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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 a 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 Hua Xia Healthcare Holdings Limited (the “Company”), 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 other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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HUA XIA HEALTHCARE HOLDINGS LIMITED

華夏醫療集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8143)

**PROPOSED REFRESHMENT OF GENERAL MANDATE
TO ISSUE SHARES,
PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT
AND
PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

A notice convening the extraordinary general meeting of the Company (the “EGM”) to be held at Room 1902, 19/F., Sing Pao Building, No. 101 King’s Road, North Point, Hong Kong on Friday, 9 March 2007 at 11:00 a.m. is set out on pages 12 to 15 of this circular.

A form of proxy for the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the principal place of business of the Company at Room 1902, 19/F., Sing Pao Building, No. 101 King’s Road, North Point, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the EGM. Completion and delivery of the enclosed form of proxy will not preclude you from attending and voting at the EGM should you so wish.

This circular will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and the website of the Company at www.huaxia-healthcare.com.

16 February 2007

* for identification purpose only

CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. GEM-listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website at www.hkgem.com in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

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

“2006 AGM”	the annual general meeting of the Company held on 31 August 2006
“Adjustments”	adjustments in relation to the Pre-IPO Scheme, Share Option Scheme, Warrants and Convertible Notes from time to time
“Articles of Association”	articles of association of the Company adopted pursuant to the written resolutions of the then Shareholders of the Company passed on 20 April 2002 and as amended from time to time
“associates”	have the same meaning as ascribed in the GEM Listing Rules
“Board”	the board of Directors
“Company”	Hua Xia Healthcare Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM of the Stock Exchange
“Convertible Notes”	the convertible notes with an outstanding principal amount of HK\$5,000,000 (for two noteholders who hold HK\$2,500,000 each) conferring rights to subscribe a total of 31,055,900 Shares on the basis of an exercise price of HK\$0.161 per Share (after adjusting for the effects of the Open Offer)
“Director(s)”	the director(s) of the Company
“Existing Issue Mandate”	the general mandate granted to the Directors to allot, issue and deal with 113,627,591 new Shares, being 20% of the issued share capital of the Company as at 31 August 2006, by an ordinary resolution of the then Shareholders passed at 2006 AGM

DEFINITIONS

“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the shareholders of the Company to be held at Room 1902, 19/F., Sing Pao Building, No. 101 King’s Road, North Point, Hong Kong on Friday, 9 March 2007, at 11:00 a.m., a notice of which is set out on pages 12 to 15 of this circular
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	13 February 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“New General Mandate”	the general mandate proposed to be granted to the Directors at the EGM to allot, issue and deal with new Shares not exceeding 20% of the issued share capital of the Company on the date of the passing of the relevant ordinary resolution by the then Shareholders
“Offer Share(s)”	355,523,083 new Shares offered to the qualifying Shareholders for subscription on the terms and subject to the conditions set out in the underwriting agreement and in the prospectus dated 24 January 2007 in relation to the Open Offer
“Open Offer”	the proposed offer for subscription by the qualifying Shareholders for the Offer Shares at the subscription price on the terms and subject to the conditions set out in the underwriting agreement, the Prospectus Documents and summarised in the prospectus dated 24 January 2007
“Option(s)”	a right/rights granted to subscribe for Shares pursuant to the Pre-IPO Scheme and the Share Option Scheme

DEFINITIONS

“Participants”	(i) employees of the Company (whether full-time or part time) or any of its subsidiaries or associated companies; (ii) directors (whether executive directors or non-executive directors or independent non-executive directors) of the Company or any of its subsidiaries or associated companies; (iii) suppliers of goods and/or services to the Company or any of its subsidiaries or associated companies; (iv) customers of the Company or any of its subsidiaries or associated companies; (v) any person or entity that provides research, development or other technological support to the Company or any of its subsidiaries or associated companies; and (vi) any shareholder of any member of the Group or any of its subsidiaries or associated companies or any holder of any securities issued by any member of the Group or any of its subsidiaries or associated companies
“Pre-IPO Scheme”	the pre-listing share option scheme conditionally approved and adopted by the Company on 20 April 2002
“Proposed Share Capital Increase”	the proposed increase in the authorised share capital of the Company from HK\$100,000,000 divided into 2,000,000,000 Shares to HK\$250,000,000 divided into 5,000,000,000 Shares
“Prospectus Documents”	the prospectus, the other documents despatched on 24 January 2007 in relation to the Open Offer of 355,523,083 Offer Shares at HK\$0.08 per Offer Share on the basis of one Offer Share for every two existing Shares held on the Record Date
“Record Date”	24 January 2007, being the date by reference to which entitlements to the Open Offer will be determined
“Scheme Mandate Limit”	the number of Shares which may be issued upon exercise of all Options of the Company which shall not in aggregate exceed 10% of the Shares in issue as at the date of adoption of the Share Option Scheme or of the refreshment of such limit
“SFO”	the Hong Kong Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Share Option Scheme”	the post-listing share option scheme conditionally approved and adopted by the Company on 20 April 2002
“Shareholder(s)”	holder/holders of the Shares
“Shares”	ordinary shares of HK\$0.05 each in the issued and unissued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Warrants”	the warrants conferring rights to subscribe up to 133,298,711 Shares at a subscription price of HK\$0.481 per Share (after adjusting for the effects of the Open Offer) equivalent to a total subscription price of approximately HK\$64 million
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



HUA XIA HEALTHCARE HOLDINGS LIMITED

華夏醫療集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8143)

Executive Directors:

Yung Kwok Leong (*Chairman*)

Shum Ngai Pan

Weng Jiaxing

Chen Jin Shan

Jiang Tao

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

Independent non-executive Directors:

Chan Francis Ping Kuen

Hsu Shiu Foo, William

Yu Chai Mei

Head office and principal

place of business in Hong Kong:

Room 1902

19/F., Sing Pao Building

No. 101 King's Road

North Point

Hong Kong

16 February 2007

To the Shareholders

Dear Sir or Madam,

**PROPOSED REFRESHMENT OF GENERAL MANDATE
TO ISSUE SHARES,
PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT
AND
PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

A. INTRODUCTION

The purpose of this circular is to provide you with information regarding certain ordinary resolutions to be proposed at the forthcoming EGM to be held on Friday, 9 March 2007 including but not limited to (i) ordinary resolution relating to the refreshment of the Existing Issue Mandate; (ii) ordinary resolution relating to the refreshment of the Scheme Mandate Limit; and (iii) ordinary resolution relating to the Proposed Share Capital Increase.

* *for identification purpose only*

LETTER FROM THE BOARD

B. PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES

The Directors announced on 14 December 2006 that the Company proposed to raise not less than approximately HK\$28.06 million and not more than approximately HK\$29.45 million (before expenses) by way of the Open Offer of not less than 350,692,167 Offer Shares and not more than 368,117,579 Offer Shares at the subscription price of HK\$0.08 per Offer Share on the basis of one Offer Share for every two existing Shares held on the Record Date. The Open Offer will be fully underwritten by three underwriters in accordance with the terms of the underwriting agreement. As at the Latest Practicable Date, the total issued share capital of the Company is 711,046,167 Shares. Upon completion of the Open Offer, a total of 355,523,083 Shares will be issued and the total issued share capital of the Company will be increased to 1,066,569,250.

Reference is made to the announcement of the Company on the results of the Open Offer dated 12 February 2007. The Open Offer has become unconditional on 12 February 2007. Upon completion of the Open Offer, 355,523,083 Shares will be issued and allotted. Dealing in the Offer Shares, in fully-paid form, are expected to commence on the Stock Exchange on 16 February 2007.

Since the 2006 AGM, the Existing Issue Mandate has not been refreshed and utilized as at the Latest Practicable Date. Pursuant to note 5 to rule 17.42A of the GEM Listing Rules, the Company could refresh the Existing Issue Mandate immediately after the completion of the Open Offer such that the amount in percentage terms of the unused part of the New General Mandate (i.e. 20% is the same as the unused part of the Existing Issue Mandate by obtaining the approval of the Shareholders).

In view of the substantial increase in the number of issued Shares, the Directors believe that the refreshment of the Existing Issue Mandate will enhance the flexibility for the Group to raise funds by equity financing for further business development and to strengthen the capital base of the Company. Accordingly, the Directors consider that the approval of the New General Mandate is in the best interests of the Company and its Shareholders as a whole.

Subject to the passing of the proposed resolution for the approval of the refreshment of the Existing Issue Mandate and the basis that no Shares will be issued and/or repurchased by the Company from the Latest Practicable Date up to the date of the EGM, the New General Mandate will allow the Directors to allot and issue up to a maximum of 213,313,850 Shares, representing 20% of the issued share capital of the Company at the EGM. The New General Mandate will, if granted, remain effective until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;

LETTER FROM THE BOARD

- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws of the Cayman Islands or the Articles of Association to be held; or
- (c) the date on which the relevant mandate is revoked or varied by an ordinary resolution of the Shareholders at a general meeting.

C. PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT

The Company adopted the Pre-IPO Scheme and the Share Option Scheme by way of written resolution of the then shareholders of the Company on 20 April 2002 (the “Adoption Date”).

At present, the Company has no other share option scheme apart from the Pre-IPO Scheme and the Share Option Scheme. As at the Latest Practicable Date, the number of Pre-IPO Options under the granted and outstanding is 1,368,822 after adjusting for the effects of the Open Offer.

The above 1,368,822 outstanding adjusted Options, 821,293 Options were granted to an adviser and 547,529 Options were granted to a former employee of the Company.

As at the Latest Practicable Date, the number of Options under the Share Option Scheme granted and outstanding is 56,240,250 after adjusting for the effects of the Open Offer. The Adjustments on the Pre-IPO Options and the Options have been reviewed by the auditor of the Company pursuant to Rule 23.03(13) of the GEM Listing Rules. Reference is made to the prospectus of the Company dated 24 January 2007.

The above 56,240,250 outstanding adjusted Options of which 3,242,085 Options were granted to Mr. Yung Kwok Leong, the executive Director and chairman, 3,705,240 Options were granted to Ms. Shum Ngai Pan, the executive Director, 3,572,910 Options were granted to Mr. Weng Jiaying, the executive Director, 6,881,160 Options were granted to Mr. Chen Jin Shan, the executive Director, 6,881,160 Options were granted to Mr. Jiang Tao, the executive Director and 31,957,695 Options were granted to employees and consultants of the Group.

As at the Latest Practicable Date, an aggregate of 57,609,072 Options, representing 5.40% of the issued share capital of the Company upon completion of the Open Offer, remain outstanding under the Pre-IPO Scheme and the Share Option Scheme.

LETTER FROM THE BOARD

Under the rules of the Share Option Scheme and subject to the GEM Listing Rules:

- (i) the number of Shares subject to Options that may be granted shall not exceed 10% of the Shares in issue as at the date of approval of the Share Option Scheme;
- (ii) the Company may seek Shareholders' approval to renew the Scheme Mandate Limit on the grant of Options under the Share Option Scheme as and when required. However, the Scheme Mandate Limit as renewed shall not exceed 10% of the Shares in issue as at the date of the aforesaid Shareholders' approval. Options previously granted under the Share Option Scheme and other share option schemes (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or exercised Options) will not be counted for the purpose of calculating the Scheme Mandate Limit as renewed. A circular must be sent to Shareholders in connection with the meeting at which their approval will be sought;
- (iii) the Company may seek separate approval of the Shareholders in general meeting to grant Options beyond the Scheme Mandate Limit to Participants specifically identified by the Company before the aforesaid Shareholders' meeting where such approval is sought; and
- (iv) the overall limit on the number of Shares which may be issued upon the exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme (after renewal of the Scheme Mandate Limit) and any other option schemes of the Company must not in aggregate exceed 30% of the total number of Shares in issue from time to time.

As at the Latest Practicable Date, a total of 56,240,250 Options under the Share Option Scheme has been granted and outstanding, equivalent to 98.99% of the maximum limit of Options to be granted under the old scheme mandate limit as refreshed on 2006 AGM, i.e. 56,813,795 Options. Therefore, the Directors consider that the Company should renew the Scheme Mandate Limit so that the Company could have more flexibility to provide incentives to Participants by way of granting Options to them. If the Scheme Mandate Limit is again renewed on the basis of 1,066,569,250 Shares at the EGM and assuming that no Shares are issued or repurchased by the Company prior to the EGM, the Scheme Mandate Limit will be refreshed to 106,656,925 Shares (being 10% of the issued share capital of the Company as at the date of the EGM in which the refreshed limit is approved) and the Company will be allowed to grant further Options under the Share Option Scheme of the Company carrying the rights to subscribe for an aggregate of a maximum of 106,656,925 Shares.

LETTER FROM THE BOARD

The proposed renewal of the Scheme Mandate Limit will be conditional upon the Listing Committee of GEM granting the listing of, and the permission to deal in, such number of Shares, representing 10% of the Shares in issue as at the date of the EGM, which may fall to be allotted and issued pursuant to the exercise of Options granted under the renewed Scheme Mandate Limit.

In this regard, the Company will seek approval from the Shareholders in the EGM for renewing the Scheme Mandate Limit. Application will be made to the Stock Exchange for the listing of and permission to deal in the Shares to be issued pursuant to the exercise of the Options granted under the Share Option Scheme up to the renewed Scheme Mandate Limit.

The Directors consider that the renewal of the Scheme Mandate Limit is in the best interests of the Group and the Shareholders as a whole because it enables the Company to reward and motivate its employees and other selected Participants under the Share Option Scheme. The renewal of the Scheme Mandate Limit is in line with the purpose of the Share Option Scheme.

An ordinary resolution, as a special business, will be proposed at the forthcoming EGM to approve the renewal of the existing Scheme Mandate Limit in the terms as set out in the notice of the EGM. In order that the Company could continue to grant Options to selected Participants as incentives or rewards for their contribution to the Company, the Directors recommend that Shareholders vote in favour of this resolution.

D. PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

Reference is made to the announcement of the Company on the results of the Open Offer dated 12 February 2007. The Open Offer has become unconditional on 12 February 2007. Upon completion of the Open Offer, 355,523,083 Shares will be issued and allotted. Dealing in the Offer Shares, in fully-paid form, are expected to commence on the Stock Exchange on 16 February 2007.

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$100,000,000 divided into 2,000,000,000 Shares, of which 711,046,167 Shares had been issued and fully paid or credited as fully paid and 355,523,083 Offer Shares will be issued and allotted upon completion of the Open Offer. In order to accommodate future expansion and growth of the Group, the Directors propose to increase the authorised share capital of the Company from HK\$100,000,000 divided into 2,000,000,000 Shares to HK\$250,000,000 divided into 5,000,000,000 Shares by the creation of an additional 3,000,000,000 unissued Shares.

The increase in the authorised share capital of the Company is conditional upon the passing of an ordinary resolution by the Shareholders at the EGM. The Company does not have any present intention to allot and issue the new Shares out of the Proposed Share Capital Increase.

LETTER FROM THE BOARD

E. EXTRAORDINARY GENERAL MEETING

A notice convening the forthcoming EGM of the Company to be held at Room 1902, 19/F., Sing Pao Building, No. 101 King's Road, North Point, Hong Kong on Friday, 9 March 2007 at 11:00 a.m. is set out on pages 12 to 15 of this circular.

A form of proxy for the EGM is enclosed with this circular. Whether or not you are able to attend the EGM in person, please complete and return the form of proxy in accordance with the instructions printed thereon to the principal place of business in Hong Kong, Room 1902, 19/F., Sing Pao Building, No. 101 King's Road, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding of the EGM. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjourned meeting (as the case may be) should you so wish.

F. PROCEDURES FOR DEMANDING A POLL AT GENERAL MEETING

According to Article 66(1) of the Articles of Association, a resolution put to the vote of a meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative 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 a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy and holding Shares in the Company 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 the Shares conferring that right.

LETTER FROM THE BOARD

G. SHAREHOLDERS ABSTAIN FROM VOTING

There is no Shareholder that is materially interested in the proposed ordinary resolutions as mentioned above and therefore none of the Shareholders shall abstain from voting in respect of the proposed ordinary resolutions at the EGM.

H. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:

- (1) the information contained in this circular is accurate and complete in all material respects and not misleading;
- (2) there are no other matters the omission of which would make any statement in this circular misleading; and
- (3) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

I. RECOMMENDATIONS

The Directors consider that the proposed refreshment of the Existing Issue Mandate, proposed refreshment of Scheme Mandate Limit and the Proposed Share Capital Increase are all in the best interests of the Company and its Shareholders and so recommend all Shareholders should vote in favour of the ordinary resolutions to be proposed at the forthcoming EGM.

Yours faithfully,
On behalf of the Board

Hua Xia Healthcare Holdings Limited
Yung Kwok Leong
Chairman

NOTICE OF EGM



HUA XIA HEALTHCARE HOLDINGS LIMITED

華夏醫療集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8143)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of the shareholders of Hua Xia Healthcare Holdings Limited (the “**Company**”) will be held at Room 1902, 19/F., Sing Pao Building, No. 101 King’s Road, North Point, Hong Kong on Friday, 9 March 2007 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions of the Company by show of hands:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on The Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), 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 (“Shares”) in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

* for identification purpose only

NOTICE OF EGM

- (c) the aggregate nominal amount of the share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) issued or dealt with by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any option under the Share Option Scheme (as defined below) or any other 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 rights to acquire Shares; or (iii) any scrip dividend or similar arrangement 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 in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing warrants of the Company or any existing securities of the Company which carry rights to subscribe for are convertible into Shares, shall not exceed the aggregate of:
- (i) 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this resolution; and
 - (ii) (if the Directors are so authorized by a separate ordinary resolution of the Shareholders) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this resolution), and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purpose of this resolution:
- (aa) “Relevant Period” means the period from the date of 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 other applicable laws of the Cayman Islands to be held; and
 - (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this resolution.

NOTICE OF EGM

- (bb) “Rights Issue” means an offer or issue of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of such Shares (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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognized regulatory body or any stock exchange applicable to the Company).”
2. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange granting the listing of and permission to deal in such number of fully paid Shares in the capital of the Company which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the share option schemes adopted by the Company on 20 April 2002 (the “Share Option Scheme”) and any other share option schemes of the Company, representing 10% of the issued share capital of the Company as at the date on which these resolutions is passed, the existing Scheme Mandate Limit in respect of the granting of share options under the Share Option Scheme be renewed provided that the total number of shares in the capital of the Company which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other option schemes of the Company 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 this resolution.”
3. “**THAT** the authorised share capital of the Company be increased from HK\$100,000,000 divided into 2,000,000,000 Shares of the Company (the “Shares”) of HK\$0.05 each to HK\$250,000,000 divided into 5,000,000,000 Shares of HK\$0.05 each by the creation of an additional 3,000,000,000 unissued Shares of HK\$0.05 each and the directors of the Company (the “Directors”) be and are generally authorised to do all such acts and things and execute all such documents, including under seal where applicable, as they consider necessary or expedient to give effect to the increase in the authorised share capital of the Company.”

By order of the Board
Hua Xia Healthcare Holdings Limited
Yung Kwok Leong
Chairman

Hong Kong, 16 February 2007

NOTICE OF EGM

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:
Room 1902
19/F., Sing Pao Building
No. 101 King's Road
North Point
Hong Kong

Notes:

1. A member entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and, subject to the provisions of the Articles of Association, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the EGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. A form of proxy for use at the EGM is enclosed. Whether or not you intend to attend the EGM in person, you are encouraged to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the EGM or any adjournment thereof, should he so wish.
3. In order to be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority must be deposited at the Company's principal place of business in Hong Kong at Room 1902, 19/F., Sing Pao Building, No. 101 King's Road, North Point, Hong Kong not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof.
4. In the case of joint holders of Shares, any one of such holders may vote at the EGM, either personally or by proxy, in respect of such Shares as if he was solely entitled thereto, but if more than one such joint holders are present at the EGM 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.