

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred** all your shares in Vital Group Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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**維奧集團控股有限公司**  
**Vital Group Holdings Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1164)**

**PROPOSAL FOR GENERAL MANDATES TO ALLOT AND ISSUE SHARES  
AND TO REPURCHASE SHARES,  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the AGM (as defined herein) to be held at Caine Room, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 3 June 2011 (Friday) at 10:00 a.m. is set out on pages 13 to 16 of this circular. Whether or not you are able to attend the AGM in person, you are requested to complete and return the accompanying form of proxy enclosed with this circular in accordance with the instructions printed thereon and deposit the same to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at 18th Floor, Fook Lee Commercial Centre, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held at Caine Room, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 3 June 2011 (Friday) at 10:00 a.m., the notice of which is set out on pages 13 to 16 of this circular;
“Articles”	the articles of association of the Company as altered from time to time;
“Associates”	has the meaning ascribed to this term under the Listing Rules;
“Board”	the board of Directors;
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands;
“Company”	Vital Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“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 the People’s Republic of China;
“Issue Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the resolution approving this issue mandate at the AGM;
“Latest Practicable Date”	3 May 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

## DEFINITIONS

“PRC”	The People’s Republic of China;
“Repurchase Mandate”	a general and unconditional mandate to the Directors to repurchase shares of the Company the aggregate nominal amount of which shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the resolution approving this repurchase mandate at the AGM;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time; and
“%”	per cent.

## LETTER FROM THE BOARD



# 維奧集團控股有限公司 Vital Group Holdings Limited

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1164)**

*Directors:*

Mr. Xu Xiaofan (*Chairman*)  
Mr. Chen Zhiyu (*Chief Executive Officer*)  
Madam Guo Lin  
Mr. Huang Zemin  
Mr. Li Ke  
Mr. Liu James Jin

Mr. Lee Kwong Yiu\*  
Mr. Lui Tin Nang\*  
Mr. Chong Cha Hwa\*

\* *independent non-executive Directors*

*Registered Office:*

Cricket Square  
Hutchins Drive, P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Head Office and Principal Place  
of Business in Hong Kong*

Unit 7, 31st Floor, Tower 1  
Lippo Centre, 89 Queensway  
Hong Kong

4 May 2011

*To the Shareholders, and, for information only, holders of Options*

Dear Sir or Madam,

**PROPOSAL FOR GENERAL MANDATES TO ALLOT AND ISSUE SHARES  
AND TO REPURCHASE SHARES,  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information in respect of the resolutions to the forthcoming AGM for the approval of, among others, (i) the proposed grant of the Issue Mandate and the Repurchase Mandate; (ii) the proposed extension of the Issue Mandate; (iii) the proposed re-election of Directors at the forthcoming AGM. In addition, the purpose of this circular is to give you notice of the AGM to be convened for the purpose of considering and, if thought fit, passing, among others, the abovementioned resolutions. In compliance with the Listing Rules, this circular contains an explanatory statement which provides all the information reasonably necessary to enable the Shareholders to make informed decisions on whether to vote for or against the resolution approving the Repurchase Mandate and other relevant information.

## **LETTER FROM THE BOARD**

### **GENERAL MANDATES TO ALLOT AND ISSUE SHARES**

At the annual general meeting of the Company held on 2 June 2010, an ordinary resolution was passed by the then Shareholders granting the existing issue mandate to the Directors, which is due to expire at the conclusion of the AGM.

At the forthcoming AGM, ordinary resolutions will be proposed to renew the general mandates to the Directors so that the Directors will be empowered to allot, issue and otherwise deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company, amounting to 310,211,398 shares, as at the date of passing such resolution, on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing of such resolution at the AGM.

The Issue Mandate will remain in effect until 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 to be held by the applicable Companies Law or the Articles; and (iii) the date on which such an authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

### **GENERAL MANDATE TO REPURCHASE SHARES**

At the annual general meeting of the Company held on 2 June 2010, an ordinary resolution was passed by the then Shareholders granting the existing repurchase mandate to the Directors, which is due to expire at the conclusion of the AGM.

An ordinary resolution will be proposed at the AGM to grant to the Directors a fresh Repurchase Mandate, i.e. a general and unconditional mandate to repurchase Shares subject to the maximum number of shares of up to 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of such resolution. The Repurchase Mandate will remain in effect until 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 to be held by the applicable Companies Law or the Articles; and (iii) the date on which such an authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

Under the Listing Rules, the Company is required to give to the Shareholders an explanatory statement containing all information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate. The explanatory statement required by the Listing Rules is set out in the Appendix I to this circular.

The Board wishes to state that they have no present intention to repurchase any Shares in the event that this Repurchase Mandate is approved.

### **GENERAL MANDATE TO EXTEND THE ISSUE MANDATE**

An ordinary resolution will be proposed at the AGM to extend the Issue Mandate by the addition to the aggregate nominal value of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of the Company repurchased by

## **LETTER FROM THE BOARD**

the Company pursuant to the Repurchase Mandate provided that such extended amount shall not exceed 10% of the aggregate of the total nominal value of the issued share capital of the Company on the date of passing the resolution approving the Issue Mandate.

### **RE-ELECTION OF DIRECTORS**

In accordance with Article 108 of the Articles, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director, including those appointed for a specified term, shall be subject to retirement by rotation at least once every three years. Accordingly, Mr. Xu Xiaofan, Mr. Liu James Jin and Mr. Lee Kwong Yiu will retire by rotation at the AGM and, being eligible, will offer themselves for re-election.

Particulars of the Directors subject to re-election at the AGM are set out in Appendix II to this circular.

### **AGM**

The notice convening the AGM is set out on pages 13 to 16 of this circular. At the AGM, ordinary resolutions will be proposed to approve, among others, the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and the re-election of Directors.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM in person, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, as soon as possible but in any event, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

### **VOTING BY POLL**

Pursuant to Rule 13.39 of the Listing Rules, any votes of the Shareholders at a general meeting must be taken by poll, the chairman of the AGM will demand a poll for each and every resolution put forward at the AGM pursuant to Article 72 of the Articles. The Company will appoint scrutineers to handle vote-taking procedures at the AGM. The results of the poll will be published by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### **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 herein misleading.

## LETTER FROM THE BOARD

### RECOMMENDATION

The Board considers that the proposal for the Issue Mandate and the Repurchase Mandate and the extension of the Issue Mandate are in the best interests of the Company and its Shareholders as a whole as the Issue Mandate and the extension of the Issue Mandate allows the Board to have more flexibility to raise funds by issuing new shares to potential investors as and when appropriate without the necessity to seek the approval from the Shareholders for each fund raising exercise. The Board also considers that the re-election of the Directors is in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

### ADDITIONAL INFORMATION

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

Yours faithfully,  
For and on behalf of the Board of  
**Vital Group Holdings Limited**  
**Xu Xiaofan**  
*Chairman*



The following explanatory statement contains all the information required pursuant to Rule 10.06 of the Listing Rules to be given to all Shareholders relating to the resolution to be proposed at the forthcoming AGM authorising the Repurchase Mandate and to enable all Shareholders to make an informed decision whether to vote for or against the resolution to approve the grant of the Repurchase Mandate to the Directors.

### **1. EXERCISE OF THE REPURCHASE MANDATE**

As at the Latest Practicable Date, there was a total of 1,551,056,993 Shares in issue. Subject to the passing of the ordinary resolution as set out in the notice of the AGM and assuming that no further Shares are issued or purchased by the Company, the Directors would be authorised to repurchase up to 155,105,699 Shares (being 10% of the Shares in issue) during the period up to (i) the next annual general meeting of the Company in 2012; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Law to be held; or (iii) the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

### **2. REASONS FOR REPURCHASE**

Notwithstanding that the Directors have no present intention to repurchase any Shares, the Directors believe that it is in the best interest of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase the Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the value of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders.

### **3. GENERAL**

As disclosed in the most recent published audited consolidated financial statements of the Company for the year ended 31 December 2010, the Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company in the event that the proposed share repurchases were to be carried out in full during the proposed purchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Company.

### **4. FUNDING OF REPURCHASES**

Repurchase made pursuant to the Repurchase Mandate must be funded out of the funds legally available for such purpose and in accordance with the memorandum of association of the Company, the Articles, the Companies Law and the applicable laws of the Cayman Islands and the Listing Rules.

The laws of the Cayman Islands provide that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant Shares, or funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a new issue of Shares made for the purpose of the repurchase. Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of profits of the

Company or out of the Company's share premium account, or, if so authorised by the Articles and subject to the provisions of the Companies Law, out of capital. Such purchase may not be made if, on the date the purchase is to be effected, there are reasonable grounds to believe that the Company is, or after the purchase would be, unable to pay its liabilities as they become due.

A listed company in Hong Kong may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the Listing Rules.

## **5. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), has any present intention, in the event that the repurchase proposal is approved by the Shareholders, to sell Shares to the Company or its subsidiaries if the Repurchase Mandate is approved by the Shareholders.

As at the Latest Practicable Date, the Company has not been notified by any of its connected person (as defined in the Listing Rules) that he/she has a present intention to sell Shares to the Company or its subsidiaries, or has undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange, so far as the same may be applicable, that they will only exercise the power of the Company to make repurchases of its Shares pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the Company's memorandum of association and Articles and all applicable laws of the Cayman Islands.

## **6. EFFECT OF TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING**

If on exercise of the power to repurchase Shares under the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such an increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code) 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.

The Directors have no present intention to exercise the Repurchase Mandate to such extent so as to result in triggering a mandatory offer obligation or the public holding of Shares would be reduced below 25% of the issued share capital of the Company.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, other than Perfect Develop Holding Inc. (whose shareholders include Mr. Tao Lung, Mr. Huang Jianming and Mr. Liu James Jin) holding 522,526,940 Shares, representing approximately 33.69% of the issued share capital as at the Latest Practicable Date, no other person had notified the Company that it had an interest of 10% or more of the issued share capital of the Company. As informed by Perfect Develop Holding Inc., out of 522,526,940 Shares, 450,000,000 Shares held by Perfect Develop Holding Inc. were charged in favour of China Uranium Development Company Limited pursuant to a share charge dated 1 April 2011.

On the basis that 1,551,056,993 Shares were in issue as at the Latest Practicable Date and assuming that there will be no further issue nor repurchase of Shares for the period from the Latest Practicable Date up to and including the date of the AGM, in the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the resolution, the shareholding percentage of Perfect Develop Holding Inc. and persons acting in concert (as defined in the Takeovers Code) with each of them, in such circumstances, may technically be obliged to make a mandatory offer in accordance with the Takeovers Code on account of the creeper provisions, subject to any exemptions available under the Takeovers Code. The Directors do not intend to exercise the Repurchase Mandate to repurchase the Shares if that repurchase would result in the above persons becoming obliged to make a mandatory offer in accordance with the Takeovers Code or in the number of Shares which are in the hands of the public falling below 25% of the Company's issued share capital.

## 7. SHARE PURCHASE MADE BY THE COMPANY

The Company has not repurchased any of its Shares (whether on the Stock Exchange or otherwise) during the six months period immediately preceding the Latest Practicable Date.

## 8. SHARE PRICES

During each of the previous thirteen calendar months immediately preceding the Latest Practicable Date, the highest and lowest prices at which the Shares had been traded on the Stock Exchange were as follows:

	<b>Share</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2010</b>		
April	0.390	0.192
May	0.335	0.191
June	0.260	0.205
July	0.295	0.191
August	0.290	0.249
September	0.275	0.242
October	0.265	0.224
November	0.255	0.218
December	0.265	0.220
<b>2011</b>		
January	0.260	0.225
February	0.275	0.228
March	0.365	0.260
April	1.110	0.590
May (up to the Latest Practicable Date)	0.930	0.870

The emoluments of all the executive Directors are recommended by the remuneration committee of the Company and are based on the working experience, skill, knowledge and involvement in the Company's affairs of each Director and are determined by reference to the Company's performance and profitability, as well as the remuneration benchmark in the industry and the prevailing market conditions. The emoluments of all the independent non-executive Directors are based on their professional skill and knowledge.

The following are the details of the Directors eligible proposed to be re-elected at the AGM:

### **Executive Directors**

**Mr. Xu Xiaofan** ("Mr. Xu"), aged 47, the chairman, executive director and member of the Remuneration Committee of the Company. He is responsible for the business planning of the Group. Mr. Xu obtained a bachelor degree from Beijing University. Mr. Xu had been employed as a civil servant in the China Government for 10 years; and he had management experience in the China Securities Regulatory Commission and several companies for over 3 and 4 years experience respectively. He joined the Group in October 2004.

Save as disclosed, as at the Latest Practicable Date, Mr. Xu did not have any other relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company and Mr. Xu did not hold any directorship in other listed companies in the past three years and position in the Group. As at the Latest Practicable Date, Mr. Xu is interested in 15,000,000 share options granted under the share option scheme within the meaning of Part XV of the SFO.

Mr. Xu is entitled to a basic monthly salary of HK\$33,000 and has entered into a service agreement with the Company for an initial term of two years and will continue thereafter until terminated by not less than three months' notice in writing served by either party to the other. His remuneration will be recommended by remuneration committee of the Company and are based on the working experience, skill, knowledge and involvement in the Company's affairs, and the Company's performance and profitability, and a discretionary management bonus provided that the aggregate amount of the bonuses payable to all executive Directors for any financial year of the Company may not exceed 10% of the audited consolidated profit attributable to the Shareholders of the Company in respect of that financial year. He, together with other executive Directors and independent non-executive Directors, is entitled to a discretionary share based payment, provided that the amount of share based payment may not exceed the individual limit set out in the share option scheme.

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the Shareholders. Nor is there any information regarding Mr. Xu required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

**Mr. Liu James Jin** ("Mr. Liu"), aged 48, one of the founders of the Group, an executive director, directors of several subsidiaries and authorised representative of the Company. He is responsible for the business investment of the Group. Mr. Liu holds a bachelor degree in mechanical engineering from Shandong Chemistry Institute in China (presently known as Qingdao Technology University). He has years of experience in production and sales of medical products. He joined the Group since its establishment in April 1998. Mr. Liu is a director and a shareholder of Perfect Develop Holding Inc., a substantial shareholder of the Company. As at the Latest Practicable Date, Mr. Liu holds 11.05% interest in Perfect Develop Holding Inc.

Save as disclosed, as at the Latest Practicable Date, Mr. Liu did not have any other relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company and Mr. Liu did not hold any directorship in other listed companies in the past three years and position in the Group. As at the Latest Practicable Date, Mr. Liu was interested in 24,130,400 Shares (being 14,630,400 Shares directly held by him, 1,000,000 Shares held by his spouse and 8,500,000 share options within the meaning of Part XV of the SFO).

Mr. Liu is entitled to a basic monthly salary of HK\$33,000 and has entered into a service agreement with the Company for an initial term of two years and will continue thereafter until terminated by not less than three months' notice in writing served by either party to the other. His remuneration will be recommended by remuneration committee of the Company and are based on the working experience, skill, knowledge and involvement in the Company's affairs, and the Company's performance and profitability, and a discretionary management bonus provided that the aggregate amount of the bonuses payable to all executive Directors for any financial year of the Company may not exceed 10% of the audited consolidated profit attributable to the Shareholders of the Company in respect of that financial year. He, together with other executive Directors and independent non-executive Directors, is entitled to a discretionary share based payment, provided that the amount of share based payment may not exceed the individual limit set out in the share option scheme.

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the Shareholders. Nor is there any information regarding Mr. Liu required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

#### **Independent Non-Executive Director**

**Mr. Lee Kwong Yiu ("Mr. Lee")**, aged 48, is a practicing solicitor in Hong Kong since 1994. He holds professional qualification as a solicitor of the High Court of Hong Kong and an associate of the Chartered Institute of Arbitrators. On 20 April 2006, Mr. Lee was appointed by the Ministry of Justice of the People's Republic of China as a China-Appointed Attesting Officer. Mr. Lee was appointed as an independent non-executive director of the Company in January 2002. Mr. Lee is the Chairman of the Remuneration Committee and member of the Audit Committee. He is currently the independent non-executive director of Sun Hing Vision Group Holdings Limited and ABC Communications (Holdings) Ltd, companies listed on the Stock Exchange.

Save as disclosed, as at the Latest Practicable Date, Mr. Lee did not have any other relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company and Mr. Lee did not hold any directorship in other listed companies in the past three years and position in the Group. As at the Latest Practicable Date, Mr. Lee is not interested or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the SFO.

Mr. Lee entered into a contract of service with the Company commencing on 1 January 2010 for a term of two years and will be subject to retirement by rotation and re-election at least once every three years at annual general meeting of the Company. Mr. Lee is entitled to an annual director's fee of HK\$120,000. His remuneration will be recommended by remuneration committee of the Company and are based on his professional skill and knowledge. He, together with other executive Directors and independent non-executive Directors, is entitled to a discretionary share based payment, provided that the amount of share based payment may not exceed the individual limit set out in the share option scheme.

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the Shareholders. Nor is there any information regarding Mr. Lee required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

# NOTICE OF ANNUAL GENERAL MEETING



## 維奧集團控股有限公司 Vital Group Holdings Limited

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1164)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Vital Group Holdings Limited (the “**Company**”) will be held at Caine Room, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 3 June 2011 (Friday) at 10:00 a.m. for the following purposes:

1. To consider and adopt the audited consolidated financial statements for the year ended 31 December 2010 and the reports of the directors (the “**Directors**”) and the auditors of the Company for the year ended 31 December 2010.
2.
  - (a) To re-elect Mr. Xu Xiaofan as an executive director of the Company.
  - (b) To re-elect Mr. Liu James Jin as an executive director of the Company.
  - (c) To re-elect Mr. Lee Kwong Yiu as an independent non-executive director of the Company.
  - (d) To authorise the board of Directors to fix the remuneration of the Directors.
3. To re-appoint the Auditors of the Company and to authorise the board of Directors to fix their remuneration.

As special businesses, to consider, and if thought fit, pass the following resolutions as ordinary resolutions:

### **ORDINARY RESOLUTIONS**

4. “**THAT:**
  - (a) subject to paragraph (b), pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make, issue or grant offers, agreements and options and other rights, or issue warrants and other securities including bonds, debentures, and notes convertible into shares of the Company, which will or might require the shares of the Company to be allotted, issued or disposed of during or after the end of the Relevant Period be and is hereby generally and unconditionally approved;
  - (b) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted and issued (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) or (ii) the exercise of the

## NOTICE OF ANNUAL GENERAL MEETING

subscription rights granted under the share option scheme of the Company or (iii) an issue of shares as scrip dividends pursuant to the memorandum and articles of association of the Company from time to time shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue 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 the articles of association of the Company or any applicable law of the Cayman Islands to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares for a period fixed by the Directors to holders of shares of the Company thereon on the register of members on a fixed record date in proportion to their then holding of such shares 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 recognized regulatory body or any stock exchange in any territory applicable to the Company).”

5. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its own shares, subject to and in accordance with all other applicable laws in this regard, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which may be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed ten percent (10%) 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 authority pursuant to paragraph (a) above of this Resolution shall be limited accordingly; and



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(c) for the purposes 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 the articles of association of the Company or any applicable law of the Cayman Islands to be held; and
- (iii) the revocation or variation of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

6. **“THAT** conditional upon resolutions numbered 4 and 5 above being passed, the general mandate granted to the Directors to allot, issue and deal with any additional shares of the Company be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the number of shares in the capital of the Company that are repurchased by the Company under the authority granted to the Directors as mentioned in ordinary resolution no. 5 above to purchase such shares, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution no. 4 above.”

By Order of the Board of  
**Vital Group Holdings Limited**  
**Cheung Hin Kiu**  
*Company Secretary*

Hong Kong, 4 May 2011

*Registered office:*

Cricket Square  
Hutchins Drive, P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Head office and principal office  
in Hong Kong:*

Unit 7, 31st Floor, Tower 1  
Lippo Centre, 89 Queensway  
Hong Kong

*Notes:*

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, in the event of a poll, to vote in his stead. A proxy need not be a member of the Company. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and together with the power of attorney or other authority (if any), under which it is signed or a notarially certified copy of that power or authority must be deposited at the Company’s Hong Kong branch share registrar and transfer office, Union Registrars Limited at 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong not less than 48 hours before the appointed time for holding the meeting or any adjournment thereof.
2. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the annual general meeting or any adjournment thereof, should he so wish. In such event, the instrument appointing a proxy shall be deemed to revoked.

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3. 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 share as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the above meeting, 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.
4. In relation to the proposed resolution nos. 4 and 6 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of shares under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Directors has no immediate plans to issue any new shares of the Company other than shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme which may be approved by shareholders and shares which may fall to be issued pursuant to the share subscription agreement dated 18 March 2011, details of which have been disclosed pursuant to the joint announcement issued by the Company and China Uranium Development Company Limited.
5. In relation to the proposed Resolution no. 5 above, the Directors wish to state that they will exercise the powers conferred thereby to purchase shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix I to this circular.
6. As at the date of this notice, the executive Directors are Mr. Xu Xiaofan, Mr. Chen Zhiyu, Madam Guo Lin, Mr. Huang Zemin, Mr. Li Ke and Mr. Liu James Jin; the independent non-executive Directors are Mr. Lee Kwong Yiu, Mr. Lui Tin Nang and Mr. Chong Cha Hwa.