([www.sywg.com.hk](http://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.

### 12. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at the EGM must be taken by poll. The Chairman of the EGM will demand a poll for the resolutions to be proposed at the EGM in accordance with the articles of association of the Company. The results of the voting will be announced in accordance with Rule 2.07C of the Listing Rules after the EGM.

### 13. RECOMMENDATION

You are advised to read carefully the letter from the Independent Board Committee set out on pages 17 and 18 of this circular. The Independent Board Committee, having taken into account the advice of CIMB Securities, the text of which is set out on pages 19 to 35 of this circular, considers that (i) the Continuing Connected Transactions contemplated under the 2010 SWSC MOU and the 2010 SW Research MOU fall in the ordinary and usual course of business of the Group; (ii) the 2010 SWSC MOU and the 2010 SW Research MOU are in the interests of the Group and the Shareholders as a whole; (iii) the terms of the 2010 SWSC MOU and the 2010 SW Research MOU are on normal commercial terms and are fair and reasonable so far as the Company and the Shareholders are concerned; and (iv) the Annual Caps are fair and reasonable so far as the Company and the Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the 2010 SWSC MOU, the 2010 SW Research MOU and the transactions contemplated thereunder as well as the Annual Caps.

### 14. ADDITIONAL INFORMATION

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

Yours faithfully,  
For and on behalf of the Board  
**Shenyin Wanguo (H.K.) Limited**  
**Feng Guorong**  
*Chairman*

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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*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)**

19 April 2010

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

Dear Sir or Madam,

### **CONTINUING CONNECTED TRANSACTIONS**

We refer to the circular of the Company dated 19 April 2010 (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 2010 SWSC MOU, the 2010 SW Research MOU, the terms of the transactions contemplated thereunder as well as the Annual Caps and to advise the Independent Shareholders whether, in our opinion, the terms of the 2010 SWSC MOU, the 2010 SW Research MOU, the terms of the transactions contemplated thereunder as well as the Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole. CIMB Securities has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. Details of its independent advice, together with the principal factors and reasons it has taken into consideration, are set out on pages 19 to 35 of the Circular.

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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Having considered the advice given by, and the principal factors and reasons taken into consideration by CIMB Securities in arriving at its advice, we consider that (i) the Continuing Connected Transactions contemplated under the 2010 SWSC MOU and the 2010 SW Research MOU fall in the ordinary and usual course of business of the Group; (ii) the 2010 SWSC MOU and the 2010 SW Research MOU are in the interests of the Group and the Shareholders as a whole; (iii) the terms of the 2010 SWSC MOU and the 2010 SW Research MOU are on normal commercial terms and are fair and reasonable so far as the Company and the Shareholders are concerned; and (iv) the Annual Caps are fair and reasonable so far as the Company and the Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the 2010 SWSC MOU, the 2010 SW Research MOU and the transactions contemplated thereunder as well as the Annual Caps.

Yours faithfully,

For and on behalf of

**the Independent Board Committee**

**Ng Wing Hang Patrick**

*Independent non-executive*

*Director*

**Kwok Lam Kwong Larry**

*Independent non-executive*

*Director*

**Zhuo Fumin**

*Independent non-executive*

*Director*

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## LETTER FROM CIMB SECURITIES

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*The following is the text of the letter of advice from CIMB Securities to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.*

**CIMB****CIMB Securities (HK) Limited**

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

19 April 2010

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

Dear Sirs,

### **CONTINUING CONNECTED TRANSACTIONS**

#### **INTRODUCTION**

We refer to our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to (i) the terms of the 2010 SWSC MOU and the 2010 SW Research MOU; and (ii) the Annual Caps for the seven months ending 31 December 2010, each of the two years ending 31 December 2012 and the five months ending 31 May 2013, details of which are set out in a circular of the Company (the "Circular") to the Shareholders dated 19 April 2010, 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.

On 29 March 2010, the Company entered into the 2010 SWSC MOU with SWSC in relation to the SWSC Transactions and the 2010 SW Research MOU with SW Research in relation to the SW Research Transactions. Both the 2010 SWSC MOU and the 2010 SW Research MOU shall be effective from 1 June 2010 (subject to the approval of the Independent Shareholders at the EGM) and expire on 31 May 2013.

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## LETTER FROM CIMB SECURITIES

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

Given that SWSC and SW Research are parties associated with each other, the SWSC Transactions and the SW Research Transactions are aggregated. As the revenue ratio and the consideration ratio as defined under Rule 14.07 of the Listing Rules with reference to the largest Annual Caps in respect of the SWSC Transactions and the SW Research Transactions in aggregate exceed 2.5%, the 2010 SWSC MOU, the 2010 SW Research MOU and the Annual Caps are subject to the reporting, announcement and the 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 2010 SWSC MOU, the 2010 SW Research MOU and the Annual Caps.

The Independent Board Committee, 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 2010 SWSC MOU and the 2010 SW Research MOU and the Annual Caps.

### **BASIS AND ASSUMPTIONS OF THE OPINION**

In formulating our recommendation, we consider that we have reviewed sufficient and relevant information and documents and have taken reasonable steps as required under Rule 13.80 of the Listing Rules including the notes thereto to reach an informed view and to provide a reasonable basis for 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 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, facts and representations contained or referred to in the Circular were true and accurate at the time they were made and up to the date of the EGM.

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## LETTER FROM CIMB SECURITIES

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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, SWSC, SW Research or any of their respective subsidiaries or associates. We have no reason to doubt the truth, accuracy and completeness of the information, facts and representations provided and represented 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.

### PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the terms of the 2010 SWSC MOU and the 2010 SW Research MOU and the Annual Caps, we have considered the following principal factors and reasons:

**(I) Background and reasons for entering into of the 2010 SWSC MOU and the 2010 SW Research 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 stated in the announcements of the Company dated 20 June 2007, 11 October 2007 and 3 April 2008 and the circular of the Company dated 23 April 2008, the Company entered into (i) the 2007 SWSC MOU on 20 June 2007 and the 2008 Supplemental SWSC MOU on 3 April 2008 with SWSC; and (ii) the 2007 SW Research MOU on 20 June 2007 and the 2008 Supplemental SW Research MOU on 3 April 2008 with SW Research. Both the 2007 SWSC MOU as supplemented by the 2008 Supplemental SWSC MOU and 2007 SW Research MOU as supplemented by the 2008 Supplemental SW Research MOU were approved by the then independent Shareholders at the extraordinary general meeting on 16 May 2008.

Given that the 2007 SWSC MOU as supplemented by the 2008 Supplemental SWSC MOU and the 2007 SW Research MOU as supplemented by the 2008 Supplemental SW Research MOU will expire on 31 May 2010, on 29 March 2010, the Company entered into (i) the 2010 SWSC MOU with SWSC in relation to the SWSC Transactions to replace the 2007 SWSC MOU as supplemented by the 2008 Supplemental SWSC MOU; and (ii) the 2010 SW Research MOU with SW Research in relation to the SW Research Transactions to replace the 2007 SW Research MOU as supplemented by the 2008 Supplemental SW Research MOU.

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## LETTER FROM CIMB SECURITIES

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Pursuant to the 2010 SWSC MOU, the Group and the SWSC Group will carry out the SWSC Transactions. In particular,

- (i) the SWSC Group will provide the Group with (a) the SWSC Brokerage Transactions, which mainly include B-share brokerage services and potential brokerage services in anticipation of permission of overseas individual investors to invest in the stock market of the PRC if relevant approvals are granted; and (b) the SWSC Supporting Services, which mainly include marketing services and personnel training services to support the Group's operations in anticipation of the introduction by the PRC authority of new securities and derivatives products, including among others, exchange-traded funds and commodity futures, in the PRC market;
- (ii) the Group will provide the SWSC Group with the SWHK Brokerage Transactions which consist of (a) brokerage services in connection with the Hong Kong and overseas stocks; and (b) potential brokerage services to be provided to SWSC and its associates in anticipation of the launch of the overseas investment operations in connection with the QDII Scheme by SWSC and its associates if relevant approvals are granted; and
- (iii) the Group and the SWSC Group will provide each other with the Corporate Finance Transactions, which mainly include, among others, (a) corporate finance projects; (b) mergers and acquisitions projects; and (c) financial advisory projects.

Pursuant to the 2010 SW Research MOU, the Group and SW Research will carry out the SW Research Transactions, which mainly include provision of (a) various research materials including, among others, research reports in connection with Hong Kong and PRC listed companies, industry sectors, fixed income products, derivative products, investment strategies and macro economic analysis by SW Research; and (b) additional materials covering Hong Kong and PRC listed companies and participation in investor meetings organised by the Group by a designated research team of SW Research.

Given the principal business of the Group and the nature of the SWSC Transactions contemplated under the 2010 SWSC MOU and the SW Research Transactions contemplated under the 2010 SW Research MOU, we consider that entering into the 2010 SWSC MOU and the 2010 SW Research MOU is for business purpose and the Continuing Connected Transactions fall in the ordinary and usual course of business of the Group.



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## LETTER FROM CIMB SECURITIES

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### **(II) Background of SWSC and SW Research**

As stated in the letter from the Board of the Circular (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. We note from statistics compiled by the Shanghai Stock Exchange that SWSC ranked the third in terms of total trading value (including shares, funds, bonds, repos and warrants) among member companies of the Shanghai Stock Exchange and ranked the first in terms of trading value of B-shares among the B-share brokers of the Shanghai Stock Exchange in 2008.

As stated in the Letter from the Board, SW Research is principally engaged in securities research business covering the PRC and the Hong Kong markets. We have discussed with the management of the Company in relation to the capability of SW Research and understand that SW Research produced over 4,000 research reports in 2009 and possesses strong research capability including the knowledge on the local stock market and the dual-listed PRC companies, and expertise, knowledge and experience in providing research reports on Hong Kong and/or PRC-listed companies.

In consideration of the rich experience and the strong background possessed by the SWSC Group in the PRC stock market and the past cooperation experience of the Group with the SWSC Group, the Directors consider that the entering into of the 2010 SWSC MOU and the 2010 SW Research MOU will benefit the Group by (i) serving as a platform for the Group for more extensive cooperation with SWSC and SW Research; (ii) achieving the synergy as a result of the cooperation among the Group, SWSC and SW Research through efficient use of their respective clientele and resources; and (iii) enhancing the service quality of the Group through provision to its clients with cross-border financial intermediary services.

Given the above, we concur with the view of the Directors that the entering into of the 2010 SWSC MOU and the 2010 SW Research MOU is in the interests of the Group and the Shareholders as a whole.

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## LETTER FROM CIMB SECURITIES

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### (III) Major terms of the 2010 SWSC MOU and the 2010 SW Research MOU

#### (A) *2010 SWSC MOU*

As stipulated in the 2010 SWSC MOU, the SWSC Group and the Group will provide relevant services in connection with the SWSC Brokerage Transactions, the SWSC Supporting Services, the SWHK Brokerage Transactions and the Corporate Finance Transactions and will charge service fees based on the following basis:

##### (i) *SWSC Brokerage Transactions*

As stated in the 2010 SWSC MOU, the brokerage fees charged by the SWSC Group to the Group relating to the SWSC Brokerage Transactions will be determined on normal commercial terms and with reference to the prevailing market rates charged by the SWSC Group to its clients.

We have discussed with the management of the Company and understand that as at the Latest Practicable Date, the Group has only utilized B-share brokerage services provided by the SWSC Group and the brokerage rate charged by the SWSC Group to the Group is in line with the market rates. We have also compared the brokerage rate charged by SWSC to the Group with that charged to an independent third party in relation to provision of B-share brokerage services and note that the brokerage rate charged by SWSC to the Group relating to the SWSC Brokerage Transactions is on normal commercial terms.

##### (ii) *SWSC Supporting Services*

As stated in the 2010 SWSC MOU, the fees charged by the SWSC Group to the Group relating to the SWSC Supporting Services will be determined based on the actual costs to be incurred by the SWSC Group for provision of such supporting services.

We have discussed with the management of the Company and understand that the SWSC Supporting Services under the 2010 SWSC MOU mainly include marketing services and personnel training services for support of the Group's operations and thus the SWSC Supporting Services to be provided by the SWSC Group to the Group shall be provided on a tailor-made basis, and no comparable supporting services are available. As such we concur with the view of the management that it is fair and reasonable to determine the relevant fees on a cost basis.

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## LETTER FROM CIMB SECURITIES

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*(iii) SWHK Brokerage Transactions*

As stated in the 2010 SWSC MOU, the brokerage fees charged by the Group to the SWSC Group relating to the SWHK Brokerage Transactions will be determined on normal commercial terms and with reference to the prevailing market rates charged by the Group to its clients.

We have discussed with the management of the Company and compared the brokerage rates charged by the Group to its independent third party customers and the connected person beneficially owned by SWSC for provision of the relevant brokerage services. Based on such discussion and comparison, we concur with the view of the management that the brokerage rate charged by the Group to the SWSC Group relating to the SWHK Brokerage Transactions is on normal commercial terms and in line with the market rate.

*(iv) Corporate Finance Transactions*

We note from the 2010 SWSC MOU and our discussion with the management of the Company that the fees to be charged by the Group or the SWSC Group relating to the Corporate Finance Transactions will be determined on normal commercial terms and with reference to the fees charged by the relevant party to its clients for similar work or services.

***(B) 2010 SW Research MOU***

As stipulated in the 2010 SW Research MOU, the service fees to be charged by SW Research to the Group relating to the SW Research Transactions will be determined on normal commercial terms and with reference to the prevailing market practice and the operating costs to be incurred by SW Research for provision of such research services.

We have discussed with the management of the Company and understand that the research services provided by SW Research to the Group are comprehensive and on a tailor-made basis, no comparable research service packages are available, and thus it is reasonable to determine the service fees charged by SW Research to the Group in connection with the SW Research Transactions with reference to the operating costs incurred.

*Our view*

Given the above, we consider that major terms, particularly the pricing principles, of the 2010 SWSC MOU and the 2010 SW Research MOU are on normal commercial terms, fair and reasonable so far as the Company and the Shareholders are concerned.

# LETTER FROM CIMB SECURITIES

## (IV) Annual Caps

Set out below are the details of (i) the historical transaction amounts in connection with the continuing connected transactions contemplated under the 2007 SWSC MOU as supplemented by the 2008 Supplemental SWSC MOU and the 2007 SW Research MOU as supplemented by the 2008 Supplemental SW Research MOU for the period from 20 June 2007 to 31 December 2007, each of the two years ended 31 December 2009 and the two months ended 28 February 2010; (ii) the Previous Annual Caps; and (iii) the Annual Caps:

Transaction	Historical transaction amounts				Previous Annual Caps			Annual Caps				
	Period from 20 June to 31 December 2007	Year ended 31 December 2008	Year ended 31 December 2009	Two months ended 28 February 2010	Period from 20 June to 31 December 2007	Year ended 31 December 2008	Year ended 31 December 2009	Five months ending 31 May 2010	Seven months ending 31 December 2010	Year ending 31 December 2011	Year ending 31 December 2012	Five months ending 31 May 2013
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	(Audited)	(Audited)	(Audited)	(Unaudited)								
<b>SWSC Transactions:</b>												
(i) SWSC Brokerage Transactions	4,160,000	5,074,105	4,375,861	615,912	4,500,000	10,200,000	14,300,000	8,300,000	11,620,000	21,912,000	24,103,200	11,047,300
(ii) SWSC Supporting Services	-	-	-	-	-	5,800,000	12,300,000	6,400,000	1,050,000	2,160,000	2,592,000	1,296,000
(iii) SWHK Brokerage Transactions	158,000	19,734	122,974	12,433	300,000	5,600,000	10,600,000	5,300,000	6,040,000	12,440,000	14,880,000	7,420,000
(iv) Corporate Finance Transactions												
(a) Services provided by the Group	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4,000,000	8,400,000	10,080,000	5,040,000
(b) Services provided by the SWSC Group	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	600,000	1,230,000	1,480,000	740,000
<b>Sub-total:</b>	<b>4,318,000</b>	<b>5,093,839</b>	<b>4,498,835</b>	<b>628,345</b>	<b>4,800,000</b>	<b>21,600,000</b>	<b>37,200,000</b>	<b>20,000,000</b>	<b>23,310,000</b>	<b>46,142,000</b>	<b>53,135,200</b>	<b>25,543,300</b>
<b>SW Research Transactions:</b>												
	1,175,000	3,150,000	5,150,000	858,333	1,200,000	3,700,000	6,200,000	3,100,000	7,058,000	19,360,000	30,976,000	20,650,000
<b>Total:</b>	<b>5,493,000</b>	<b>8,243,839</b>	<b>9,648,835</b>	<b>1,486,678</b>	<b>6,000,000</b>	<b>25,300,000</b>	<b>43,400,000</b>	<b>23,100,000</b>	<b>30,368,000</b>	<b>65,502,000</b>	<b>84,111,200</b>	<b>46,193,300</b>

Our analysis in respect of the Annual Caps is set out below:

### (i) *Proposed annual caps relating to the SWSC Brokerage Transactions (the “SWSC Brokerage Caps”)*

Under the 2010 SWSC MOU, the SWSC Group will provide the Group brokerage services including, among others, (i) B-share brokerage services; and (ii) other potential brokerage services, including A-share brokerage services should overseas individual investors be allowed to directly invest in the Chinese stock market.

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## LETTER FROM CIMB SECURITIES

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As set out in the Letter from the Board, the SWSC Brokerage Caps are determined with reference to (i) the historical transaction amounts of the B-share brokerage services provided by SWSC to the Group; (ii) the potential increase in demand for the brokerage services to be provided by SWSC to the Group upon the anticipated introduction of the Overseas Individual Investors Securities Trading Scheme, if relevant approvals are granted; and (iii) the estimated annual growth rate of 10% in service fees taking into account of the anticipated growth of the Chinese A-share and B-share markets.

In assessing the fairness and reasonableness of the SWSC Brokerage Caps, we have discussed with the management of the Company and understand that the increase in the SWSC Brokerage Caps as compared with the historical transaction amounts is mainly attributable to the fact that the historical transaction amounts relating to the SWSC Brokerage Transactions were attributable to the B-share brokerage services provided by SWSC to the Group only.

We also understand that the management has taken into account the following factors when determining the SWSC Brokerage Caps, including (i) the relevant historical transaction amounts; (ii) the possible increase in the trading activities of the Chinese B-shares in view of the historical fluctuation in trading value of the B-shares and the possible increase in the number of the Group's overseas customers as a result of the Group's continuous efforts in expanding its business scale, developing its overseas institutional customer base, and cooperating with the SWSC Group in the field of the Qualified Foreign Institutional Investor Scheme; and (iii) the possible brokerage services (other than the Chinese B-shares brokerage services) to be provided by the SWSC Group to the Group arising from the anticipated permission of overseas individual investors to invest in the Chinese A-share market.

As noted from the information sourced from public domain, the Chinese capital market has been experienced reforms in the past years. For instance, the PRC authority introduced the Qualified Foreign Institutional Investor Scheme to allow foreign institutional investors to invest in the Chinese A-share market. Given China's commitment to open up its capital market when China entered into the World Trade Organization and the increasingly important role of China in the global financial market, the Directors consider it reasonable to take into account the development potential of the Chinese capital market, such as opening up of the Chinese A-share market to overseas individual investors, for determination of the SWSC Brokerage Caps.

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## LETTER FROM CIMB SECURITIES

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As noted from the statistics compiled by the Shanghai Stock Exchange and the Shenzhen Stock Exchange, the Chinese B-share markets, including the Shanghai and Shenzhen B-share markets, experienced fluctuations in the past three years. For instance, the aggregate trading value of the Chinese B-share markets amounted to approximately RMB578.5 billion in 2007, representing approximately 4.6 times of that of 2006 while the aggregate trading value decreased to approximately RMB122.3 billion in 2008, representing a year-on-year (“YoY”) decrease of approximately 78.9% as compared with that of 2007. In 2009, the aggregate trading value of the Chinese B-share markets rose to approximately RMB209.8 billion, representing a YoY increase of approximately 71.5% as compared with that of 2008. Given the above, we concur with the management’s view that it is reasonable for the Company to take into account the development potential of the Chinese B-share markets for determination of the SWSC Brokerage Caps.

Having considered the above, we are of the view that the basis adopted by the management of the Company in determining the SWSC Brokerage Caps is fair and reasonable so far as the Company and the Shareholders are concerned.

***(ii) Proposed annual caps relating to the SWSC Supporting Services (the “SWSC Supporting Caps”)***

Under the 2010 SWSC MOU, the SWSC Group will provide the Group the SWSC Supporting Services, mainly including marketing services and personnel training services.

We are advised by the Company that the SWSC Group did not provide any supporting services during the period from 20 June 2007 to 31 December 2007, each of the two years ended 31 December 2009 and the two months ended 28 February 2010 as the proposed Hong Kong securities trading through-train scheme, under which individual Chinese residents would be permitted to trade directly in the securities listed in Hong Kong, was suspended.

As stated in the Letter from the Board, the SWSC Supporting Caps are determined with reference to (i) the estimated costs to be incurred in connection with provision of the supporting services by the SWSC Group; and (ii) the estimated annual growth rate of 20% in service fees taking into account of the expected rise in demand for such services from the Group and the increase in costs due to inflation.

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## LETTER FROM CIMB SECURITIES

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In assessing the fairness and reasonableness of the SWSC Supporting Caps, we have discussed with the management of the Company and understand that the SWSC Supporting Caps are determined mainly based on (i) the estimated monthly service fee to be incurred by the SWSC Group for provision of the SWSC Supporting Services, which, as advised by the Company, is determined with reference to the cost for organizing a similar marketing event in the PRC; (ii) the YoY increase in the annual average wage in Shanghai, where SWSC is located, in the past three years; (iii) the possible increase in the Group's demand for the SWSC Supporting Services in consideration of the possible introduction of new financial products by the PRC authorities, such as cross-border exchange-traded funds and overseas commodity futures; and (iv) a buffer to cater for inflation.

We have reviewed the wage information of Shanghai sourced from public domains and note the city recorded a YoY increase in the annual average wage with a range from 8.3% to 17.4% in the past three years.

The management of the Company further advised that upon the introduction of new financial products, such as cross-border exchange-traded funds and overseas commodity futures, by the PRC authorities, SWSC will provide the SWSC Supporting Services to the Group to support the Group's operation in relation thereto.

Having considered the above, we are of the view that the basis adopted by the management of the Company in determining the SWSC Supporting Caps is fair and reasonable so far as the Company and the Shareholders are concerned.

***(iii) Proposed annual caps relating to the SWHK Brokerage Transactions (the "SWHK Brokerage Caps")***

Under the 2010 SWSC MOU, the Group will provide (i) brokerage services to a connected person of the Company beneficially owned by SWSC; and (ii) potential brokerage services to SWSC and its associates upon the SWSC Group becoming qualified under the QDII Scheme.

As set out in the Letter from the Board, the SWHK Brokerage Caps are determined with reference to (i) the historical transaction amounts of the brokerage services provided by the Group to a connected person beneficially owned by SWSC; (ii) the potential increase in demand for the brokerage services to be provided by the Group to SWSC and its associates when they launch their anticipated overseas investment operations in connection with the QDII Scheme; and (iii) the estimated annual growth rate of approximately 20% in service fees taking into account of the anticipated growth in demand for such services.

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## LETTER FROM CIMB SECURITIES

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In assessing the fairness and reasonableness of the SWHK Brokerage Caps, we have discussed with the management of the Company and understand that the increase in the SWHK Brokerage Caps as compared with the relevant historical transaction amounts is mainly attributable to the additional demand for the brokerage services to be provided by the Group to SWSC and its associates when SWSC and its associates launch their anticipated overseas investment operations in connection with the QDII Scheme.

We also understand that the management has taken into account the following factors when determining the SWHK Brokerage Caps including (i) the relevant historical transaction amounts; (ii) the possible increase in demand for the brokerage services given the volatility in the trading value of the Hong Kong stock market (as elaborated below) and the prevailing market sentiment; and (iii) the possible significant increase in demand for the Group's brokerage services from the SWSC Group upon the Group becoming one of the designated brokers for SWSC and its associates for provision of brokerage services after SWSC and its associates are qualified under the QDII Scheme.

We have discussed with the management and note that the Company understood from SWSC that SWSC currently intends to apply for the QDII Scheme in 2010, subject to the approval of the relevant PRC authorities. In this regard, the Directors consider it reasonable to take into account the additional demand for brokerage services when SWSC and its associates are qualified under the QDII Scheme during the term of the 2010 SWSC MOU when determining the SWHK Brokerage Caps. We also understand that in determining the SWHK Brokerage Caps, the Group has made reference to the annual transaction amount which the SWSC Group is expected to be granted under the QDII Scheme based on the investment quota granted to securities companies as qualified domestic institutional investors under the QDII Scheme as published by the State Administration of Foreign Exchange as at 31 December 2009. Based on our discussion and review of public information regarding the QDII Scheme, we consider the Group's basis in determination of such caps is justifiable.

Based on the statistics published by the Stock Exchange, we note that during the period from 2007 to 2009, the turnover of the main board of the Stock Exchange fluctuated. For instance, in each of 2008 and 2009, the total turnover amounted to approximately HK\$17.6 trillion and approximately HK\$15.4 trillion, respectively, representing a YoY decrease of approximately 18.1% and approximately 12.5%, respectively, while in 2007, the total turnover amounted to approximately HK\$21.5 trillion, representing a significant YoY increase of approximately 159.0%. Furthermore, in terms of the monthly turnover of 2009, we note that the monthly turnover of December 2009 increased approximately 52.3% as compared with that of January 2009. Given the above, we concur with the view of the management of the Company that it is reasonable to take into account the development potential of the Hong Kong stock market for determination of the SWHK Brokerage Caps.



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## LETTER FROM CIMB SECURITIES

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Having considered the above, we are of the view that the basis adopted by the management of the Company in determining the SWHK Brokerage Caps is fair and reasonable so far as the Company and the Shareholders are concerned.

***(iv) Proposed annual caps relating to the Corporate Finance Transactions (the “Corporate Finance Caps”)***

Under the 2010 SWSC MOU, the Group and the SWSC Group will cooperate in the corporate finance business, such as cooperation and mutual referral in listing projects, mergers and acquisitions projects and financial advisory projects.

We note that the Directors propose the new caps relating to the Corporate Finance Transactions contemplated under the 2010 SWSC MOU. We have discussed with the management of the Company in this regard and understand that the Directors believe that there exist cooperation opportunities between the Group and the SWSC Group over the term of the 2010 SWSC MOU in view of the increasing number of the companies which are listed on both the Stock Exchange and the PRC stock exchange and the H-share companies listed or seeking listing on the Stock Exchange in the future.

As stated in the Letter from the Board, the Corporate Finance Caps are determined with reference to (i) the estimated level of services to be provided by each of the Group and the SWSC Group; and (ii) the estimated annual growth rate of approximately 20% in service fees taking into account of the number of newly listed PRC companies on the Hong Kong and PRC markets in recent years as well as anticipated growth of both markets.

In assessing the fairness and reasonableness of the Corporate Finance Caps, we have discussed with the management of the Company and understand that the Corporate Finance Caps are determined mainly based on (i) the estimated service fee payable by the Group or the SWSC Group in connection with the relevant corporate finance services for the year of 2010; and (ii) the possible increase in demand for corporate finance services from the Group or the SWSC Group in view of the volatility in the trading value of the Hong Kong (as elaborated above) and the PRC stock markets (as elaborated below) and the prevailing market sentiment.

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## LETTER FROM CIMB SECURITIES

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Based on the statistics published by the Shenzhen Stock Exchange, during the period from 2007 to 2009, the trading value of the stocks on the Shenzhen Stock Exchange fluctuated and recorded a YoY change of approximately 375.1%, -44.1% and 118.6%, respectively. Based on the statistics published by the Shanghai Stock Exchange, during the period from 2007 to 2009, the trading value of the stocks on the Shanghai Stock Exchange fluctuated and recorded a YoY change of approximately 428.3%, -40.9% and 92.0%, respectively. As such, together with the above elaborated fluctuation of the Hong Kong market, we concur with the view of the management of the Company that it is reasonable to take into account the development potential of the Hong Kong and the PRC stock markets for determination of such caps.

We have also discussed with the management in relation to the Group's assumptions adopted when determining the estimated service fee for the year of 2010 and are of the view that the Group's estimation is justifiable.

Having considered the above, we are of the view that the basis adopted by the management of the Company in determining the Corporate Finance Caps is fair and reasonable so far as the Company and the Shareholders are concerned.

**(v) *Proposed annual caps relating to the SW Research Transactions (the “SW Research Caps”)***

Under the 2010 SW Research MOU, SW Research will provide services in connection with the SW Research Transactions to the Group.

As set out in the Letter from the Board, the SW Research Caps are determined with reference to (i) the historical transaction amounts; and (ii) the estimated annual growth rate of approximately 60% in service fees taking into account of the expected rise in demand for such services from the Group and the increase in costs due to inflation.

In assessing the fairness and reasonableness of the SW Research Caps, we have discussed with the management of the Company and understand that the increase in the SW Research Caps as compared to the historical transaction amounts is mainly attributable to the management's estimation in significant increase in demand for the research services to be provided by SW Research in view of the business development of the Group with the Group's expansion of its customer base including overseas clients and qualified domestic institutional investors during the term of the 2010 SW Research MOU.

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## LETTER FROM CIMB SECURITIES

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We understand that the management has taken into account the following factors when determining the SW Research Caps including (i) the estimated operating costs if the Group is to set up its in-house research team to provide similar research services; (ii) the estimated annual growth rate of approximately 60% by reference to the historical YoY increment of the transaction amounts in relation to the SW Research Transactions of approximately 63.5% in 2009 as compared with that of 2008; (iii) the possible increase in the Group's demand for the research services covering dual-listed PRC companies given (a) the increasing number of PRC companies listed on both the Hong Kong and the PRC markets in the past few years; (b) the growing interest of the Group's overseas clients in investing in the PRC related securities; and (c) the expansion of the Group's customer group which is interested in the PRC related securities, particularly overseas institutional clients and/or qualified domestic institutional investors; and (iv) a buffer to cater for inflation.

We have also discussed with the management regarding the material increment in the proposed cap for the seven months ending 31 December 2010 as compared with the historical transaction amounts for the two months ended 28 February 2010. The management advises that the Group has expanded its institutional sales teams around the end of 2009 and the institutional sales teams have begun to actively pursue business opportunities in the second quarter of 2010, particularly, to expand the Group's overseas institutional clients base and to develop the Group's operation in connection with the qualified domestic institutional investors. Given the above, the management expects a significant increase in the demand for the research services to be provided by SW Research for serving the Group's clients who may invest in the PRC related securities in the seven months ending 31 December 2010.

Having considered the above, we are of the view that the basis adopted by the management of the Company in determining the SW Research Caps is fair and reasonable so far as the Company and the Shareholders are concerned.

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

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## LETTER FROM CIMB SECURITIES

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### **(V) Requirements by the Listing Rules regarding the Continuing Connected Transactions**

As required by the Listing Rules, for each financial year of the Company over the term of the 2010 SWSC MOU and the 2010 SW Research MOU, the Continuing Connected Transactions shall be subject to the annual review by the independent non-executive Directors and the Company's auditors as required by Rules 14A.37 and 14A.38 of the Listing Rules, respectively. In particular, each year, the independent non-executive Directors must confirm that the Continuing Connected Transactions have been entered into:

- in the ordinary and usual course of business of the Group;
- either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Company than terms available to or from (as appropriate) independent third parties; and
- in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Furthermore, each year, the Company's auditors must provide a letter to the Board confirming that the Continuing Connected Transactions:

- have received the approval of the Board;
- are in accordance with the pricing policies of the Company if the transactions involve provision of goods or services by the Company;
- have been entered into in accordance with the relevant agreements governing the transactions; and
- have not exceeded the caps disclosed in the previous announcement(s).

Given the above, we consider that there exist appropriate procedures and arrangements to ensure that the Continuing Connected Transactions will be conducted on terms pursuant to the 2010 SWSC MOU and the 2010 SW Research MOU.

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## LETTER FROM CIMB SECURITIES

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### RECOMMENDATION

Having considered the principal factors and reasons referred to above, in particular,

- the nature of the Continuing Connected Transactions under the 2010 SWSC MOU and the 2010 SW Research MOU;
- the respective pricing principles stipulated in each of the 2010 SWSC MOU and the 2010 SW Research MOU are fair and reasonable;
- the basis of determination of the Annual Caps is fair and reasonable; and
- there exist appropriate procedures and arrangements to ensure that the Continuing Connected Transactions will be conducted on terms pursuant to the 2010 SWSC MOU and the 2010 SW Research MOU,

we consider that (i) the Continuing Connected Transactions contemplated under the 2010 SWSC MOU and the 2010 SW Research MOU fall in the ordinary and usual course of business of the Group; (ii) the 2010 SWSC MOU and the 2010 SW Research MOU are in the interests of the Group and the Shareholders as a whole; (iii) the terms of the 2010 SWSC MOU and the 2010 SW Research MOU are on normal commercial terms and are fair and reasonable so far as the Company and the Shareholders are concerned; and (iv) the Annual Caps are fair and reasonable so far as the Company and the 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 2010 SWSC MOU, the 2010 SW Research MOU and the Annual Caps.

Yours faithfully,

For and on behalf of

**CIMB Securities (HK) Limited**

**Heidi Cheng**

*Director*

**Anthony Ng**

*Senior Vice President*

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. 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 the omission of which would make any statement in this circular misleading.

2. DISCLOSURE OF DIRECTORS’ INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Director in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange were as follows:

Long position in Shares

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, as at the Latest Practicable Date, none of the Directors had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, according to the register required to be kept by the Company pursuant to Section 336 of the SFO and so far as is known to the Directors and chief executive of the Company, the following persons (other than the Directors or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital (including any options in respect of such capital) carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Long positions in Shares

Name	Capacity and nature of interests	Number of Shares held	Approximate percentage of the Shares in issue
Shenyin Wanguo Holdings (B.V.I.) Limited (“SWHBVI”)	Directly beneficially owned	268,334,875*	50.56
Venture-Some Investments Limited (“VSI”)	Through controlled corporation	268,334,875*	50.56
Shenyin Wanguo (H.K.) Holdings Limited (“SWHKH”)	Through controlled corporation	268,334,875*	50.56
	Directly beneficially owned	2,045,000*	0.38
SWSC	Through controlled corporation	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. Hence, SWSC was also deemed to be interested in the same parcel of 2,045,000 Shares held by SWHKH.

According to the register required to be kept by the Company pursuant to Section 336 of the SFO and so far as is known to the Directors and chief executive of the Company, save as disclosed above, there were no other persons (other than the Directors or chief executive of the Company) who, as at the Latest Practicable Date, had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or in any options in respect of such capital.

As at the Latest Practicable Date, Messrs. Feng Guorong, Lu Wenqing, Guo Chun and Ying Niankang, being Directors, were also directors or employees of SWSC or its subsidiaries.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors was a director or employee of a company which had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

4. DIRECTORS’ INTERESTS IN COMPETING BUSINESSES

As at the Latest Practicable Date, the following Director was considered to have interests in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group:

Name of Director	Name of entity	Nature of interest of the Director in the entity	Description of business of the entity
Huang Gang	SIIC Asset Management Company Limited	Director	Asset management

Saved as disclosed above, as at the Latest Practicable Date, none of the Directors or their respective associates had any interest 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 had any interest, direct or indirect, in any assets which had been, since 31 December 2009, being the date to which the latest published audited accounts of the Company were made up, acquired or disposed of by, or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.



**6. DIRECTORS’ INTERESTS IN CONTRACTS OF THE GROUP**

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting as at the date hereof which was significant in relation to the business of the Group.

**7. SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service agreement with any member of the Group (which will not expire or is not determinable by the employer within one year without payment of compensation (other than statutory compensation)).

**8. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2009, being the date to which the latest published audited accounts of the Company were made up.

**9. EXPERT AND CONSENT**

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

Name	Qualification
CIMB Securities	a licensed corporation to carry on type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO

CIMB Securities 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 Securities did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, CIMB Securities did not have any interest, direct or indirect, in any assets which had been since 31 December 2009, being the date to which the latest published audited accounts of the Group were made up, acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group.

The letter of advice from CIMB Securities is given as of the date of this circular for incorporation herein.

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

#### **11. 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 2010 SWSC MOU;
- (b) the 2010 SW Research MOU;
- (c) the memorandum and articles of association of the Company;
- (d) the written consent of CIMB Securities;
- (e) 2008 and 2009 annual reports of the Company;
- (f) 2008 and 2009 interim reports of the Company; and
- (g) this circular.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### 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 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, 14 May 2010 at 10:00 a.m. for the purposes of considering and, if thought fit, passing the following resolutions of the Company. Unless otherwise indicated, capitalised terms used in this notice and the following resolutions shall have the same meanings as those defined in the circular of the Company dated 19 April 2010 (the “Circular”):

### ORDINARY RESOLUTIONS

1. “**THAT**

- (a) the 2010 SWSC MOU entered into between SWSC and the Company (a copy of which has been produced to the meeting marked “A” and signed by the Chairman of the meeting for identification purpose) in relation to the SWSC Transactions as more particularly set out in the Circular and all the transactions contemplated thereunder as well as the Annual Caps for the transactions contemplated under the 2010 SWSC MOU for the seven months ending 31 December 2010, each of the two years ending 31 December 2012 and the five months ending 31 May 2013 as shown in the Circular be and are hereby approved; and
- (b) the Directors be and are hereby authorized to do all acts and execute all documents they consider necessary or expedient in connection with the 2010 SWSC MOU and the transactions contemplated thereunder.”

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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2. “THAT

- (a) the 2010 SW Research MOU entered into between SW Research and the Company (a copy of which has been produced to the meeting marked “B” and signed by the Chairman of the meeting for identification purpose) in relation to the SW Research Transactions as more particularly set out in the Circular and all the transactions contemplated thereunder as well as the Annual Caps for the transactions contemplated under the 2010 SW Research MOU for the seven months ending 31 December 2010, each of the two years ending 31 December 2012 and the five months ending 31 May 2013 as shown in the Circular be and are hereby approved; and
- (b) the Directors be and are hereby authorized to do all acts and execute all documents they consider necessary or expedient in connection with the 2010 SW Research MOU and the transactions contemplated thereunder.”

By order of the Board  
**Shenyin Wanguo (H.K.) Limited**  
**Wong Che Keung Leslie**  
*Company Secretary*

Hong Kong, 19 April 2010

*As at the date of this notice, the Board 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, Mr. Chang Pen Tsao and Mr. Huang Gang are the non-executive Directors, Mr. Ng Wing Hang Patrick, Mr. Kwok Lam Kwong Larry and Mr. Zhuo Fumin are the independent non-executive Directors.*

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