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

If you have sold or transferred all your shares in Midland IC&I Limited, you should at once hand this circular, together with the accompanying form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**MIDLAND IC&I LIMITED**  
**美聯工商舖有限公司\***

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

**(Stock Code: 459)**

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

A letter from the board of directors of Midland IC&I Limited is set out on pages 3 to 8 of this circular.

A notice convening an annual general meeting of Midland IC&I Limited to be held at Room 1801A, 18th Floor, One Grand Tower, 639 Nathan Road, Mongkok, Kowloon, Hong Kong on Thursday, 6 May 2010 at 12:00 noon is set out on pages 12 to 15 of this circular.

A form of proxy for use at the annual general meeting is enclosed with this circular. Whether or not you intend to attend the meeting in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office, 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 thereof should you so wish.

\* For identification purposes only

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Room 1801A, 18th Floor, One Grand Tower, 639 Nathan Road, Mongkok, Kowloon, Hong Kong on Thursday, 6 May 2010 at 12:00 noon
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Company”	Midland IC&I Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“General Mandates”	the Issue Mandate and the Repurchase Mandate to be sought at the AGM as set out in the Notice of AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	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 resolution approving the Issue Mandate
“Latest Practicable Date”	23 March 2010, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Midland”	Midland Holdings Limited, a company incorporated in Bermuda and is the holding company of the Company, the shares of which are listed on the main board of the Stock Exchange

## DEFINITIONS

“Midland Group”	Midland and its subsidiaries
“Notice of AGM”	the notice convening the AGM set out on pages 12 to 15 of this circular
“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 resolution approving the Repurchase Mandate
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s) in the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“%”	per cent.



**MIDLAND IC&I LIMITED**

**美聯工商舖有限公司\***

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

**(Stock Code: 459)**

*Executive Directors:*

Ms. TANG Mei Lai, Metty  
*(Chairman and Managing Director)*  
Mr. WONG Tsz Wa, Pierre  
*(Chief Executive Officer)*

*Non-executive Director:*

Mr. TSANG Link Carl, Brian

*Independent Non-executive Directors:*

Mr. YING Wing Cheung, William  
Mr. SHA Pau, Eric  
Mr. HO Kwan Tat, Ted

*Registered Office:*

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

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

Room 1801A, 18th Floor  
One Grand Tower  
639 Nathan Road  
Mongkok, Kowloon  
Hong Kong

1 April 2010

*To the Shareholders*

Dear Sir or Madam,

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

**INTRODUCTION**

The purpose of this circular is to provide you with information on the proposals to:

- (a) grant the Directors the General Mandates; and
- (b) re-elect retiring Directors.

\* For identification purposes only

## LETTER FROM THE BOARD

### GENERAL MANDATES

At the 2009 annual general meeting of the Company held on 14 May 2009, the Directors were granted the general mandates to issue and repurchase Shares. Such general mandates will lapse at the conclusion of the forthcoming AGM. The Directors believe that renewals of these general mandates are in the interests of the Company and the Shareholders as a whole. Therefore, at the AGM, the following ordinary resolutions will be proposed:

- (a) to grant to the Directors the Issue Mandate to exercise the powers of the Company to allot, issue and deal with additional Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing such resolution;
- (b) to grant to the Directors the Repurchase Mandate to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing such resolution; and
- (c) to increase the number of Shares to be allotted and issued under the Issue Mandate by an additional number of Shares repurchased by the Company under the Repurchase Mandate, if granted.

#### **(a) Issue Mandate**

At the AGM, an ordinary resolution will be proposed to grant to the Directors the Issue Mandate to exercise the powers of the Company to allot, issue and deal with additional Shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution. In addition, conditional upon the proposed resolution to grant to the Directors the Repurchase Mandate being passed, an ordinary resolution will be proposed to approve the extension of the Issue Mandate by the addition of the Shares repurchased by the Company under the Repurchase Mandate. Details of the Issue Mandate and the extension of the Issue Mandate are respectively set out in ordinary resolutions nos. 4 and 6 in the Notice of AGM.

The Company had an aggregate of 8,300,000,000 Shares in issue as at the Latest Practicable Date. There was no issue of Shares during the year ended 31 December 2009. Subject to the passing of the proposed resolution for the approval of the Issue Mandate, the Company will be allowed to allot and issue up to a maximum of 1,660,000,000 Shares, representing 20% of the issued share capital of the Company.

The Issue Mandate will expire on the day being 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 the Cayman Islands to be held; and (iii) the date on which the authority set out in the resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

## LETTER FROM THE BOARD

### **(b) Repurchase Mandate**

An ordinary resolution will be proposed at the AGM to grant to the Directors the Repurchase Mandate, details of which are set out in ordinary resolution no. 5 in the Notice of AGM. The Shares which may be repurchased pursuant to the Repurchase Mandate is limited to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing the resolution approving the Repurchase Mandate.

The Company had 8,300,000,000 Shares in issue as at the Latest Practicable Date. There was no repurchase of Shares during the year ended 31 December 2009. Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate, the Company will be allowed to repurchase up to a maximum of 830,000,000 Shares, representing 10% of the issued share capital of the Company.

The Repurchase Mandate will expire on the day being 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 the Cayman Islands to be held; and (iii) the date on which the authority set out in the resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

The Appendix to this circular contains an explanatory statement, as required by Rule 10.06 of the Listing Rules, to provide information to the Shareholders to make an informed decision on whether to vote for or against the resolution to grant the Repurchase Mandate.

## LETTER FROM THE BOARD

### RE-ELECTION OF RETIRING DIRECTORS

According to Article 87 of the Articles of Association, Mr. YING Wing Cheung, William and Mr. HO Kwan Tat, Ted shall retire at the forthcoming AGM and, being eligible, offer themselves for re-election.

Biographical details of the retiring Directors proposed to be re-elected at the AGM are set out as follows:

Mr. YING Wing Cheung, William, aged 59, has been the independent non-executive Director of the Company since May 2005. Mr. YING has over 35 years experience in electronic products manufacturing business and is well versed in marketing and corporate strategic planning. Mr. YING is currently a managing director of Way Mild Company Limited and a director of Yangzhou Jiang Jia Electronics Co. Ltd. He has been appointed as a member of Guangdong Committee of Chinese People's Political Consultative Conference for the Eighth, Ninth and Tenth Terms since 1998 to 2013. Mr. YING was also a member of Jiangmen Committee of Chinese People's Political Consultative Conference for the Eighth Term and the Ninth Term since 1993 to 2003. Mr. YING serves in many social organizations, he is currently a president of Sze Yap Clansmen Association (New Territories, Hong Kong) Limited and a member of Jiangsu Province Chinese Overseas Friendship Association. Mr. YING is also a member of the audit committee, remuneration committee and nomination committee of the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. YING does not have any beneficial interest in the Shares within the meaning of Part XV of the SFO. He does not have any relationship with any other Directors, senior management, or substantial or controlling shareholders of the Company and did not hold any directorship in other listed companies in the last three years. Save as disclosed above, Mr. YING does not hold any other position with the Company or other members of the Group.

Mr. YING was appointed for a term of one year commencing from 17 May 2009 pursuant to an appointment letter. He is entitled to a director's fee of HK\$80,000 per annum, and is subject to retirement by rotation and re-election at the annual general meetings of the Company. The remuneration package of Mr. YING is determined by the Board with reference to his roles and responsibilities, time commitment, prevailing market rate, his expertise input into the Group's affairs, the Company's performance and the Company's remuneration policy.

Save as disclosed herein, there is no other information related to Mr. YING that needs to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

Mr. HO Kwan Tat, Ted, aged 45, has been the independent non-executive Director of the Company since December 2007. Mr. HO is a practicing Certified Public Accountant in Hong Kong and is now a partner of World Link CPA Limited. He is a member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He has extensive experience in audit and taxation. Mr. HO is



## LETTER FROM THE BOARD

currently also an independent non-executive director of another company listed on the Main Board, namely SunCorp Technologies Limited. Mr. HO was an independent non-executive director of two Main Board listed companies during the last three years, namely CIAM Group Limited and The Sun's Group Limited (now known as "Loudong General Nice Resources (China) Holdings Limited"). Mr. HO is also the chairman of the audit committee and a member of the remuneration committee and nomination committee of the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. HO does not have any beneficial interest in the Shares within the meaning of Part XV of the SFO. He does not have any relationship with any other Directors, senior management, or substantial or controlling shareholders of the Company and did not hold any directorship in other listed companies in the last three years. Save as disclosed above, Mr. HO does not hold any other position with the Company or other members of the Group.

Mr. HO was appointed for a term of one and a half years commencing from 12 December 2009 pursuant to an appointment letter. He is entitled to a director's fee of HK\$80,000 per annum, and is subject to retirement by rotation and re-election at the annual general meetings of the Company. The remuneration package of Mr. HO is determined by the Board with reference to his roles and responsibilities, time commitment, prevailing market rate, his expertise input into the Group's affairs, the Company's performance and the Company's remuneration policy.

Save as disclosed herein, there is no other information related to Mr. HO that needs to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

### ANNUAL GENERAL MEETING

The Notice of AGM is set out on pages 12 to 15 of this circular. The AGM will be held on Thursday, 6 May 2010 at 12:00 noon for the purpose of considering and, if thought fit, passing the resolutions to approve the grant of the Issue Mandate, the extension of the Issue Mandate and the Repurchase Mandate and the re-election of retiring Directors.

A form of proxy is herewith enclosed for use at the AGM. Whether or not you intend to attend the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office, 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 holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjourned meeting thereof should you so wish.

## LETTER FROM THE BOARD

### VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at a general meeting must be taken by poll. The chairman of the AGM will demand a poll for every resolution put to the vote at the AGM pursuant to Article 66 of the Articles of Association. After closure of the AGM, the poll results will be published on the Stock Exchange website at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company website at [www.midlandicicorp.com.hk](http://www.midlandicicorp.com.hk).

### RECOMMENDATION

The Directors consider that the proposed grant of the Issue Mandate and the Repurchase Mandate, the extension of the Issue Mandate and the re-election of retiring Directors are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the AGM.

### ADDITIONAL INFORMATION

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

Yours faithfully,  
By order of the Board  
**Midland IC&I Limited**  
**WONG Tsz Wa, Pierre**  
*Executive Director and Chief Executive Officer*

The following information is provided to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to approve the grant of the Repurchase Mandate to the Directors:

#### **1. SHARE CAPITAL**

As at the Latest Practicable Date, the number of Shares in issue was 8,300,000,000. Subject to the passing of the relevant resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 830,000,000 Shares.

#### **2. REASONS FOR THE REPURCHASE MANDATE**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to have the Repurchase Mandate granted by the Shareholders to enable the Company to repurchase Shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

#### **3. FUNDING OF REPURCHASE**

Repurchases must be made out of funds legally available for such purpose. The Company may not repurchase its own shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Repurchases must be made in accordance with the Articles of Association and applicable laws of the Cayman Islands, the amount of capital repaid in connection with a share repurchase may only be paid out of the capital paid up on the repurchased Shares or out of the funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a repurchase over the par value of the Shares to be repurchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account before the Shares are repurchased.

#### **4. IMPACT ON WORKING CAPITAL OR GEARING POSITION**

As compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2009, the Directors consider that there might be material adverse impact on the working capital or the gearing position of the Company in the event that the Repurchase Mandate was exercised in full during the proposed repurchase period. Nevertheless, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing levels of the Company.

## 5. DIRECTORS AND THEIR ASSOCIATES

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

## 6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make repurchases pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of the Cayman Islands.

## 7. TAKEOVERS CODE CONSEQUENCES

If, on the exercise of the powers 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 purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Midland beneficially holds 4,300,000,000 shares representing approximately 51.81% of the issued share capital of the Company.

Tretsfeld Investments Limited ("Tretsfeld"), a wholly-owned subsidiary of Midland, holds 5,400,000,000 underlying Shares which represent the Shares to be issued upon full conversion of the convertible notes in the principal amount of HK\$540 million issued by the Company to Tretsfeld. Assuming full conversion of the convertible notes and no further Shares are issued from the Latest Practicable Date to the date of the AGM, Tretsfeld will hold approximately 39.42% in the enlarged issued share capital of the Company and Midland, together with person acting in concert with it, i.e. Tretsfeld, will hold approximately 70.80% in the enlarged issued share capital of the Company.

In the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate and assuming there is no further issue of Shares from the Latest Practicable Date to the date of the AGM, the shareholding interest of Midland in the share capital of the Company will be increased from approximately 51.81% to 57.56%, while the aggregate shareholding interest of Midland and Tretsfeld in the share capital of the Company will be increased from approximately 70.80% to 78.67% if the convertible notes are fully converted before the date of the AGM.

Based on the above shareholding structure, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchase made under the Repurchase Mandate.

**8. REPURCHASES OF SHARES MADE BY THE COMPANY**

The Company had not repurchased any Shares on the Stock Exchange during the six months immediately preceding the Latest Practicable Date.

**9. CONNECTED PERSONS**

No connected persons (as defined in the Listing Rules) of the Company has notified the Company that they have a present intention to sell their Shares to the Company nor have they undertaken not to sell any of the Shares to the Company in the event that the Company is authorised to make repurchases of Shares.

**10. SHARE PRICES**

During each of the previous twelve months up to the Latest Practicable Date, the highest and lowest traded prices of the Shares on the Stock Exchange were as follows:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2009</b>		
March	0.021	0.017
April	0.038	0.020
May	0.053	0.029
June	0.050	0.039
July	0.058	0.037
August	0.084	0.057
September	0.081	0.061
October	0.070	0.058
November	0.064	0.047
December	0.057	0.044
<b>2010</b>		
January	0.071	0.049
February	0.065	0.051
March (up to the Latest Practicable Date)	0.065	0.055

NOTICE OF ANNUAL GENERAL MEETING



MIDLAND IC&I LIMITED

美聯工商舖有限公司\*

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

(Stock Code: 459)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Midland IC&I Limited (the "Company") will be held at Room 1801A, 18th Floor, One Grand Tower, 639 Nathan Road, Mongkok, Kowloon, Hong Kong on Thursday, 6 May 2010 at 12:00 noon for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditor for the year ended 31 December 2009.
2. To re-elect the following retiring directors of the Company and to authorize the board of directors to fix the directors' remuneration:
  - (a) Mr. YING Wing Cheung, William; and
  - (b) Mr. HO Kwan Tat, Ted
3. To re-appoint Messrs. PricewaterhouseCoopers as auditor of the Company to hold office until the conclusion of the next annual general meeting and to authorise the board of directors to fix their remuneration.

**Special Businesses**

To consider and if thought fit, to pass the following as ordinary resolutions:

4. "THAT:
  - (a) subject to paragraph (c) below, the exercise by the directors of the Company ("Directors") during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares of the Company and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

\* For identification purposes only

## NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above, shall authorise the Directors during the Relevant Period to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such powers 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 pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes and other securities of the Company; or (iii) the exercise of options granted under any share option scheme or any similar arrangement for the time being adopted for the grant or issue to eligible persons prescribed thereunder of shares or rights to acquire shares in the Company; 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 shares of the Company in accordance with the articles of association of the Company, shall not exceed twenty (20) per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing 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;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares of the Company or issue of options, warrants or other securities giving the right to subscribe for shares of the Company open for a period fixed by the Directors to holders of shares whose names appear in the register of members of the Company (and, where appropriate, to holders of other securities of the

## NOTICE OF ANNUAL GENERAL MEETING

Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company or, where appropriate, such other securities (subject in all cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

5. “**THAT:**

(a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase the shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

(b) the aggregate nominal amount of the shares of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (a) above shall not exceed ten (10) per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution, and the said approval be limited accordingly; and

(c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; and

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”



## NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT** subject to the passing of resolutions nos. 4 and 5 set out in the notice of this meeting, the aggregate nominal amount of shares which are to be repurchased by the Company pursuant to the authority granted to the Directors as mentioned in resolution no. 5 set out in the notice of this meeting shall be added to the aggregate nominal amount of share capital of the Company that may be allotted or agreed to be allotted by the Directors pursuant to resolution no. 4 set out in the notice of this meeting.”

By order of the Board  
**Midland IC&I Limited**  
**WONG Tsz Wa, Pierre**  
*Executive Director and Chief Executive Officer*

Hong Kong, 1 April 2010

*Head Office and Principal Place of  
Business in Hong Kong:*  
Room 1801A, 18th Floor  
One Grand Tower  
639 Nathan Road  
Mongkok, Kowloon  
Hong Kong

*Registered Office:*  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Notes:*

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. A form of proxy for use at the annual general meeting is enclosed with this circular. Whether or not you intend to attend the meeting in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon.
3. In order to be valid, a form of proxy together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, must be deposited with the Company's branch share registrar and transfer office, Tricor Tengis Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
4. Where there are joint holders of a share of the Company, any one of such holders may vote at the meeting either personally or by proxy in respect of such share as if he were solely entitled thereto, but if more than one of such holders are present at the meeting personally or by proxy, that one of such holders so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for this purpose be deemed joint holders thereof.