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

If you have sold or otherwise transferred all your shares in Guangdong Tannery Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer, licensed corporation, or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).



粤海制革有限公司

GUANGDONG TANNERY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1058)

**GENERAL MANDATE FOR THE ISSUE OF SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Guangdong Tannery Limited to be held at The Boardroom, Basement II, The Wharney Guang Dong Hotel Hong Kong, No. 57-73, Lockhart Road, Wanchai, Hong Kong at 10:00 a.m. on Friday, 14 May 2010 is set out on pages 13 to 15 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Tricor Tengis Limited, at 26th Floor Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

14 April 2010

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at The Boardroom, Basement II, The Wharney Guang Dong Hotel Hong Kong, No. 57-73, Lockhart Road, Wanchai, Hong Kong at 10:00 a.m. on Friday, 14 May 2010, notice of which is set out on pages 13 to 15 of this circular or, where the context so admits, any adjournment thereof;
“AGM Notice”	the notice convening the AGM as set out on pages 13 to 15 of this circular;
“Articles of Association”	the articles of association of the Company, as originally adopted, or as from time to time altered in accordance with the Companies Ordinance;
“Board”	the board of directors of the Company;
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong;
“Company”	Guangdong Tannery Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“controlling shareholder”	as defined in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“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;
“Latest Practicable Date”	8 April 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;

DEFINITIONS

“Ordinary Resolution(s)”	the proposed ordinary resolution(s) in the AGM Notice;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Share Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to issue Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the relevant ordinary resolution to grant such mandate;
“Shareholder(s)”	registered holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary” or “subsidiaries”	a company which is for the time being and from time to time a subsidiary (within the meaning of Section 2 of the Companies Ordinance) of the Company whether incorporated in Hong Kong or elsewhere;
“substantial shareholder”	as defined in the Listing Rules; and
“%”	per cent.

LETTER FROM THE BOARD



粵海制革有限公司
GUANGDONG TANNERY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1058)

Board of Directors:

CHEN Hong (*Chairman*)
SUN Jun (*Managing Director*)
XIONG Guangyang[#]
HO LAM Lai Ping, Theresa[#]
QIAO Jiankang[#]
FUNG Lak*
CHOI Kam Fai, Thomas*
CHAN Cheong Tat*

Registered Office:

29th Floor
Guangdong Investment Tower
148 Connaught Road Central
Hong Kong

[#] *Non-Executive Director*

* *Independent Non-Executive Director*

14 April 2010

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATE FOR THE ISSUE OF SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to give you notice of the AGM, and information on certain matters to be dealt at the AGM, *inter alia*:

- (a) the grant of the Share Issue Mandate to the Directors; and
- (b) the re-election of the retiring Directors.

LETTER FROM THE BOARD

2. SHARE ISSUE MANDATE

At the last annual general meeting of the Company held on 10 June 2009, a general mandate was granted to the Directors to exercise the powers of the Company to issue, allot and deal with such number of Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at that date. That general mandate will lapse at the conclusion of the AGM.

To provide continued flexibility to the Directors, an ordinary resolution will be proposed at the AGM for the granting of the Share Issue Mandate to the Directors, on terms as set out in Ordinary Resolution No. 4 in the AGM Notice, allowing them to exercise all the powers of the Company to issue, allot and deal in the Shares. Under the Share Issue Mandate, the number of Shares that the Company is authorised to allot or agree conditionally or unconditionally to allot (whether pursuant to an option or otherwise), subject to the exceptions as set out in paragraph (c) of Ordinary Resolution No. 4, will not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing such Ordinary Resolution.

As at the Latest Practicable Date, the number of Shares in issue was 537,619,000. Subject to the passing of the proposed resolution for approving the Share Issue Mandate and on the basis that no further Shares are issued by the Company prior to the date of the AGM, the Company would be allowed under the Share Issue Mandate to issue up to a limit of 107,523,800 Shares.

3. RE-ELECTION OF DIRECTORS

According to the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being (or if their number is not a multiple of three, the number nearest to but not exceeding one-third) shall retire from office by rotation provided that notwithstanding any provisions (if any) to the contrary in the Articles of Association and subject to any requirements on retirement of Directors by rotation as may be provided under the Listing Rules, every Director shall be subject to retirement at an annual general meeting at least once every three years. The Directors to retire on each occasion shall be those who have been longest in office since their last election, but as between persons who became or were re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

Mr. Chen Hong, Mr. Sun Jun and Mr. Qiao Jiankang, who were appointed as Directors of the Company after the annual general meeting of the Company held in 2009, shall retire pursuant to Article 77 of the Articles of Association at the AGM. Being eligible, they will offer themselves for re-election. Mr. Fung Lak will retire by rotation in accordance with Articles 82 to 84 of the Articles of Association at the AGM. Being eligible, he will offer himself for re-election. Particulars of these four Directors are set out in Appendix I to this circular.

LETTER FROM THE BOARD

4. THE AGM

The AGM Notice is set out in Appendix II to this circular. Shareholders are advised to read the AGM Notice and to complete and return the enclosed form of proxy for use at the AGM in accordance with the instructions printed thereon and deposit the same with the Company's share registrar, Tricor Tengis Limited, at 26th Floor Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time fixed 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 meeting or any adjourned meeting should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions set out in the AGM Notice will be decided by poll. An announcement of the poll results will be made after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

5. RECOMMENDATIONS

The Directors believe that the granting of the Share Issue Mandate and the re-election of Directors are in the best interests of the Company as well as the Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of the Ordinary Resolutions at the AGM.

6. RESPONSIBILITY STATEMENT

This circular contains 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.

Yours faithfully,
For and on behalf of the Board
CHEN Hong
Chairman

Set out below are the personal particulars of the Directors who offer themselves to be re-elected at the AGM:

CHEN Hong, aged 54, was appointed an Executive Director and the Chairman of the Company in October 2009. Mr. Chen is an economist in the People's Republic of China ("PRC"). He worked with the Company and its subsidiaries from 2003 to 2005 and was appointed the Managing Director of the Company during the period from February 2004 to May 2005. He was then appointed the chairman of 粵海(湛江)中纖板有限公司 (GD Zhang Jiang MDF Board Co., Ltd.) from June 2005 to September 2007. 粵海(湛江)中纖板有限公司 (GD Zhang Jiang MDF Board Co., Ltd.) was the then wholly-owned subsidiary of GDH Limited ("GDH"), the immediate controlling shareholder of the Company. Mr. Chen was also appointed a director and executive officer of certain subsidiaries of 廣東粵海控股有限公司 (Guangdong Holdings Limited), the ultimate controlling shareholder of the Company from September 2007 to October 2009, including, inter alia, a director and the general manager of both GDH Real Estates (China) Ltd. (粵海房地產開發(中國)有限公司) and 廣東粵港投資開發有限公司 (Guangdong Yue Gang Investment Development Limited*). Mr. Chen currently acts as the Chairman of wholly-owned subsidiaries of the Company namely 徐州南海皮廠有限公司 (Xuzhou Nanhai Leather Factory Co., Ltd.), 徐州港威皮革有限公司 (Xuzhou Gangwei Leather Co., Ltd.) and 粵海制革(徐州)有限公司 (Guangdong Tannery (Xuzhou) Limited).

* *The English translation of the Chinese name of the company is prepared by the Company for reference only, and such translation may not be accurate and such company may not have an official English translation/version of its Chinese name.*

Other than as stated above, Mr. Chen is not related to any Director, senior management or substantial or controlling shareholders of the Company and has not held any directorship in any other listed company in the last three years.

As at the Latest Practicable Date, Mr. Chen was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr. Chen. Mr. Chen, if elected, will be appointed an Executive Director with effect from the conclusion of the AGM for a term of not more than approximately three years expiring at the conclusion of the Company's annual general meeting to be held in 2013, subject to earlier determination in accordance with the Articles of Association and/or applicable laws and regulations.

The total annual remuneration of Mr. Chen is about HK\$742,610 which comprises the fixed annual remuneration and allowances of HK\$552,890 and a total annual payment of about HK\$189,720 for other benefits. In addition, the Company will consider to pay discretionary bonuses to Mr. Chen subject to his performance and the Company's results. His remuneration is determined by reference to his job responsibilities, the prevailing market conditions and the Company's operating performance and profitability.

Save as described below, there is no enterprise, company or unincorporated enterprise that has been dissolved or put into liquidation (otherwise than by a member's voluntary winding up when the company was solvent) or bankruptcy or been the object of an analogous proceeding, or entered into any form of arrangement or composition with creditors, or had a receiver, trustee or similar officer appointed over it during the time when Mr. Chen was one of its directors or within 12 months after his ceasing to act as one of its directors.

- (1) Mr. Chen was appointed as a director of Guangdong Tours Transportation Limited ("GTT") during the period from 2 December 2002 to 24 February 2004.

GTT was incorporated in Hong Kong on 5 May 1987. The principal business of GTT was provision of passenger transportation services.

GTT was placed into voluntary liquidation under Section 228(1) (c) of the Companies Ordinance on 7 July 2003. Total claims received by the liquidators are in the amount of approximately HK\$17,300,000. The winding up of GTT is currently still in progress.

- (2) Mr. Chen was appointed as a director of Hong Kong Bus Company Limited ("HK Bus") during the period from 2 December 2002 to 17 December 2004.

HK Bus was incorporated in Hong Kong on 2 June 1992. HK Bus was dormant before the commencement of its liquidation.

HK Bus was placed into voluntary liquidation under Section 228(1) (c) of the Companies Ordinance on 17 December 2004. Total claims received by the liquidators are in the amount of approximately HK\$530,000. On 20 July 2007, final meetings of members and creditors of HK Bus were held. HK Bus was dissolved on 24 October 2007.

- (3) Mr. Chen was appointed as a director of Yau Fung Tours and Transportation Company Limited ("Yau Fung") during the period from 2 December 2002 to 17 December 2004.

Yau Fung was incorporated in Hong Kong on 11 February 1977. The principal businesses of Yau Fung were provision of transportation services and investment holding.

Yau Fung was placed into voluntary liquidation under Section 228(1) (c) of the Companies Ordinance on 17 December 2004. Total claims received by the liquidators are in the amount of approximately HK\$1,800,000. On 30 April 2008, final meetings of members and creditors were held. Yau Fung was dissolved on 31 July 2008.

GD Tours, HK Bus and Yau Fung (the “Companies”) were the wholly-owned subsidiaries of Guangdong Investment Limited (“GDI”) at the time when Mr. Chen was a director of the Companies. GDI is a subsidiary of GDH and listed on the Stock Exchange. The Companies have become the wholly-owned subsidiaries of GDH since 31 March 2003.

Save as disclosed above, in relation to the re-election of Mr. Chen as an Executive Director of the Company, there is no 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 Rule 13.51(2) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

SUN Jun, aged 36, was appointed an Executive Director and the Managing Director of the Company in February 2010. He is an economist in the PRC. He graduated from 西安公路學院 (Xian Highway College*) (now known as 長安大學 (Chang’an University)) and obtained a bachelor degree in 工程機械與起重運輸 (Mechanical Engineering and Lifting Transportation Program*). Mr. Sun worked with certain companies of GDH from November 2002 to August 2003. He then worked with the Company and its subsidiaries in September 2003 and was appointed certain posts, including, inter alia, acting as assistant general manager and deputy general manager of the Company from March 2004 to December 2005 and from July 2007 to February 2010 respectively. Mr. Sun currently acts as certain posts of wholly-owned subsidiaries of the Company, including a director and the general manager of 徐州南海皮廠有限公司 (Xuzhou Nanhai Leather Factory Co., Ltd.), 徐州港威皮革有限公司 (Xuzhou Gangwei Leather Co., Ltd.) and 粵海制革(徐州)有限公司 (Guangdong Tannery (Xuzhou) Limited); and an executive deputy project director of 粵海制革(徐州)有限公司 (Guangdong Tannery (Xuzhou) Limited) and relocation project of 徐州南海皮廠有限公司 (Xuzhou Nanhai Leather Factory Co., Ltd.).

* *The English translation of the Chinese names of the college and the program is prepared by the Company for reference only, and such translation may not be accurate and such college and program may not have an official English translation/version of these Chinese names.*

Other than as stated above, Mr. Sun is not related to any Director, senior management, substantial or controlling shareholders of the Company and has not held any directorship in any other listed company in the last three years.

As at the Latest Practicable Date, Mr. Sun held 200,000 share options granted under the share option scheme adopted by the Company on 24 November 2008. Save as disclosed above, Mr. Sun does not have any interests in Shares and/or underlying Shares in the Company or its associated corporations within the meaning of Part XV of the SFO.

Mr. Sun has entered into a service contract with a subsidiary of the Company. Mr. Sun, if elected, will be appointed an Executive Director with effect from the conclusion of the AGM for a term of not more than approximately three years expiring at the conclusion of the Company's annual general meeting to be held in 2013, subject to earlier determination in accordance with the Articles of Association and/or applicable laws and regulations.

The total annual remuneration of Mr. Sun is about RMB270,257 which comprises the fixed annual remuneration and allowances of RMB229,853 and a total annual payment of about RMB40,404 for other benefits. In addition, the Company will consider to pay discretionary bonuses to Mr. Sun subject to his performance and the Company's results. His remuneration is determined by reference to his job responsibilities, the prevailing market conditions and the Company's operating performance and profitability.

Save as disclosed above, in relation to the re-election of Mr. Sun as an Executive Director of the Company, there is no 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 Rule 13.51(2) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

QIAO Jiankang, aged 45, was appointed a Director of the Company in September 2009. Mr. Qiao graduated from China University of Political Science and Law and obtained a master degree in Economical Law. He possesses the professional qualifications as both lawyer and enterprise legal adviser in the PRC. Since 2000, Mr. Qiao has acted as a director and in other positions of certain subsidiaries of GDH. He is the senior manager of the legal department of GDH and the deputy general manager of the legal department of GDI. He also acts as a director of 徐州南海皮廠有限公司 (Xuzhou Nanhai Leather Factory Co., Ltd.) and 粵海制革(徐州)有限公司 (Guangdong Tannery (Xuzhou) Ltd.), both of which are subsidiaries of the Company. Mr. Qiao has over 13 years' experience in enterprise legal works.

Other than as stated above, Mr. Qiao is not related to any Director, senior management or substantial or controlling shareholders of the Company and has not held any directorship in any other listed company in the last three years.

As at the Latest Practicable Date, Mr. Qiao was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr. Qiao. Mr. Qiao, if elected, will be appointed a Non-Executive Director with effect from the conclusion of the AGM for a term of not more than approximately three years expiring at the conclusion of the Company's annual general meeting to be held in 2013, subject to earlier determination in accordance with the Articles of Association and/or applicable laws and regulations.

In accordance with the Articles of Association, Mr. Qiao, as a Non-Executive Director, is entitled to such director's fee as may be approved by the Board. Remuneration (if any) for Mr. Qiao will be determined by reference to his job responsibilities, the prevailing market conditions and the Company's operating performance and profitability. Mr. Qiao is not currently receiving any remuneration from the Company.

Save as described below, there is no enterprise, company or unincorporated enterprise that has been dissolved or put into liquidation (otherwise than by a member's voluntary winding up when the company was solvent) or bankruptcy or been the object of an analogous proceeding, or entered into any form of arrangement or composition with creditors, or had a receiver, trustee or similar officer appointed over it during the time when Mr. Qiao was one of its directors or within 12 months after his ceasing to act as one of its directors.

- (1) Mr. Qiao was appointed as one of the directors of Guangdong Holdings Overseas Limited ("GD Overseas"), a subsidiary of Guangdong Enterprises (Holdings) Limited ("GDE") in May 2000. GDE was the then indirect controlling shareholder of the Company.

GDE was incorporated in Hong Kong on 3 June 1980. By the end of 1998, as a result of a combination of the Asian economic crisis and the consequential tightening of credit and dramatic reduction in asset values, as well as excessive leverage, GDE and its subsidiaries ("GDE Group") was in financial difficulties. Despite assistance from the Guangdong Provincial Government, it was evident that a longer term and more sustainable solution was required.

In December 1998, the Guangdong Provincial Government initiated a comprehensive restructuring ("Restructuring") for the GDE Group. GD Overseas also participated in the Restructuring. On 12 January 1999, as part of the Restructuring a proposal was made to the financial creditors of the GDE Group for a restructuring of their indebtedness ("Debt Restructuring"). In addition, an exchange offer was made by GDE to the noteholders to be bound by the exchange offer memorandum dated 30 October 2000. On 21 December 2000, the GDE Group formally signed, among others, the debt restructuring agreements. Bank creditors and certain significant creditors of the GDE Group agreed to participate in the Debt Restructuring. The Debt Restructuring was a successful one resulting in agreement being reached with the financial creditors. The Debt Restructuring became effective on 22 December 2000. GD Overseas has become a subsidiary of GDH since 22 December 2000.

Mr. Qiao resigned as a director of GD Overseas in November 2008.

- (2) Mr. Qiao has been appointed as a director of Guangdong Arts and Crafts Company Limited (“GD Arts”) since May 2000. GD Arts was at one stage a subsidiary of GDE and subsequently a subsidiary of GDH during the period from April 2001 to December 2004.

GD Arts was incorporated in Hong Kong on 27 August 1982. Its principal business was import and export trading. On 28 August 2001, a petition for the winding up of GD Arts was presented to the High Court by a creditor of GD Arts for a total indebtedness of HK\$281,964,000. The winding up order was granted by the Court on 21 January 2002. The liquidation of GD Arts was completed on 28 April 2009. The Order for release as Joint and Several Liquidators and the destruction of the books and records of GD Arts and the Order for dissolution of GD Arts have been granted by the High Court on 4 January 2010 and 5 January 2010 respectively.

Save as disclosed above, in relation to the re-election of Mr. Qiao as a Non-Executive Director of the Company, there is no 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 Rule 13.51(2) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

FUNG Lak, aged 62, was appointed an Independent Non-Executive Director of the Company in November 2002. Mr. Fung holds a bachelor degree in Science (Economics) major in Accounting and Finance from the London School of Economics and Political Science of University of London. He is also a fellow member of Hong Kong Institute of Certified Public Accountants, an associate member of the Institution of Chartered Accountants in the United Kingdom, a fellow member of the Association of Chartered Certified Accountants and a member of the Taxation Institute of Hong Kong. Mr. Fung was the former president of the Society of Chinese Accountants and Auditors. Mr. Fung has over 20 years’ experience in the accounting and finance and is a director of Lak & Associates C.P.A. Limited.

Other than as stated above, Mr. Fung is not related to any Director, senior management or substantial or controlling shareholders of the Company and has not held any directorship in any other listed company in the last three years.

As at the Latest Practicable Date, Mr. Fung was interested in 1,380,000 Shares in the Company. Save as disclosed above, Mr. Fung does not have any interests in Shares and/or underlying Shares in the Company or its associated corporations within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr. Fung. Mr. Fung, if elected, will be appointed an Independent Non-Executive Director with effect from the conclusion of the AGM for a term of not more than approximately three years expiring at the conclusion of the Company's annual general meeting to be held in 2013, subject to earlier determination in accordance with the Articles of Association and/or applicable laws and regulations.

Mr. Fung, as an Independent Non-Executive Director, is entitled to an annual director's fee of HK\$150,000 which is determined by reference to his job responsibilities, the prevailing market conditions and the Company's operating performance and profitability.

Save as disclosed above, in relation to the re-election of Mr. Fung as an Independent Non-Executive Director of the Company, there is no 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 Rule 13.51(2) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.



粵海制革有限公司

GUANGDONG TANNERY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1058)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an annual general meeting of Guangdong Tannery Limited (the “Company”) will be held at The Boardroom, Basement II, The Wharney Guang Dong Hotel Hong Kong, No. 57-73, Lockhart Road, Wanchai, Hong Kong on Friday, 14 May 2010 at 10:00 a.m. for the following purposes:

As Ordinary Business:

1. To receive and consider the audited consolidated financial statements and the reports of the Directors and the Auditors for the year ended 31 December 2009.
2. To re-elect retiring Directors and to authorise the Board of Directors to fix the remuneration of Directors.
3. To re-appoint Auditors and to authorise the Board of Directors to fix their remuneration.

And as Special Business, to consider and, if thought fit, to pass with or without amendments, the following as an ordinary resolution:

ORDINARY RESOLUTION

4. **“THAT:**
 - (a) subject to the following provisions of this resolution and pursuant to Section 57B of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), the exercise by the Directors during the Relevant Period (as defined in paragraph (d) of this resolution) of all the powers of the Company to allot, issue and deal with ordinary shares of HK\$0.10 each in the capital of the Company (the “Shares”) and/or options, warrants and/or instruments carrying rights to subscribe for any

Shares or securities convertible into Shares, and to make and/or grant offers, agreements, options or warrants which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make and/or grant offers, agreements, options or warrants which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of the Shares allotted, issued or dealt with, or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval given under paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this resolution), (ii) the exercise of the subscription or conversion rights attaching to any warrants, preference shares, convertible bonds or other securities issued by the Company which are convertible into Shares, (iii) the exercise of options granted by the Company under any share option scheme or similar arrangement for the time being adopted for the grant to the Directors, officers and/or employees of the Company and/or any of its subsidiaries and/or other eligible person (if any) of rights to acquire Shares, or (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on the Shares in accordance with the articles of association of the Company (the “Articles of Association”), shall not exceed 20 per cent. of the aggregate nominal amount of the Shares in issue as at the date of the passing of 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 the Articles of Association or any applicable laws of Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”) to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting;

and,

“Rights Issue” means an offer of Shares open for a period fixed by the Company (or by the Directors) to holders of Shares on the Register of Members (Shares) of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions 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 authorised regulatory body or any stock exchange in, any territory outside Hong Kong).”

By order of the Board
LO Sze Sze
Company Secretary

Hong Kong, 14 April 2010

Registered office:

29th Floor
Guangdong Investment Tower
148 Connaught Road Central
Hong Kong

Notes:

- (i) A shareholder entitled to attend and vote at the above meeting may appoint one or more proxies to attend and vote in his place and such proxy need not be a shareholder of the Company.
- (ii) A form of proxy is enclosed. To be valid, the form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed (or a notarially certified copy of such power or authority) must be delivered to the Company’s share registrar, Tricor Tengis Limited, at 26th Floor Tesbury Centre, 28 Queen’s Road East, Hong Kong not less than 48 hours before the time fixed for holding the meeting or adjourned meeting. The appointment of a proxy will not prevent a shareholder from subsequently attending and voting at the meeting or any adjourned meeting if he so wishes. If a shareholder who has lodged a form of proxy attends the meeting, his form of proxy will be deemed to have been revoked.
- (iii) In the case of joint shareholders, 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, and for this purpose seniority will be determined by the order in which the names stand in the Company’s register of shareholders in respect of the joint holding.
- (iv) The register of members of the Company will be closed on Thursday, 13 May 2010 and Friday, 14 May 2010, both days inclusive, during such period no transfer of shares will be registered.
- (v) In order to determine the identity of the members of the Company who are entitled to attend and vote at the above meeting, all transfer documents accompanied by the relevant share certificates must be lodged at the office of the Company’s share registrar, Tricor Tengis Limited at 26th Floor Tesbury Centre, 28 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 12 May 2010.
- (vi) In relation to resolution no. 4, approval is being sought from members of the Company for a general mandate to authorise the issue of Shares. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the general mandate so given.