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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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in CHINA HAIDIAN HOLDINGS LIMITED, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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CHINA HAIDIAN HOLDINGS LIMITED

中國海澱集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 256)

PROPOSALS FOR GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES OF THE COMPANY, REFRESHMENT OF THE SCHEME LIMIT, RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of China Haidian Holdings Limited (the "Company") to be held at Tang Room I, Third Floor, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong, the 10th day of June, 2009 at 11:00 a.m. is set out on pages 13 to 16 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of such meeting (or adjourned meeting as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the annual general meeting, if you so wish.

Hong Kong, 29th April, 2009

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RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purposes of giving information with regard to the Company. The information contained herein relating to the Company has been supplied by the Directors, who 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, the following expressions have the following meanings unless the context requires otherwise:

| | |
|---------------------------|--|
| “Annual General Meeting” | the annual general meeting of the Company to be held on Wednesday, the 10th day of June, 2009 at 11:00 a.m., notice of which is set out on pages 13 to 16 of this circular |
| “Articles of Association” | the articles of association of the Company |
| “Board” | the board of directors |
| “Companies Law” | the Companies Law of the Cayman Islands for the time being in force |
| “Company” | China Haidian Holdings Limited 中國海澱集團有限公司, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Stock Exchange |
| “Directors” | directors of the Company |
| “HK\$” | Hong Kong dollar, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Latest Practicable Date” | 24th April, 2009, being the latest practicable date prior to the printing of this circular |
| “Listing Committee” | the meaning ascribed thereto in the Listing Rules |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Repurchase Proposal” | the proposal to give a general mandate to the Directors to exercise the powers of the Company to repurchase during the period as set out in the Repurchase Resolution Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution |
| “Repurchase Resolution” | the proposed ordinary resolution as referred to in resolution no.5 in the notice of the Annual General Meeting |

DEFINITIONS

| | |
|--------------------------|---|
| “Scheme Limit” | Being the maximum number of Shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and under any option scheme of the Company as stipulated in Rule 17.03(3) of the Listing Rules |
| “Share Option Scheme” | the share option scheme of the Company adopted on 30th May, 2008 |
| “Share Repurchase Rules” | the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange |
| “Share(s)” | share(s) of HK\$0.10 each in the share capital of the Company |
| “Shareholders” | the holders of Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | the Hong Kong Code on Takeovers and Mergers |
| “%” | per cent. |



CHINA HAIDIAN HOLDINGS LIMITED

中國海澱集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 256)

Executive Directors:

Hon Kwok Lung (*Chairman*)
Shang Jianguang (*Chief Executive Officer*)
Shi Tao
Lam Toi Man

Registered Office:

P.O. Box 309
Ugland House
South Church Street
Grand Cayman
Cayman Islands

Non-executive Director:

Sit Lai Hei

Principal Place of Business:

Units 1902-04, Level 19
Internatioinal Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

Independent Non-executive Directors:

Fung Tze Wa
Kwong Chun Wai, Michael
Li Qiang

Hong Kong, 29th April, 2009

To the shareholders,

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE AND ISSUE SHARES OF THE COMPANY,
REFRESHMENT OF THE SCHEME LIMIT,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to notify shareholders of the Company the convening of the Annual General Meeting and to provide you with information in connection with the proposals: (i) to grant the general mandates to repurchase shares and to issue new shares of the Company; (ii) to refresh the Scheme Limit of the Share Option Scheme; and (iii) to re-elect Directors.

LETTER FROM THE BOARD

2. GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 30th May, 2008, a general mandate was granted by the Shareholders to the Directors to exercise the powers of the Company to repurchase Shares of the Company. Such mandate will lapse at the conclusion of the forthcoming Annual General Meeting to be held on 10th June, 2009. The Directors will propose the Repurchase Resolution at the Annual General Meeting to give a general mandate to the Directors to exercise all powers of the Company to repurchase on the Stock Exchange up to 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution. An explanatory statement as required under the Share Repurchase Rules to provide the requisite information of the Repurchase Proposal is set out in Appendix I hereto.

3. GENERAL MANDATE TO ISSUE SHARES

There will also be proposed at the Annual General Meeting two ordinary resolutions respectively granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing the resolution and adding to such general mandate so granted to the Directors of the Shares repurchased by the Company after the granting of the general mandate to repurchase up to 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution. Based on 3,542,030,669 Shares in issue as at the Latest Practicable Date and assuming that no shares are issued or repurchased by the Company prior to the Annual General Meeting, 20% of the issued share capital of the Company will be 708,406,133 Shares.

4. PROPOSED REFRESHMENT OF THE SCHEME LIMIT

The Share Option Scheme was adopted by the Company on 30th May, 2008. The Company had adopted a share option scheme prior to the Share Option Scheme on 25th May, 2001. Such scheme was cancelled at the general meeting of the Company held on 30th May, 2008. There were no options outstanding under such scheme. Apart from the Share Option Scheme, the Company has no other share option scheme currently in force.

Pursuant to the Listing Rules, the maximum number of Shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue at the time the Share Option Scheme is adopted by the Shareholders.

Under the current limit of the Share Option Scheme, the Directors were authorized to grant options to subscribe for up to 179,203,066 Shares, representing 10% of the issued share capital of the Company, being 1,792,030,669 Share in issue as at the date of the Extraordinary General meeting on 30th May, 2008 pursuant to Rule 17.03 of the Listing Rules.

LETTER FROM THE BOARD

Since the adoption of the Share Option Scheme on 30th May, 2008, there hasn't been any refreshment of the Scheme Limit. The Company has granted 179,000,000 share options to eligible participants on 9th December, 2008. As these share options granted have not been cancelled, lapsed or exercised, all 179,000,000 share options remain outstanding. The Company has thus only 203,066 share options available to be granted under the Scheme Limit to eligible participants.

Based on 3,542,030,669 Shares in issue as at the Latest Practical Date, the total number of share options outstanding represents 5.05% of the Shares in issue while the share options available to be granted represents 0.0057% of the Shares in issue.

The Directors have no present intention to grant any further Share Options under the Share Option Scheme and under any other share option schemes prior to the Annual General Meeting. The Directors consider that it is in the interest of the Company and the Shareholders as a whole to refresh the Scheme Limit to the 10% provided under Chapter 17 of the Listing Rules so as to provide the Company with the flexibility of granting further share options under the Share Option Scheme and to provide incentives to, and recognise the contributions of, the Group's employees and other selected grantees. The Directors consider that the additional flexibility to be able to offer more share options is an important factor for the Company to attract potential recruits and to retain existing employees and officers of the Company.

Based on 3,542,030,669 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are issued or repurchased by the Company prior to the Annual General Meeting, the Scheme Limit will be re-set to 354,203,066 Shares, representing approximately 10% of the issued capital of the Company as at the date of the Annual General Meeting in which the refreshed limit is approved and the Company will be allowed to granted further options under the Share Option Scheme and under any other share option schemes of the Company carrying the rights to subscribe for a maximum of 354,203,066 Shares or 10% of the issued share capital of the Company as at the date of the Annual General Meeting. Notwithstanding the foregoing, the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and under any other share option schemes of the Company at any time shall not exceed 30% of the Shares in issue from time to time. No options shall be granted under any schemes of the Company (including the Share Option Scheme) if this will result in the 30% limit being exceeded.

The proposed refreshment of the Scheme Limit is conditional upon:

- (i) the passing of an ordinary resolution to approve the proposed refreshment of the Scheme Limit by the Shareholders at the Annual General Meeting; and
- (ii) the Listing Committee granting the listing of, and permission to deal in, the Shares (representing a maximum of 10% of the issued share capital of the Company as at the date of the Annual General Meeting approving the proposed refreshment of the Scheme Limit) to be issued upon the exercise of any options that may be granted under the Share Option Scheme.

LETTER FROM THE BOARD

Application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the new Shares (representing a maximum of 10% of the issued share capital of the Company as at the date of the Annual General Meeting approving the proposed refreshment of the Scheme Limit) to be issued upon the exercise of any options that may be granted under the Share Option Scheme under the refreshed limit.

5. RE-ELECTION OF DIRECTORS

In accordance with Article 116 of the Articles of Association, Mr. Shi Tao, Mr. Fung Tze Wa and Dr. Kwong Chun Wai, Michael will retire by rotation at the Annual General Meeting and, being eligible, offer themselves for re-election. Details of the Directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix II hereto.

6. ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting is set out on page 13 to 16 of this circular. At the Annual General Meeting, resolutions will be proposed for the purpose of considering and if thought fit, approving, among other matters, the resolutions proposed in this circular by way of poll pursuant to the Listing Rules. Results of the poll voting will be published on the Company's website at www.irasia.com/listco/hk/chinahaidian and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the Annual General Meeting.

7. ACTION TO BE TAKEN

A form of proxy for use at the Annual General Meeting is enclosed herein. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's share registrar, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the Annual General Meeting if they so wish.

LETTER FROM THE BOARD

8. RECOMMENDATION

The Directors believe that the proposed resolutions to re-elect directors, the Repurchase Proposal and the general mandate for Directors to issue new Shares to be put forward at the Annual General Meeting and the proposal to refresh the Scheme Limit are all in the best interests of the Company and its shareholders. Accordingly, the Directors recommend that all shareholders of the Company should vote in favour of such resolutions to be proposed at the Annual General Meeting.

By Order of the Board
China Haidian Holdings Limited
HON KWOK LUNG
Chairman

This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 3,542,030,669 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 354,203,066 Shares (representing 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution).

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Proposal is in the best interests of the Company and its shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum and articles of association and the Companies Law. The Companies Law provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of shares made for the purposes of the repurchase or in the manner provided for in section 37(5) of the Companies Law. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Company's shares are repurchased or in the manner provided for in section 37(5) of the Companies Law.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31st December, 2008 in the event that the power to repurchase Shares pursuant to the Repurchase Proposal is to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the power to repurchase Shares pursuant to the Repurchase Proposal 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 highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date are as follows:

| Month | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
|---------------------------------------|------------------------|-----------------------|
| 2008 | | |
| April | 0.760 | 0.620 |
| May | 0.750 | 0.570 |
| June | 0.660 | 0.445 |
| July | 0.500 | 0.315 |
| August | 0.380 | 0.280 |
| September | 0.425 | 0.300 |
| October | 0.450 | 0.270 |
| November | 0.355 | 0.290 |
| December | 0.395 | 0.310 |
| 2009 | | |
| January | 0.465 | 0.370 |
| February | 0.530 | 0.410 |
| March | 0.590 | 0.435 |
| April (up to Latest Practicable Date) | 0.680 | 0.500 |

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Resolution and in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge and belief and having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Resolution if such is approved by the shareholders of the Company.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Proposal is approved by the shareholders of the Company.

6. TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Proposal, 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 Rule 32 of the Takeovers Code. As a result, a shareholder or group of shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the register maintained by the Company pursuant to section 336 of Part XV of the Securities and Futures Ordinance shows the following interests in Shares being 5% or more of the issued share capital of the Company:

| | No. of Shares | Percentage of existing issued capital | Percentage of issued capital if Repurchase Proposal is exercised in full |
|------------------------------------|---------------|---------------------------------------|--|
| Sincere View International Limited | 737,017,515 | 20.80% | 23.12% |
| Full Day Limited | 1,750,000,000 | 49.41% | 54.90% |
| Hon Kwok Lung | 2,487,017,515 | 70.21% | 78.02% |
| Lam Suk Ying | 2,487,017,515 | 70.21% | 78.02% |

Note: Mr. Hon Kwok Lung holds 80% and his wife, Ms. Lam Suk Ying holds 20% interests in Sincere View International Limited (“Sincere View”), which is a substantial shareholder of the Company holding 737,017,515 shares of the Company.

Mr. Hon Kwok Lung holds 100% interests in Full Day Limited (“Full Day”), which is a substantial shareholder of the Company holding 1,750,000,000 shares of the Company.

Mr. Hon Kwok Lung and Ms. Lam Suk Ying are deemed to have an interest in the same parcel of shares of 2,487,017,515 held by Sincere View and Full Day.

Based on the above shareholding and in the event the Directors exercised in full the power to repurchase Shares pursuant to the Repurchase Proposal, the shareholding of Mr. Hon Kwok Lung and parties acting in concert with him will increase from approximately 70.21% to approximately 78.02% and such increase will not give rise to an obligation to make a general offer under Rule 26 of the Takeovers Code. If the Directors exercised in full the power to repurchase Shares pursuant to the Repurchase Proposal, the number of Shares that will be held by the public would fall below the 25% threshold set out in Rule 8.08 of the Listing Rules. The Directors currently have no present intention to exercise the power to repurchase Shares pursuant to the Repurchase Proposal to such extent as would result in the number of Shares held by the public would fall below 25% of the issued share capital of the Company.

7. SHARES REPURCHASE MADE BY THE COMPANY

The Company had not repurchased any Share (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

Mr. Shi Tao

Mr. Shi, aged 45, has been appointed as an Executive Director of the Company since 8th April, 2004. He holds a Bachelor degree in Engineering from Tsinghua University and a Master degree in Engineering from Wuhan University of Technology (formerly, Wuhan Industrial University). Mr. Shi has years of business experience in the PRC. Mr. Shi has also been appointed as an Executive Director of New Capital International Investment Limited, a company whose shares are listed on the Stock Exchange, since November 2006.

Mr. Shi has entered into a service agreement with the Company for an initial term of 2 years commencing from 1st July, 2004 and is subject to termination by either party by giving not less than two months' written notice. The service agreement will continue for successive terms of one year unless terminated by not less than two months' written notice served by either party to the other. His term of office is subject to retirement by rotation and re-election in accordance with the Articles of Association. Under the terms of the service agreement, Mr. Shi is entitled to a monthly salary of HK\$130,000 payable on a 13-month basis and a discretionary bonus for each completed year of service to be determined by the Board with reference to the Company's performance and profitability. The basic salary was determined with reference to the remuneration benchmark in the industry and the prevailing market conditions. Mr. Shi does not have any relationship with any directors, senior management or substantial shareholder or controlling shareholder of the Company and does not have any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. Shi does not have any other positions in the Company and other members of the Company's group. Besides, there is no other information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. There are no other matters with respect to the above that need to be brought to the attention of the shareholders of the Company.

Mr. Fung Tze Wa

Mr. Fung, aged 52, has been appointed as an Independent Non-executive Director of the Company since 8th April, 2004 and a member of the audit committee of the Company since 14th May, 2004. He is a Certified Public Accountant and a Director of an accounting firm in Hong Kong. Mr. Fung has various years of experience in auditing, taxation and company secretarial practice in Hong Kong. He obtained a Master degree in professional accounting from the Hong Kong Polytechnic University in 2000. He is a member of the Hong Kong Institute of Certified Public Accountants, the Chartered Association of Certified Accountants, the Taxation Institute of Hong Kong and the Society of Chinese Accountants and Auditors. Mr. Fung has also been appointed as the independent non-executive director of New Capital International Investment Limited since April 2004 and of Jiwa Bio-Pharm Holdings Limited since September 2004, both companies' shares are listed on the Stock Exchange.

Mr. Fung has entered into a service agreement with the Company for a term of 2 years commencing from 3rd May, 2004 and shall continue thereafter for successive terms of one year commencing from the date next after the expiry of the then current term. Under the terms of the service agreement, Mr. Fung is entitled to a director's fee of HK\$150,000 per annum which is determined with reference to the estimated time to be spent by him on the Company's matters. Mr. Fung does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company and does not have any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. Fung does not have any other positions in the Company and other members of the Company's group. Besides, there is no other information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. There are no other matters with respect to the above that need to be brought to the attention of the shareholders of the Company.

Dr. Kwong Chun Wai, Michael

Dr. Kwong Chun Wai, Michael, aged 44, has been appointed as an Independent Non-executive Director of the Company since 8th April, 2004 and a member of the audit committee of the Company since 14th May, 2004. He is a fellow of the International Institute of Management, a member of the Hong Kong Institute of Marketing, a member of the Hong Kong Logistics Association, a certified professional marketer of the Hong Kong Institute of Marketing and a business strategist specialising in the area of marketing and business administration. Dr. Kwong obtained a Bachelor of arts degree with honours in philosophy from the University of Nottingham in the United Kingdom in 1987 and a Doctorate degree in business administration from Newport University in the United States in 2001. Dr. Kwong has also been appointed as an independent non-executive director of New Capital International Investment Limited, a company whose shares are listed on the Stock Exchange, since November 2006.

Dr. Kwong has entered into a service agreement with the Company for a term of 2 years commencing from 3rd May, 2004 and shall continue thereafter for successive terms of one year commencing from the date next after the expiry of the then current term. Under the terms of the service agreement, Dr. Kwong is entitled to a director's fee of HK\$100,000 per annum which is determined with reference to the estimated time to be spent by him on the Company's matters. Dr. Kwong does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company and does not have any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Dr. Kwong does not have any other positions in the Company and other members of the Company's group. Besides, there is no other information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. There are no other matters with respect to the above that need to be brought to the attention of the shareholders of the Company.

NOTICE OF ANNUAL GENERAL MEETING



CHINA HAIDIAN HOLDINGS LIMITED

中國海澱集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 256)

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company will be held at Tang Room I, Third Floor, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Wednesday, the 10th Day of June, 2009 at 11:00 a.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements and the report of the directors and the independent auditors' report for the year ended 31st December, 2008.
2. To approve and declare the payment of a final dividend of HK2.50 cents per share for the year ended 31st December, 2008.
3. To re-elect retiring directors and to authorize the Board to fix the remuneration of directors.
4. To re-appoint Grant Thornton as the auditors of the Company and to authorize the Board to fix their remuneration.
5. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

"THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited ("the Stock Exchange") or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which the Directors of the Company is authorised to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate

NOTICE OF ANNUAL GENERAL MEETING

nominal amount of the issued share capital of the Company as at the date of passing this Resolution; and the said approval shall be limited accordingly; and

- (c) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest 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; and
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
6. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than (i) a Rights Issue (as defined below); (ii) an issue of shares as scrip dividends pursuant to the articles of association of the Company from time to time; or (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted for grant or issue of shares or rights to acquire shares in the capital of the Company, shall not exceed

NOTICE OF ANNUAL GENERAL MEETING

20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

(d) for the purpose of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest 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; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares of the Company open for a period fixed by the Directors of the Company to the holders of shares of the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company 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 applicable to the Company).”

7. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** subject to the passing of Resolutions No.5 and No.6 set out in the notice convening this meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to Resolution No.6 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Resolution No.5 set out in the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Resolution.”

NOTICE OF ANNUAL GENERAL MEETING

8. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** pursuant to the terms of the Share Options Scheme adopted by the Company on 30th May, 2008 (the “Share Option Scheme”), approval be and is hereby generally and unconditionally granted for “refreshing” the 10 per cent scheme limit (the “Scheme Limit”) provided that (a) the total number of share of HK\$0.1 each in the capital of the Company which fall to be issued upon the exercise of any options that may be granted under the Share Option Scheme and under any other share option schemes of the Company under the limit as “refreshed” hereby shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution 8; and (b) options previously granted under the Share Option Scheme and under any other share option schemes of the Company (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share option Scheme or any other share option schemes of the Company) shall not be counted for the purpose of calculating the Scheme Limit as “refreshed” hereby; and **THAT** any Director be and is hereby authorised to take any step as he consider necessary, desirable or expedient in connection with the refreshment of the Scheme Limit and to grant options up to the refreshed Scheme Limit and to exercise all powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options.”

By Order of the Board
China Haidian Holdings Limited
FONG CHI WAH
Company Secretary

Hong Kong, 29th April, 2009

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of such member. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof must be deposited with Tricor Secretaries Limited, 26/F., Tesbury Centre, 28 Queen’s Road East, Hong Kong, not less than 48 hours before the time appointed for holding the meeting (or adjourned meeting as the case may be).
3. The register of members will be closed from Thursday, 4th June, 2009 to Wednesday, 10th June, 2009, both days inclusive, during which period no transfer of shares will be effected. Subject to the approval of the Directors’ recommendation by members at the Annual General Meeting, a final dividend of HK2.50 cents per share will be paid to members whose names appear on the register of members of the Company as at the close of business on Wednesday, 3rd June, 2009. In order to qualify for entitlement to the proposed final dividend for the year ended 31st December, 2008 and for attendance of the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong Share Registrars, Tricor Secretaries Limited, 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Wednesday, 3rd June, 2009.
4. A circular containing the information regarding, inter alia, the directors proposed to be re-elected, the general mandates to repurchase shares and to issue shares of the Company, the refreshment of the Scheme Limit of the Share Option Scheme will be sent to members of the Company.