
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Interchina Holdings Company Limited, you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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國 中 控 股 有 限 公 司
INTERCHINA HOLDINGS COMPANY LIMITED
(incorporated in Hong Kong with limited liability)
(Stock Code: 202)

**PROPOSED RE-ELECTION OF RE-ELECTING DIRECTORS,
PROPOSED GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Interchina Holdings Company Limited to be held at Room Monet, Basement 1, InterContinental Grand Stanford Hotel, 70 Mody Road, Kowloon, Hong Kong on 6 September 2008 at 9:00 a.m. is set out on pages 12 to 15 of this circular. A form of proxy is also enclosed.

Whether or not you are able to attend the annual general meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the office of the Company's share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude you from subsequently attending and voting at the annual general meeting or any adjourned meeting should you so wish.

30 July 2008

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RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

DEFINITIONS

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

“AGM Notice”	notice of the Annual General Meeting which is set out on pages 12 to 15 of this circular
“Annual General Meeting”	the annual general meeting of the Company to be held at Room Monet, Basement 1, InterContinental Grand Stanford Hotel, 70 Mody Road, Kowloon, Hong Kong on 6 September 2008 at 9:00 a.m., to consider and, if appropriate, to approve the ordinary resolutions set out in the AGM Notice or any adjourned meeting thereof
“associate(s)”	has the same meaning as ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Code”	the Hong Kong Code on Takeovers and Mergers
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	Interchina Holdings Company Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Existing Issue Mandate”	a general mandate granted to the Directors at the extraordinary general meeting of the Company held on 17 May 2008 to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at 17 May 2008
“Existing Repurchase Mandate”	a general mandate granted to the Directors at the annual general meeting of the Company held on 14 July 2007 to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at 14 July 2007
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Latest Practicable Date”	24 July 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Proposed Issue Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of relevant resolution granting such proposed issue mandate
“Proposed Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of relevant resolution granting such proposed repurchase mandate
“Re-electing Directors”	Mr. Zhang Yang, Mr. Zhu Yongjun and Mr. Wong Hon Sum
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars
“%”	per cent.

LETTER FROM THE BOARD



國 中 控 股 有 限 公 司
INTERCHINA HOLDINGS COMPANY LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 202)

Executive Directors:

Mr. Zhang Yang (*Chairman*)
Mr. Zhu Yongjun (*Deputy Chairman*)
Mr. Chan Wing Yuen, Hubert
Mr. Lam Cheung Shing, Richard

Registered office:

Room 701, 7/F
Aon China Building
29 Queen's Road Central
Hong Kong

Independent non-executive Directors:

Mr. Wong Hon Sum
Ms. Ha Ping
Dr. Tang Tin Sek

30 July 2008

*To the Shareholders and, for information only,
holders of share options and convertible notes option of the Company*

Dear Sir or Madam,

**PROPOSED RE-ELECTION OF RE-ELECTING DIRECTORS,
PROPOSED GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information in respect of, among other matters, the ordinary resolutions to be proposed at the Annual General Meeting for the approval of (a) proposed re-election of the Re-electing Directors; (b) granting to the Directors the Proposed Issue Mandate; (c) granting to the Directors the Proposed Repurchase Mandate; and (d) extending the Proposed Issue Mandate to issue Shares by adding to it the aggregate number of the issued Shares repurchased under the Proposed Repurchase Mandate.

LETTER FROM THE BOARD

PROPOSED RE-ELECTION OF RE-ELECTING DIRECTORS

At the Annual General Meeting, (i) Mr. Zhang Yang and Mr. Zhu Yongjun, the executive Directors; (ii) Mr. Wong Hon Sum, an independent non-executive Director, all being the Re-electing Directors, shall retire from office and shall be eligible for re-election. Brief biography of each of the Re-electing Directors is set out in Appendix I to this circular.

PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 14 July 2007, ordinary resolution was passed to grant the Existing Repurchase Mandate to the Directors and at the extraordinary general meeting of the Company held on 17 May 2008, ordinary resolution was passed to grant the Existing Issue Mandate to the Directors.

In accordance with the provisions of the Listing Rules and the terms of the Existing Issue Mandate and the Existing Repurchase Mandate, the Existing Issue Mandate and the Existing Repurchase Mandate shall lapse if, among other matters, they are revoked or varied by ordinary resolution of the Shareholders in general meeting.

Ordinary resolutions set out as resolutions 4(1)(d) and 4(2)(c) in the AGM Notice will be proposed at the Annual General Meeting to revoke the Existing Issue Mandate and the Existing Repurchase Mandate respectively. Resolutions to consider, and if thought fit, to approve the Proposed Issue Mandate and the Proposed Repurchase Mandate as set out in resolutions 4(1)(a), (b), (c) and (e) and resolutions 4(2)(a), (b) and (d) in the AGM Notice respectively will also be proposed at the Annual General Meeting. With reference to the Proposed Issue Mandate and the Proposed Repurchase Mandate, the Directors wish to state that they have no immediate plans to issue or repurchase any Shares pursuant thereto. As at the Latest Practicable Date, the number of Shares in issue was 20,286,193,632 Shares. Subject to the passing of the resolutions granting the Proposed Issue Mandate and on the basis that no further Shares will be issued or repurchased before the Annual General Meeting, the Company will be allowed to issue a maximum of 4,057,238,726 Shares upon exercise of the Proposed Issue Mandate in full.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Proposed Repurchase Mandate is set out in Appendix II to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions at the Annual General Meeting.

ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at Room Monet, Basement 1, InterContinental Grand Standford Hotel, 70 Mody Road, Kowloon, Hong Kong on 6 September 2008 at 9:00 a.m. is set out on pages 12 to 15 of this circular.

A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed with this circular. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the form of proxy and return it to the

LETTER FROM THE BOARD

office of the share registrar of the Company in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting. Completion and return of the form of proxy will not prevent you from attending and voting at the Annual General Meeting or any adjourned meeting should you so wish.

Pursuant to article 73 of the articles of association of the Company, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three Shareholders present in person or by proxy for the time being entitled to vote at the meeting; or
- (c) by any Shareholder or Shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (d) by any Shareholder or Shareholders present in person or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all Shares conferring that right.

RECOMMENDATION

The Directors consider that the proposed ordinary resolutions for approval of (a) proposed re-election of the Re-electing Directors; (b) granting to the Directors the Proposed Issue Mandate; (c) granting to the Directors the Proposed Repurchase Mandate; and (d) to extend the Proposed Issue Mandate to issue Shares by adding to it the aggregate number of the issued Shares repurchased under the Proposed Repurchase Mandate are in line with the requirements under the Listing Rules and in the interests of the Company and, in particular, the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the ordinary resolutions as set out in the AGM Notice.

GENERAL INFORMATION

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

Yours faithfully,
By order of the Board of
Interchina Holdings Company Limited
Lam Cheung Shing, Richard
Director and Company Secretary

This appendix sets out the information, as required to be disclosed by the Listing Rules, on the Re-electing Directors proposed to be re-elected at the Annual General Meeting.

(1) Mr. Zhang Yang

Mr. Zhang Yang (“Mr. Zhang”), aged 44, was appointed as a Director in March 2000 and became the chairman of the Company in September 2000. Mr. Zhang studied in Industrial Automation Department of Shanghai Second Staff University. He has over 20 years of experience in industrial investment and management. Mr. Zhang is responsible for the strategic planning and overall management control of the Group. Mr. Zhang is also a director of various subsidiaries of the Company. Save as disclosed, Mr. Zhang did not hold any other positions of any members of the Group.

Mr. Zhang was appointed as a director and chairman of Kai Yuan Holdings Limited, the shares of which are listed on the Stock Exchange, during the period from December 2001 to April 2007. Mr. Zhang was also appointed as a non-executive director and honourable chairman of China Pipe Group Limited (“China Pipe”), the shares of which are listed on the Stock Exchange, in July 2007. Save as disclosed herein, Mr. Zhang did not hold any other directorships in listed public companies in the three years immediately prior to the Latest Practicable Date.

The Company has not entered into any service contract with Mr. Zhang and Mr. Zhang has not been appointed for a specific term. The aggregate emoluments paid to Mr. Zhang for the year ended 31 March 2008 amounted to approximately HK\$10,072,000. Mr. Zhang’s emoluments were determined by the Board with reference to Mr. Zhang’s duties and responsibilities as well as the Company’s remuneration policy. Save as being an executive Director and the chairman of the Company, Mr. Zhang did not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Zhang had the option to subscribe for the convertible notes in the principal amount of HK\$900,000,000 (the “Convertible Notes”). As at the Latest Practicable Date, Mr. Zhang was deemed to be interested in 13,492,625,000 Shares within the meaning of Part XV of the SFO, of which (i) 4,492,625,000 Shares were held by Mr. Zhang; and (ii) 9,000,000,000 Shares to be allotted and issued to Mr. Zhang upon the exercise of the Convertible Notes.

Save as disclosed herein, there is no information in relation to Mr. Zhang which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matters in relation to the proposed re-election of Mr. Zhang that need to be brought to the attention of the Shareholders.

(2) Mr. Zhu Yongjun

Mr. Zhu Yongjun (“Mr. Zhu”), aged 40, was appointed as an executive Director and deputy chairman of the Company in May 2008. Mr. Zhu is also a director of various subsidiaries of the Company. Save as disclosed, Mr. Zhu did not hold any other positions with any members of the Group. Mr. Zhu is responsible for exploring investment opportunities in the market of the People’s Republic of China. Mr. Zhu obtained his master degree of business administration in Peking University after graduated from Hunan University in 1989. He has over 15 years of experience in business planning, management and fund raising.

Mr. Zhu was appointed as the executive director of China Pipe, the shares of which are listed on the Stock Exchange, in July 2007. Save as disclosed, Mr. Zhu did not hold any other directorships in listed public companies in the last three years immediately prior to the Latest Practicable Date.

The Company has not entered into any service contract with Mr. Zhu and Mr. Zhu has not been appointed for a specific term. Mr. Zhu is entitled to an annual remuneration of approximately HK\$200,000. He is also entitled to a discretionary bonus and reasonable out-of-pocket expenses. Mr. Zhu’s emoluments are determined by the Board with reference to Mr. Zhu’s duties and responsibilities as well as the Company’s remuneration policy. Save as being an executive Director and deputy chairman of the Company, Mr. Zhu did not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Zhu did not hold any interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, there is no information in relation to Mr. Zhu which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matters in relation to the proposed re-election of Mr. Zhu that need to be brought to the attention of the Shareholders.

(3) Mr. Wong Hon Sum

Mr. Wong Hon Sum (“Mr. Wong”), aged 49, was appointed as an independent non-executive Director in May 2000. He has over 20 years of experience in the field of audit, accountancy, finance, taxation and business advisory. Mr. Wong is a fellow member of the Association of Chartered Certified Accountants, Hong Kong Institute of Certified Public Accountants and the Taxation Institute of Hong Kong. He is also a member of Hong Kong Securities Institute. Save as being an independent non-executive Director, Mr. Wong did not hold any other positions with any members of the Group.

Mr. Wong was appointed as an independent non-executive director of China Mining Resources Group Limited, the shares of which are listed on the Stock Exchange, during the period from January 2007 to December 2007. Save as disclosed, Mr. Wong did not hold any other directorships in listed public companies in the three years immediately prior to the Latest Practicable Date.

The Company has not entered into any service contract with Mr. Wong and Mr. Wong has not been appointed for a specific term. The aggregate emoluments paid to Mr. Wong for the year ended 31 March 2008 amounted to approximately HK\$200,000. Mr. Wong’s emoluments were determined by the Board with reference to Mr. Wong’s duties and responsibilities as well as the Company’s remuneration policy. Save as being an independent non-executive Director, Mr. Wong did not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Wong was deemed to be interested in 5,000,000 Shares within the meaning of Part XV of the SFO, of which such Shares to be allotted and issued to Mr. Wong upon the exercise of the share options granted to Mr. Wong.

Save as disclosed herein, there is no information in relation to Mr. Wong which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matters in relation to the proposed re-election of Mr. Wong that need to be brought to the attention of the Shareholders.

This appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the Annual General Meeting in relation to the Proposed Repurchase Mandate.

(1) Share capital

As at the Latest Practicable Date, the number of Shares in issue was 20,286,193,632 Shares. Subject to the passing of the resolution granting the Proposed Repurchase Mandate and on the basis that no further Shares will be issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 2,028,619,363 Shares during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

(2) Source of funds

Repurchases must be funded out of fund legally available for the purpose and in accordance with the articles of association of the Company and the laws of Hong Kong, the jurisdiction in which the Company is incorporated.

(3) Reasons for repurchases

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions, and funding arrangements at the time, lead to an enhancement of the net asset value of the Company or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that if the general mandate to repurchase Shares were to be exercised in full at the currently prevailing market value, it would have a material adverse impact on the working capital position and gearing position of the Company, as compared with the positions disclosed in the annual report of the Company for the financial year ended 31 March 2008, being the date to which the latest published accounts of the Company were made up. The Directors do not propose to exercise the mandate to repurchase Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

(4) Share prices

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the twelve months immediately preceding the Latest Practicable Date:

Month	Highest trade price	Lowest trade price
	<i>HK\$</i>	<i>HK\$</i>
2007		
July	<i>Note</i>	<i>Note</i>
August (<i>Note</i>)	0.184	0.136
September	0.165	0.129
October	0.144	0.108
November	0.162	0.117
December	0.118	0.098
2008		
January	0.103	0.076
February	0.088	0.081
March	0.083	0.073
April	0.090	0.076
May	0.087	0.075
June	0.077	0.053
July (up to and including the Latest Practicable Date)	0.051	0.046

Note: Trading in the Shares was suspended since 18 May 2007 and was resumed on 27 August 2007.

(5) General

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their associates currently intends to sell any Shares to the Company or its subsidiaries in the event that the Proposed Repurchase Mandate has been approved.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Proposed Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong, as well as the regulations set out in the memorandum and articles of association of the Company.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, in the event that the Proposed Repurchase Mandate has been approved.

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Code.

As at the Latest Practicable Date and so far as was known to the Directors, Mr. Zhang, an executive Director and the chairman of the Company, and the parties acting in concert (as defined in the Code) with him were interested in a total of 4,492,625,000 Shares, representing approximately 22.15% of the issued share capital of the Company. On the basis that no further Shares will be issued or repurchased after the Latest Practicable Date, in the event that the Directors exercise the Proposed Repurchase Mandate in full, the shareholdings of Mr. Zhang and the parties acting in concert (as defined in the Code) with him in the Company would be increased to approximately 24.61% of the issued share capital of the Company as reduced by the exercise of the Proposed Repurchase Mandate in full. Mr. Zhang would not be required under Rule 26 of the Code to make any mandatory offer pursuant to such increase. The Directors have no present intention to exercise in full the power to repurchase Shares proposed to be granted pursuant to the Proposed Repurchase Mandate.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital of the Company would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares being held in public hands.

The Company and its subsidiaries had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



國 中 控 股 有 限 公 司 INTERCHINA HOLDINGS COMPANY LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 202)

NOTICE IS HEREBY GIVEN that an annual general meeting of the Interchina Holdings Company Limited (“**Company**”) will be held at Room Monet, Basement 1, InterContinental Grand Standford Hotel, 70 Mody Road, Kowloon, Hong Kong on 6 September 2008 at 9:00 a.m. (or any adjournment thereof) for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and auditors of the Company for the year ended 31 March 2008;
2. To re-elect directors who offer themselves for re-election and to authorise the board of directors to fix their remuneration;
3. To re-appoint HLB Hodgson Impey Cheng as the auditors of the Company and to authorise the board of directors to fix their remuneration;
4. To consider and, if thought fit, passing with or without modification, the following resolutions:

as Ordinary Resolutions of the Company:

(1) “**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (“**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and otherwise deal with additional shares of the Company (“**Shares**”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of rights of subscription or conversion under terms of any warrants issued by the Company or any securities which are convertible into Shares;
 - (iii) the exercise of any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or right to acquire Shares;
 - (iv) any scrip dividend or similar arrangements providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company;

shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly;

- (d) subject to the passing of each of the paragraphs (a), (b) and (c) of this Resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (e) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting;

NOTICE OF ANNUAL GENERAL MEETING

“**Rights Issue**” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

- (2) “**THAT:**
- (a) subject to paragraph (b) below, the exercise by the directors of Company (“**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the shares of the Company (“**Shares**”) on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited under the Hong Kong Code on Share Repurchases, and subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of Shares which may be repurchased pursuant to the approval in paragraph (a) above shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly;
 - (c) subject to the passing of each of the paragraphs (a) and (b) of this Resolution, any prior approvals of the kind referred to in paragraphs (a) and (b) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
 - (d) for the purpose of this Resolution, “**Relevant Period**” means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; or
 - (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

- (3) “**THAT** conditional upon the passing of the Resolutions 4(1) and 4(2) as set out in the notice of this meeting, the general mandate granted to the directors of the Company (“**Directors**”) to exercise the powers of the Company to allot, issue and otherwise deal with shares of the Company pursuant to Resolution 4(1) above be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted by the Directors pursuant to such general mandate an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 4(2) above, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution.”

By order of the Board of
Interchina Holdings Company Limited
Lam Cheung Shing, Richard
Director and Company Secretary

Hong Kong, 30 July 2008

Registered office:

Room 701, 7/F
Aon China Building
29 Queen’s Road Central
Hong Kong

Notes:

1. A shareholder entitled to attend and vote at the above meeting may appoint one or more than one proxy to attend and to vote in his stead. A proxy need not be a shareholder of the Company.
2. Where there are joint registered holders of any Share, any one such persons may vote at the meeting, either personally or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting 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.
3. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the office of the Company’s share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting.
4. As at the date of this notice, the executive Directors are Mr. Zhang Yang, Mr. Zhu Yongjun, Mr. Chan Wing Yuen, Hubert and Mr. Lam Cheung Shing, Richard and the independent non-executive Directors are Mr. Wong Hon Sum, Ms. Ha Ping and Dr. Tang Tin Sek.