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雲南實業控股有限公司*

YUNNAN ENTERPRISES HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0455)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of Yunnan Enterprises Holdings Company Limited (the “**Company**”) will be held at Suites 2405-2410, 24th Floor, CITIC Tower, No. 1 Tim Mei Avenue, Central, Hong Kong at 10:00 a.m. on Tuesday, 13 July 2010 for the purpose of considering and, if thought fit, with or without modifications, passing the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT** the underwriting agreement (the “**Underwriting Agreement**”) dated 5 May 2010 entered into between the Company and the underwriter, Tianda Group Limited, a copy of which has been produced at the Meeting and marked “A” and initialed by the chairman of the Meeting for identification purpose be and is hereby approved, confirmed and ratified in all respects; and subject to the fulfillment of the conditions, including but not limited to (i) the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of and permission to deal in the Offer Shares (as defined below) in their fully paid forms to be allotted and issued to the shareholders of the Company (the “**Shareholders**”) pursuant to the terms and conditions of the Open Offer (as defined below); and (ii) the Underwriting Agreement not being terminated in accordance with the terms thereof prior to 4:00 p.m. on the fourth business day after the last day for acceptance of Offer Shares (as defined below),

* *For identification purpose only*

- (a) the issue by way of open offer (the “**Open Offer**”) of 935,059,080 new Shares of HK\$0.10 each (the “**Offer Shares**”) to the shareholders of the Company (the “**Shareholders**”) whose names appear on the register of members of the Company as at the close of business on Tuesday, 13 July 2010 (the “**Record Date**”), in the proportion of one Offer Share for every one existing Share and otherwise pursuant to and in accordance with the terms and conditions set out in the circular of the Company dated 22 June 2010 (the “**Circular**”, a copy of which has been produced at the Meeting and marked “B” and initialed by the chairman of the Meeting for identification purpose) be and is hereby approved; and
- (b) any one of the directors of the Company (the “**Directors**”) be and is hereby authorized to allot and issue the Offer Shares pursuant to or in connection with the Open Offer.
- (c) the absence of arrangements for application for the Offer Shares by the Shareholders in excess of their entitlements under the Open Offer as referred to in Rule 7.26A of the Listing Rules be and the same is hereby approved, confirmed and ratified; and
- (d) the Directors be and are hereby authorized to sign and execute such documents and do all such acts and things incidental to the Open Offer or as they consider necessary, desirable or expedient in connection with the implementation of or giving effect to the Open Offer, the Underwriting Agreement and the transactions contemplated thereunder.”

2. “**THAT**

- (a) the authorized share capital of the Company be and is hereby increased from HK\$200,000,000 divided into 2,000,000,000 shares of a nominal or par value of HK\$0.10 each in the share capital of the Company (the “**Shares**”) to HK\$400,000,000 divided into 4,000,000,000 Shares of HK\$0.10 each by the creation of an additional 2,000,000,000 Shares (the “**Authorised Share Capital Increase**”); and
- (b) any one of the Directors be and is hereby authorized for and on behalf of the Company to execute all such documents, instruments and agreements and to do all such acts or things deemed by him to be incidental to or in connection with the matters contemplated in and for giving effect to the Increase in Authorised Share Capital.”

3. **“THAT**

- (a) the Asset Swap Agreement, a copy of it has been produced at the meeting marked “C” and initiated by the chairman of the EGM for identification purpose, as more particularly described in the circular to the shareholder of the Company dated 22 June 2010 of which this announcement forms part and all the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified; and
- (b) any one of the Directors be and are hereby authorised to do all such things and take all such actions for and on behalf of the Company as they consider necessary, desirable or expedient in connection with the Asset Swap Agreement and the transaction contemplated therein.”

4. **“THAT** subject to the granting by the Listing Committee of Stock Exchange of the listing of and permission to deal in the shares to be issued and allotted by the Company under the proposed Share Option Scheme (as defined in the Circular), the rules of which are set out in a document submitted to the EGM marked “D” and signed for the purpose of identification by the chairman of the EGM, the principal terms of which are set out in the Circular, such Share Option Scheme be and is hereby approved and adopted as the share option scheme of the Company and the Directors be and are hereby authorized to grant options thereunder and to allot and issue shares which may fall to be issued upon exercise of the options to be granted pursuant to the Share Option Scheme and take all such steps as may be necessary or desirable to implement such Share Option Scheme.”

By order of the Board
Yunnan Enterprises Holdings Limited
Fang Wen Quan
Chairman

Hong Kong, 22 June 2010

Registered office:

Windward 1
Regatta Office Park
West Bay Road
Grand Cayman
Cayman Islands
British West Indies

Head office and principal place of business in Hong Kong:

Suites 2405-2410
24th Floor, CITIC Tower
No. 1 Tim Mei Avenue
Central
Hong Kong

Notes:

1. The register of members of the Company is expected to be closed from Monday, 12 July 2010 to Tuesday, 13 July 2010, both dates inclusive. No transfers of Shares will be registered during the book closure period. The latest time and date for lodging transfers of Shares in order to be qualified for attending the Meeting and the Open Offer will be 4:30 p.m. on Friday, 9 July 2010.
2. A member entitled to attend and vote at the Meeting is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the Meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
3. Whether or not you intend to attend the Meeting in person, you are encouraged to complete and return the proxy form in accordance with the instructions printed thereon. Completion and return of a proxy form will not preclude a member from attending in person and voting at the Meeting or any adjournment thereof, should he so wish.
4. In order to be valid, the proxy form, together with a power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
5. In the case of joint holders of shares, any one of such holders may vote at the Meeting, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holder are present at the Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
6. As required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the above resolution will be decided by way of a poll.

As at the date of this announcement, the executive Directors are Mr. Fang Wen Quan (Chairman and Managing Director), Mr. Li Suiming and Mr. Liu Huijiang; and the independent non-executive Directors are Mr. Chiu Sung Hong, Mr. Chiu Fan Wa, and Mr. Lam Yat Fai.