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FAVA INTERNATIONAL HOLDINGS LIMITED

名家國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 08108)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of FAVA International Holdings Limited (the “Company”) will be held at Room 1005, C.C. Wu Building, 302-8 Hennessy Road, Wanchai, Hong Kong on Wednesday, 28 March 2012 at 11:00 a.m. to consider and, if thought fit, pass with or without amendments, the following resolutions as special resolutions:

SPECIAL RESOLUTIONS

1. **“THAT** the bye-law(s) of the Company (the “Bye-law(s)”) be amended in the following manner:

(a) Bye-law 1

By adding the following new definition of “business day” in the existing Bye-law 1 after the definition of “Associate”:-

““business day” shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Bye-laws be counted as a business day.”;

(b) Bye-law 1

By deleting the definition of “capital” in the existing Bye-law 1 in its entirety and substituting the same with the following as the new definition of “capital” in the new Bye-law 1:

““capital” the share capital of the Company from time to time.”;

(c) Bye-law 1

By adding the following new definition of “substantial shareholder” in the existing Bye-law 1 after the definition of “Statutes”:-

““substantial shareholder” a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the rules of the Designated Stock Exchange from time to time) of the voting power at any general meeting of the Company.”;

(d) Bye-law 2(h)

By deleting the existing Bye-law 2(h) in its entirety and substituting the same with the following as the new Bye-law 2(h):

“(h) a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59; ”;

(e) Bye-law 2(i)

By deleting the existing Bye-law 2(i) in its entirety and substituting the same with the following as the new Bye-law 2(i):

“(i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;”;

(f) Bye-law 3(3)

By deleting the existing Bye-law 3(3) in its entirety and substituting the same with the following as the new Bye-law 3(3):

“(3) Subject to compliance with the rules and regulations of the Designated Stock Exchange and any other relevant regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.”;

(g) Bye-law 6

By deleting the existing Bye-law 6 in its entirety and substituting the same with the following as the new Bye-law 6:

“6. The Company may from time to time by special resolution, subject to any confirmation or consent required by law, reduce its authorised or issued share capital or, save for the use of share premium as expressly permitted by the Act, any share premium account or other undistributable reserve.”;

(h) Bye-law 10(a)

By adding the word “and” after the semi-colon at the end of the existing Bye-law 10(a);

(i) Bye-law 10(b)

By deleting the existing Bye-law 10(b) in its entirety and substituting the same with the following as the new Bye-law 10(b):

“(b) every holder of shares of the class shall be entitled to one vote for every such share held by him.”;

(j) Bye-law 10(c)

By deleting sub-paragraph (c) of Bye-law 10 in its entirety and replacing with the words “(c) [Intentionally deleted]”;

(k) Bye-law 44

By deleting the existing Bye-law 44 in its entirety and substituting the same with the following as the new Bye-law 44:

“44. The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon on every business day (other than, in the case of any branch register in Hong Kong, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event) by members of the public without charge at the Office or such other place at which the Register is kept in accordance with the Act. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper and where applicable,

any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.”;

(l) Bye-law 46

By adding the words “in any manner permitted by and in accordance with the rules of the Designated Stock Exchange or” in the first line of the existing Bye-law 46 after the words “any Member may transfer all or any of his shares”;

(m) Bye-law 59(1)

By deleting the existing Bye-law 59(1) in its entirety and substituting the same with the following as the new Bye-law 59(1):

- “59.
- (1) An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any special general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days and not less than ten (10) clear business days. All other special general meetings may be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice if it is so agreed:
 - (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
 - (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety five per cent. (95%) in nominal value of the issued shares giving that right.”;

(n) Bye-law 63

By deleting the existing Bye-law 63 in its entirety and substituting the same with the following as the new Bye-law 63:

“63. The president of the Company or the chairman, if one is appointed, shall preside as chairman at every general meeting. If at any meeting the president or the chairman, as the case may be, is not present within fifteen (15) minutes after the time appointed for holding the meeting, or if neither of them is willing to act as chairman, or if no such officer is appointed, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the chairman chosen shall retire from the chair, the Members present in person or (in the case of a Member being a corporation) by its duly authorised representative or by proxy and entitled to vote shall elect one of their number to be chairman.”;

(o) Bye-law 66

By deleting the existing Bye-law 66 in its entirety and substituting the same with the following as the new Bye-law 66:

“66. (1) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present in person (or being a corporation, is present by a duly authorized representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Bye-law, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman’s duties to maintain

the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.

- (2) Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:
- (a) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
 - (b) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one tenth of the total voting rights of all Members having the right to vote at the meeting; or
 - (c) by a Member or Members present in person or in the case of a Member 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 shares conferring that right.

A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by the Member.”;

(p) Bye-law 67

By deleting Bye-law 67 in its entirety and replacing with the words “67. [Intentionally deleted]”;

(q) Bye-law 68

By deleting the existing Bye-law 68 in its entirety and substituting the same with the following as the new Bye-law 68:

“68. Where a resolution is voted on by a show of hands, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof

of the number or proportion of the votes recorded for or against the resolution. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”;

(r) Bye-law 69

By deleting Bye-law 69 in its entirety and replacing with the words “69. [Intentionally deleted]”;

(s) Bye-law 70

By deleting Bye-law 70 in its entirety and replacing with the words “70. [Intentionally deleted]”;

(t) Bye-law 73

By deleting the words “, whether on a show of hands or on a poll” in the first line of the existing Bye-law 73 after the sentence “In the case of an equality of votes”;

(u) Bye-law 75 (1)

By deleting the words “whether on a show of hands or on a poll,” in the fourth line of the existing Bye-law 75(1) after the words “incapable of managing their own affairs may vote,” and by deleting the words “or poll” in the last line of the existing Bye-law 75(1) after the words “or adjourned meeting”;

(v) Bye-law 80

By deleting the existing Bye-law 80 in its entirety and substituting the same with the following as the new Bye-law 80:

“80. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the

date named in it as the date of its execution, except at an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.”;

(w) Bye-law 81

By deleting the words “to demand or join in demanding a poll and” in the fourth line of the existing Bye-law 81 after the words “The instrument of proxy shall be deemed to confer authority”;

(x) Bye-law 82

By deleting the words “or the taking of the poll,” in the second last line of the existing Bye-law 82 after the words “before the commencement of the meeting or adjourned meeting,”;

(y) Bye-law 84(2)

By deleting the existing Bye-law 84(2) in its entirety and substituting the same with the following as the new Bye-law 84(2):

“(2) Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including, where a show of hands is allowed, the right to vote individually on a show of hands.”;

(z) Bye-law 92

By replacing the words “next annual election of Directors or, if earlier, the date on which the relevant Director ceases” in the seventh line of the existing Bye-law 92 after the words “the office of alternate Director shall continue until the” with “happening of any event which, if he were a Director, would cause him to vacate such office or if his appointer ceases for any reason”;

(aa) Bye-law 103(1)(iv)

By adding the word “or” after the semi-colon at the end of sub-paragraph (iv) of the existing Bye-law 103(1)(iv);

(bb) Bye-law 103(1)(v)

By deleting the existing Bye-law 103(1)(v) in its entirety and replacing with the words “(v) [Intentionally deleted]”;

(cc) Bye-law 103(2)

By deleting the existing Bye-law 103(2) in its entirety and replacing with the words “(2) [Intentionally deleted]”;

(dd) Bye-law 103(3)

By deleting the existing Bye-law 103(3) in its entirety and replacing with the words “(3) [Intentionally deleted]”;

(ee) Bye-law 122

By adding the sentence “Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.” at the end of the existing Bye-law 122 after the words “a facsimile signature of a Director or an alternate Director shall be treated as valid.”;

(ff) Bye-law 127(1)

By deleting the existing Bye-law 127(1) in its entirety and substituting the same with the following as the new Bye-law 127(1):

“127. (1) The officers of the Company shall consist of the Directors and Secretary and such additional officers (who may or may not be

Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Act and, subject to Bye-law 132(4), these Bye-laws.”;

(gg) Bye-law 127(2)

By deleting the existing Bye-law 127(2) in its entirety and replacing with the words “(2) [Intentionally deleted]”;

(hh) Bye-law 138

By replacing the words “the aggregate of its liabilities and its issued share capital and share premium accounts” in the third line of the existing Bye-law 138 after the words “its assets would thereby become less than” with “its liabilities”;

(ii) Bye-law 153

By deleting the existing Bye-law 153 in its entirety and substituting the same with the following as the new Bye-law 153:

“153. Subject to Section 88 of the Act, a printed copy of the Directors’ report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors’ report, shall be sent to each person entitled thereto at least twenty-one (21) days before the date of the general meeting and at the same time as the notice of annual general meeting and laid before the Company at the annual general meeting in accordance with the requirements of the Act provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.”.

2. “**THAT** the bye-laws of the Company in the form of the document marked “A” and produced to this meeting and for the purpose of identification signed by the chairman of this meeting, which consolidates all of the proposed amendments referred to in Resolution 1 above and all previous amendments made pursuant to resolutions passed by the members of the Company at general meetings be approved and adopted as the new bye-laws of the Company in substitution for and to the exclusion of the existing Bye-laws of the Company with immediate effect.”

Yours faithfully,
On behalf of the Board
FAVA INTERNATIONAL HOLDINGS LIMITED
Li Ge
Executive Director

Hong Kong, 2 March 2012

Notes:

- (1) Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy(ies) (if such member is the holder of two or more shares) to attend and vote in his stead. A proxy need not be a member of the Company but must be present in person to represent the member.
- (2) Where there are joint holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if he were solely entitled thereto, but if more than one of such joint holders be present at any 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, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
- (3) In order to be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of that power of attorney or other authority, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the said meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or adjourned meeting, and in such event, the instrument appoint the proxy shall be deemed to be revoked.
- (4) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
- (5) As at the date hereof, the Board comprises six Directors. The executive Directors are Mr. Li Ge, Mr. Sun, Miguel and Mr. Zhao Guo Wei. The independent non-executive Directors are Mr. Liu Qing Chen, Mr. Yang Dongli and Mr. Zhang Chun Qiang.
- (6) According to Rule 17.47(4) of the GEM Listing Rules, the voting of the meeting should be taken by poll.

This announcement, for which the directors of the Company (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 Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least seven days from the date of its posting and on the website of the Company at www.fava.com.hk.

** For identification purpose only*