

IMPORTANT

If you are in doubt about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Sinotronics Holdings Limited (the “Company”) you should at once hand this circular with the enclosed form of proxy to the purchaser or the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



SINOTRONICS HOLDINGS LIMITED

華翔微電子控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1195)

GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES, EXTEND GENERAL MANDATES TO ISSUE SHARES, RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

Resolutions will be proposed at the annual general meeting (the “AGM”) of the Company to be held at Boardroom 3 & 4, Mezzanine Floor, Renaissance Harbour View Hotel, No. 1 Harbour Road, Wanchai, Hong Kong on Tuesday, 23 December 2008 at 10:00 a.m. to approve the matters referred to in this circular. If you are unable to attend the AGM in person, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

* for identification purpose only

31 October 2008

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DEFINITIONS

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

“2008 Annual Report”	the Audited Consolidated Financial Statements and the Reports of the Directors and Auditors of the Company for the year ended 30 June 2008;
“AGM”	the annual general meeting of the Company to be held at Boardroom 3 & 4, Mezzanine Floor, Renaissance Harbour View Hotel, No. 1 Harbour Road, Wanchai, Hong Kong on Tuesday, 23 December 2008 at 10:00 a.m. at which the 2008 Annual Report will be adopted;
“Articles of Association”	the articles of association of the Company;
“Board”	the board of Directors;
“Company”	Sinotronics Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange;
“Director(s)”	director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Issue Mandate”	the general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution;
“Latest Practicable Date”	27 October 2008, being the latest practicable date prior to the printing of this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	The People’s Republic of China;
“Repurchase Mandate”	the general mandate to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the relevant ordinary resolution;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);

DEFINITIONS

“Share(s)”	ordinary shares of HK\$0.10 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 Codes on Takeovers and Mergers and Share Repurchases approved by the Securities and Futures Commission as amended from time to time; and
“%”	per cent.



SINOTRONICS HOLDINGS LIMITED

華翔微電子控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1195)

Executive Directors:

Mr. Lin Wan Xin (*Chairman*)
Mr. Xiang Song (*Chief Executive Officer*)
Mr. Lin Wan Qaing
Mr. Liu Zhao Cai
Mr. Hu Zhao Rui
Mr. Tong Yiu On

Registered Office:

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

Independent Non-executive Directors:

Mr. Pan Chang Chi
Mr. Cai Xun Shan
Mr. Cheung Chuen

Principal Office in Hong Kong:

Room 1805, 18th Floor
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

31 October 2008

To the Shareholders

Dear Sirs or Madam,

**GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES,
EXTEND GENERAL MANDATES TO ISSUE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

At the AGM, ordinary resolutions will be proposed to approve i) the granting of the Repurchase Mandate; ii) the granting of the Issue Mandate; iii) the extension of the Issue Mandate; and iv) the re-election of the retiring Directors.

This circular contains the explanatory statement and gives all the information reasonably necessary to enable the Shareholders to make informed decisions on whether to vote for or against the resolutions approving the Company to repurchase and issue Shares, to extend the Issue Mandate and to re-elect the retiring Directors.

* for identification purpose only

LETTER FROM THE BOARD

2. GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 21 December 2007, an ordinary resolution was passed by the Shareholders on granting the existing Repurchase Mandate to the Directors.

An ordinary resolution will be proposed at the AGM to revoke the existing Repurchase Mandate and 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 fresh Repurchase Mandate, if granted, 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 Articles of Association or any applicable laws of the Cayman Islands; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

3. GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 21 December 2007, an ordinary resolution was passed by the Shareholders on granting the existing Issue Mandate to the Directors.

An ordinary resolution will be proposed at the AGM to revoke the existing Issue Mandate and to grant to the Directors a fresh Issue Mandate, i.e. a general and unconditional mandate to allot, issue and deal with, otherwise by way of rights issue or any option scheme or similar arrangements 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 in the Company or any shares of the Company issued as scrip dividends pursuant to the memorandum and articles of association of the Company, additional Shares with an aggregate nominal value not exceeding 20% of the aggregate of the total nominal value of the share capital of the Company in issue at the date of the passing of such resolution. Based on 558,965,000 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued and no Shares are repurchased after the Latest Practicable Date and up to the date of the AGM, the Directors will be able to allot, issue and deal with 111,793,000 Shares if the fresh Issue Mandate is granted at the AGM, which 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 Articles of Association or any applicable laws of the Cayman Islands; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

4. EXTEND GENERAL MANDATE TO ISSUE SHARES

Subject to conditional on the passing of the resolutions to grant the Issue Mandate and the Repurchase 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 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 share capital of the Company in issue on the date of passing the resolution approving the Issue Mandate.

5. RE-ELECTION OF RETIRING DIRECTORS

In relation to ordinary resolution number 3 set out in the notice of the AGM regarding the re-election of retiring Directors, Mr. Lin Wan Qaing, Mr. Liu Zhao Cai and Mr. Tong Yiu On shall retire as Directors by rotation at the AGM pursuant to articles 87(1) and 87(2) of the Articles of Association, and, being eligible, will offer themselves for re-election.

Mr. Lin Wan Qaing

Mr. Lin Wan Qaing (林萬強), aged 54, is the founder of the Group and an executive Director. He is also the compliance officer of the Group. Mr. Lin is a cousin of Mr. Lin Wan Xin, an executive Director and the chairman of the Company. Prior to founding the Group in March 1996, Mr. Lin had gained more than 16 years of entrepreneurial and management experience. Mr. Lin is currently the executive of the standing committee of Young Entrepreneur Association of Fujian Province (福建省青年企業家協會), the vice-president of Electronics Industry Branch of Fujian Province of China International Commerce Association (中國國際商會福建電子行業商會) and the vice-president of High Technology Industry Chamber of Fujian province (福建省高科技商會). Save as disclosed above, Mr. Lin did not hold any directorship in any public listed companies in the last three years and he does not hold any position in the Group.

Mr. Lin has entered into a service agreement and a supplementary service agreement dated 8 May 2004 and 18 October 2006 respectively with the Company for a term of three years commencing from 8 May 2004, with a fixed term of one year. Due to the expiry of the service agreement, Mr. Lin has entered into another service agreement with the Company for a term of three years commencing from 8 May 2007, with a fixed term of one year, which shall be terminated by either party giving not less than six months' notice in writing to the other after the expiration of the said fixed term of one year. As at the Latest Practicable Date, Mr. Lin is entitled to a director's remuneration of HK\$715,000 per annum, which is determined on the prevailing market rate, and a year-end bonus to be determined by the Board with reference to the Company's performance and profitability.

As at the Latest Practicable Date, Mr. Lin has beneficial interest in 230,131,780 Shares that fall to be disclosed under Part XV of the SFO. Save as disclosed above, Mr. Lin does not have any interests in the Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO and he does not have any relationship with any Directors, senior management or substantial or controlling Shareholders.

Mr. Liu Zhao Cai

Mr. Liu Zhao Cai (劉兆才), aged 66, is an executive Director. Mr. Liu graduated from the Xidian University (西安電子科技大學). Mr. Liu was the president of Fujian Province Science and Technology Commission (福建省科學技術委員會) in 1998 for a term of three years, and the president of the 36th research institute of the Department of Electronics Industry (電子工業部) of the PRC during the period from 1987 to 1995. Mr. Liu became an independent non-executive Director on 8 May 2001 and was redesignated as an executive Director on 22 April 2002. And he was the chairman of the Company from 1 January 2007 to 28 October 2008. Mr. Liu is responsible

LETTER FROM THE BOARD

for overall strategic planning of the Group. Save as disclosed above, Mr. Liu did not hold any directorship in any public listed companies in the last three years and he does not hold any position in the Group.

Mr. Liu has entered into a service agreement and a supplementary service agreement dated 22 April 2006 and 18 October 2006 respectively with the Company for a term of three years commencing from 22 April 2006, with a fixed term of one year, which shall be terminated by either party giving not less than six months' notice in writing to the other after the expiration of the said fixed term of one year. As at the Latest Practicable Date, Mr. Liu is entitled to a director's remuneration of HK\$455,000 per annum, which is determined on the prevailing market rate, and a discretionary bonus to be determined by the Board with reference to the Company's performance and profitability.

As at the Latest Practicable Date, Mr. Liu has 1,500,000 share options of the Company that fall to be disclosed under Part XV of the SFO. Save as disclosed above, Mr. Liu does not have any interests in the Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO and he does not have any relationship with any Directors, senior management or substantial or controlling Shareholders.

Mr. Tong Yiu On

Mr. Tong Yiu On (唐耀安), aged 42, is an executive Director, qualified accountant and company secretary of the Company. He is responsible for the financial reporting and management and regulatory compliance of the Company. He is a certified public accountant of the Hong Kong Institute of Certified Public Accountants. Prior to joining the Group in September 2000, Mr. Tong was the financial controller of a wholly owned subsidiary of a Hong Kong listed company, and has gained 9 years of experience from an international accounting firm and a wholly owned subsidiary of a company listed on the Australia stock exchange in auditing and financial management for various industries. Save as disclosed above, Mr. Tong did not hold any directorship in any public listed companies in the last three years and he does not hold any position in the Group.

Mr. Tong has entered into a service agreement with the Company for a term of three years commencing from 18 December 2002, with a fixed term of one year, which shall continue after expiry date unless and until terminated by either party giving not less than six months' notice in writing to the other after the expiration of the said fixed term of one year. After the end of the aforesaid three years term, Mr. Tong has not entered into other service agreement with the Company. As at the Latest Practicable Date, Mr. Tong is entitled to a salary of HK\$600,000 per annum, which is determined on the prevailing market rate, and a year-end bonus to be determined by the Board with reference to the Company's performance and profitability.

As at the Latest Practicable Date, Mr. Tong has 1,500,000 share options of the Company that fall to be disclosed under Part XV of the SFO. Save as disclosed above, Mr. Tong does not have any interests in the Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO and he does not have any relationship with any Directors, senior management or substantial or controlling Shareholders.

LETTER FROM THE BOARD

Saved as disclosed above, there are no other matters in relation to the re-election of Mr. Lin Wan Qaing, Mr. Liu Zhao Cai and Mr. Tong Yiu On that need to be brought to the attention of the Stock Exchange or the Shareholders. There is no information relating to all the retiring Directors that is required to be disclosed pursuant to Rules 13.51(2)(h)–(v) of the Listing Rules.

6. ANNUAL GENERAL MEETING

The notice of the AGM is set out on pages 12 to 15 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, the granting of the Repurchase Mandate and Issue Mandate and the extension of the Issue Mandate by the addition thereto of the number of Shares repurchased pursuant to the Repurchase Mandate and the re-election of retiring Directors.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange (www.hkex.com.hk). In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's Hong Kong branch share registrar and transfer office, Hong Kong Registrars Limited of Shops 1712–1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, 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, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. The completion and return of the form of proxy will not preclude any Shareholder from attending and voting at the meeting if so wished.

7. PROCEDURES BY WHICH A POLL MAY BE DEMANDED

Pursuant to article 66 of the Articles of Association, a resolution put to the vote of a general 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 duly demanded or otherwise required under the Listing Rules. A poll may be 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 authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by any Shareholder(s) present in person or in the case of a Shareholder 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 Shareholders having the right to vote at the meeting; or
- (d) by any Shareholder(s) 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 Shares conferring that right; or
- (e) if required by the rules of Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing five per cent. or more of the total voting rights of all Shareholders having a right to vote at the meeting.

LETTER FROM THE BOARD

Pursuant to article 72 of the Articles of Association, a Shareholder entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

8. 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.

9. RECOMMENDATION

The Directors consider that the Repurchase Mandate, the Issue Mandate, the extension of the Issue Mandate and the re-election of the retiring Directors are in the best interests of the Company and the Shareholders. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the AGM on pages 12 to 15 of this circular.

10. GENERAL INFORMATION

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

Yours faithfully,
For and on behalf of
Sinotronics Holdings Limited
Lin Wan Xin
Chairman

EXPLANATORY STATEMENT OF THE SHARE REPURCHASE MANDATE

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 a resolution to be proposed at the forthcoming AGM authorising the Repurchase Mandate.

1. EXERCISE OF THE REPURCHASE MANDATE

Exercise in full of the Repurchase Mandate, on the basis of 558,965,000 Shares in issue as at the Latest Practicable Date and no further Shares are issued or repurchased prior to the AGM, could accordingly result in up to 55,896,500 Shares being repurchased by the Company during the period ending on the earliest of (i) the date of the next annual general meeting of the Company, (ii) the date by which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held, or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

2. REASONS FOR REPURCHASE

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate will provide the Company the flexibility to make such repurchase when appropriate and beneficial to the Company and the Shareholders as a whole. Such repurchase may, depending on market conditions and funding arrangement at the time, lead to an enhancement of the net assets value per Share and/or earnings per Share.

3. FUNDING OF REPURCHASE

Repurchases must be made out of the funds legally available for the purpose in accordance with the memorandum and articles of association of the Company and the applicable laws and regulations of the Cayman Islands and the Listing Rules. The Companies Law Cap. 22 of the Cayman Islands (the "Laws") provide that a share repurchase by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose or, if so authorised by the Articles of Association and subject to the provisions of the Laws, out of capital. Any premium payable on a repurchase over the par value of the Shares repurchased or conditionally or unconditionally 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 of Association and subject to the provisions of the Laws, out of capital.

4. IMPACT ON WORKING CAPITAL OR GEARING LEVEL

Taking into account, as compared with the financial position of the Company as at 30 June 2008 (being the date of its latest published audited financial statements), the Directors consider that there would be a material adverse impact on the working capital or gearing position of the Company in the event that the proposed Repurchase Mandate were to be exercised in full during the proposed repurchase period. However, the Directors confirm that none of them have any intention to make any repurchase would be made in circumstances that would have a material adverse impact on the working capital or gearing position of the Company from time to time appropriate.

EXPLANATORY STATEMENT OF THE SHARE REPURCHASE MANDATE

5. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

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

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has a present intention to sell any 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.

6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Repurchase Mandate and in accordance with the Listing Rules and all applicable laws of the Cayman Islands, and in accordance with the regulations set out in the memorandum and articles of association of the Company.

7. EFFECT OF TAKEOVERS CODE

If on exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could, depending on the level of increase of Shareholders' interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors are not aware of any Shareholders, or a group of Shareholders acting in concert, who may become obliged to make a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code in the event that the Directors exercise the power to repurchase Shares pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Mr. Lin Wan Qaing, an executive Director who held approximately 41.17% (230,131,780 Shares) of the issued share capital of the Company, was the substantial Shareholder holding more than 10% of the issued share capital of the Company. In the event that the Directors exercised in full the power to repurchase Shares pursuant to the Repurchase Mandate, the shareholding of Mr. Lin Wan Qaing in the Company would be increased to approximately 45.75% of the issued share capital of the Company. Such an increase would give rise to an obligation to make a mandatory offer under Rules 26 to 32 of the Takeovers Code. In any event, the Directors do not intend to exercise the Repurchase Mandate to an extent which will trigger off the mandatory offer requirement pursuant to the rules of the Takeovers Code or which will reduce the aggregate amount of the issued share capital of the Company in public hands to below 25%.

EXPLANATORY STATEMENT OF THE SHARE REPURCHASE MANDATE
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8. SHARE PURCHASE MADE BY THE COMPANY

During each of the six months preceding the Latest Practicable Date, the Company has repurchased a total of 204,000 Shares on the Stock Exchange as follows:

Date of Repurchase	Number of Shares Repurchased	Price per Share HK\$	Total Price Paid HK\$
30 April 2008	200,000	0.75	150,000
14 May 2008	4,000	0.74	2,960

9. SHARE PRICES

During the previous twelve months before the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	Price Per Share	
	Highest HK\$	Lowest HK\$
2007		
October	1.86	1.31
November	1.44	1.01
December	1.11	0.94
2008		
January	0.95	0.79
February	0.91	0.80
March	0.85	0.70
April	0.78	0.71
May	0.80	0.71
June	0.78	0.71
July	0.72	0.68
August	0.71	0.56
September	0.63	0.44
October [#]	0.50	0.28

[#] Up to the Latest Practicable Date

NOTICE OF ANNUAL GENERAL MEETING



SINOTRONICS HOLDINGS LIMITED

華翔微電子控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1195)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Sinotronics Holdings Limited (the “Company”) will be held at Boardroom 3 & 4, Mezzanine Floor, Renaissance Harbour View Hotel, No. 1 Harbour Road, Wanchai, Hong Kong on Tuesday, 23 December 2008 at 10:00 a.m. for the following purposes:

1. to receive and consider the audited consolidated financial statements and the reports of the directors and the auditors for the year ended 30 June 2008;
2. to approve a final dividend of HK0.4 cent per share for the year ended 30 June 2008;
3. to re-elect the retiring directors and to authorise the board of directors to fix their remuneration;
4. to re-appoint KPMG as auditors of the Company and to authorise the board of directors to fix their remuneration; and
5. as special businesses, to consider, and if thought fit, pass the following ordinary resolutions:

ORDINARY RESOLUTIONS

A. “THAT

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares in the capital of the Company (“Shares”), subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the Shares in issue as at the date of the passing of this resolution and the said approval be limited accordingly; and

* for identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

- (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 required by the articles of association of the Company or any applicable laws 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.”

B. “THAT

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional Shares and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) the exercise of the subscription rights or conversion under the terms of any warrants or other securities issued by the Company as at the date of this resolution carrying a right to subscribe for or purchase Shares or otherwise convertible into Shares, or (iii) the exercise of the subscription rights under the share option scheme of the Company, or (iv) any scrip dividend or similar arrangements providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the memorandum and articles of association of the Company, from time to time shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this Resolution and the said approval shall be limited accordingly; and
- (d) 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;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next annual general meeting of the Company required by the articles of association of the Company or any applicable laws of the Cayman Islands 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.

“Rights Issue” means an offer of Shares or an offer of warrants, options or other securities giving right to subscribe for Shares, open for a period fixed by the directors of the Company to holders of Shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong applicable to the Company).”

C. “THAT

Conditional upon ordinary resolution nos. 5A and 5B above being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the directors of the Company as mentioned in ordinary resolution no. 5A above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to ordinary resolution no. 5B above.”

Yours faithfully,
For and on behalf of
Sinotronics Holdings Limited
Lin Wan Xin
Chairman

Hong Kong, 31 October 2008

Principal Office:

Room 1805, 18th Floor
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) A shareholder of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint proxies to attend and vote in his stead. A shareholder of the Company entitled to attend and vote at the above meeting may appoint one or more than one proxy to attend and to vote in his stead. A proxy need not be a shareholder of the Company. In order to be valid, the form of proxy must be completed and deposited at the Company's Hong Kong branch share registrar and transfer office, Hong Kong Registrars Limited of Shops 1712–1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong 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, not less than 48 hours before the time for holding the meeting or adjourned meeting. The completion and return of the form of proxy will not preclude any shareholder from attending and voting at the meeting if so wished.
- (2) Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the annual general meeting or any adjournment.
- (3) The register of members of the Company will be closed from 17 December 2008 to 23 December 2008, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for receiving the final dividends and attending the forthcoming annual general meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong branch share registrar, Hong Kong Registrars Limited of Shops 1712–1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 16 December 2008.