
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Sau San Tong Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**SAU SAN TONG HOLDINGS LIMITED****修身堂控股有限公司****(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 8200)****(1) REFRESHMENT OF GENERAL MANDATES****AND****(2) REFRESHMENT OF THE SCHEME MANDATE LIMIT**

A notice convening an extraordinary general meeting of the Company to be held at 12th Floor, Prestige Tower, 23-25 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong on 10 January 2011 at 11:15 a.m. is set out on pages 11 to 15 of this circular. If you are not able to attend the meeting, you are strongly urged to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjourned meeting should you so wish.

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

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

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DEFINITIONS

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

“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Capital Reorganisation”	the capital reorganisation of the Company which became effective on 2 November 2010, and which particulars were set out in the circular of the Company dated 26 July 2010
“Company”	Sau San Tong Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at 12th Floor, Prestige Tower, 23-25 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong on 10 January 2011 at 11:15 a.m. for the purpose of considering and, if thought fit, approving the grant of the General Mandates and the refreshment of the Scheme Mandate Limit
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandates”	the Issue Mandate and the Repurchase Mandate
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Issue Mandate”	the mandate to allot and issue new Shares as set out in resolutions numbered 1 and 3 of the Notice of EGM
“Latest Practicable Date”	20 December 2010, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Notice of EGM”	the notice convening the EGM as set out on pages 11 to 15 of this circular
“Repurchase Mandate”	the mandate to repurchase Shares as described in the explanatory statement set out in the Appendix to this circular
“Right Issue”	the issue by way of rights of 178,537,500 rights shares on the basis of six (6) rights shares for every Share held on 11 November 2010, which particulars are set out in the prospectus of the Company dated 12 November 2010
“Scheme Mandate Limit”	10% of the issued share capital of the Company as at the date of approval of the refreshment of the scheme mandate limit which may be issued upon exercise of all options granted/to be granted under the Share Option Scheme and any other scheme(s) of the Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 4 November 2003
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



SAU SAN TONG HOLDINGS LIMITED

修身堂控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8200)

Executive Directors:

Dr. Cheung Yuk Shan, Shirley (*Chairman*)

Mr. Cheung Ka Heng, Frankie

Independent non-executive Directors:

Mr. Hong Po Kui, Martin

Mr. Li Kuo Hsing

Ms. Hui Yat Lam

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:*

12th Floor, Prestige Tower

23-25 Nathan Road

Tsim Sha Tsui

Kowloon

Hong Kong

22 December 2010

To the Shareholders

Dear Sir or Madam,

(1) REFRESHMENT OF GENERAL MANDATES

AND

(2) REFRESHMENT OF THE SCHEME MANDATE LIMIT

INTRODUCTION

In order to afford the Company with the maximum flexibility to issue and repurchase Shares, and grant options to eligible persons under the Share Option Scheme, the Board had proposed to convene an extraordinary general meeting of the Company to seek the approval of the Shareholders to (i) grant the General Mandates; and (ii) refresh the Scheme Mandate Limit. The main purpose of this circular is to provide you with further particulars of the above proposals and the Notice of EGM.

* *For identification purposes only*

LETTER FROM THE BOARD

REFRESHMENT OF GENERAL MANDATES

At the annual general meeting (“AGM”) of the Company held on 3 September 2010, general mandates (“Existing General Mandates”) were granted to the Directors to exercise the powers of the Company to allot, issue and deal with up to 59,512,500 new shares (representing 20% of the issued share capital of the Company as at the date of the AGM) and repurchase up to 29,756,250 shares (representing 10% of the issued share capital of the Company as at the date of the AGM).

Since the grant of the Existing General Mandates, the capital base of the Company has been substantially changed. The Rights Issue has resulted in an increase in the issued share capital of the Company by 600%. If the Existing General Mandates are not refreshed, only 5,951,250 new Shares (representing 59,512,500 shares before the Capital Reorganisation) may be issued under the Existing General Mandates, and these represent approximately 2.86% of the issued share capital of the Company as at the Latest Practicable Date.

In order to afford the Company with the maximum flexibility to issue and repurchase Shares in the future, the Board proposes to seek the approval of the Shareholders to refresh the General Mandates such that:

- (a) the Directors will be given the powers to allot, issue and deal with additional Shares up to a maximum of 20% (which is the same as the unused part of the Existing General Mandates immediately before the Rights Issue) of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution. As at the Latest Practicable Date, the issued share capital of the Company comprised 208,293,750 Shares. On the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the EGM, the Company will be allowed under the above mandate to issue a maximum of 41,658,750 new Shares;
- (b) the Directors will be given the powers to repurchase Shares up to a maximum of 10% (which is the same as the unused part of the Existing General Mandates immediately before the Rights Issue) of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution. As at the Latest Practicable Date, the issued share capital of the Company comprised 208,293,750 Shares. On the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the EGM, the Company will be allowed under the above mandate to repurchase a maximum of 20,829,375 Shares; and

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- (c) subject to the passing of the above two resolutions, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional Shares will be extended by the addition of an amount representing the aggregate nominal amount of the Shares repurchased by the Company under the authority granted above, provided that such extended amount shall not exceed 10% (which is the same as the unused part of the Existing General Mandates immediately before the Rights Issue) of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the relevant resolution. As at the Latest Practicable Date, the issued share capital of the Company comprised 208,293,750 Shares. On the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the EGM, the Company will be allowed under the above extension to issue a further of 20,829,375 new Shares if the Repurchase Mandate is exercised in full.

An explanatory statement, as required by the GEM Listing Rules to give all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the Repurchase Mandate is set out in the Appendix to this circular.

REFRESHMENT OF THE SCHEME MANDATE LIMIT

The Board also wishes to take this opportunity to seek the approval of the Shareholders to refresh the Scheme Mandate Limit.

The existing Scheme Mandate Limit was refreshed on 24 July 2006, which gives the Directors powers to grant options to eligible persons under the Share Option Scheme to subscribe for up to 66,690,000 shares, representing 10% of the issued share capital of the Company as at the date of the passing of the relevant resolution. No options have been granted by the Company since such refreshment but as a result of two capital reorganisation exercises of the Company which took place in 2010, the options which may be granted under the existing Scheme Mandate Limit have been substantially reduced to 333,450 underlying Shares, representing approximately 0.16% of the existing issued share capital of the Company.

In order to provide the Company with greater flexibility in granting options to eligible persons under the Share Option Scheme, the Board decides to seek the approval of the Shareholders to refresh the Scheme Mandate Limit so that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other scheme(s) of the Company shall not exceed 10% of the Shares in issue as at the date of passing the relevant resolution at the EGM. Options previously granted under the Share Option Scheme and any other scheme(s) of the Company (including options outstanding, cancelled or lapsed in accordance with the relevant scheme rules or exercised options, if any) will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed.

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If the Scheme Mandate Limit is refreshed, on the basis of 208,293,750 Shares in issue as at the Latest Practicable Date and assuming that no Shares are issued or repurchased prior to the EGM, the Board will be able to grant options to subscribe for up to 20,829,375 Shares, which do not include options that are outstanding, cancelled or lapsed as at the date of the EGM. As at the Latest Practicable Date, there were outstanding options granted under the Share Option Scheme which entitle the holders thereof to subscribe for up to 646,248 Shares.

Pursuant to the GEM Listing Rules, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other scheme(s) of the Company at any time must not in aggregate exceed 30% of the Shares in issue from time to time. No options shall be granted under any scheme(s) of the Company if this will result in the 30% limit being exceeded.

The refreshment of the Scheme Mandate Limit is conditional upon:

- (a) the passing of an ordinary resolution to approve the refreshment of the Scheme Mandate Limit by the Shareholders at the EGM; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares (representing a maximum of 10% of the Shares in issue as at the date of the EGM approving the refreshment of the Scheme Mandate Limit) which may fall to be issued pursuant to the exercise of options granted under the Share Option Scheme and any other scheme(s) of the Company.

Application will be made to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of options to be granted under the Share Option Scheme and any other scheme(s) of the Company.

EGM

A notice convening the EGM to be held at 12th Floor, Prestige Tower, 23-25 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong on 10 January 2011 at 11:15 a.m. is set out on pages 11 to 15 of this circular. As the amount in percentage terms of the unused part of the Issue Mandate upon refreshment is the same as the unused part of the Existing General Mandates immediately before completion of the Rights Issue, pursuant to Rule 17.42A(5) of the GEM Listing Rules, all Shareholders may vote on the relevant resolutions approving the grant of the Issue Mandate and no independent board committee or independent financial adviser is required to be established or appointed in connection with the grant of the Issue Mandate.

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As regards the other resolutions relating to the grant of the Repurchase Mandate and the refreshment of the Scheme Mandate Limit, also all Shareholders are entitled to vote.

If you are not able to attend the meeting, you are strongly urged to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjourned meeting should you so wish.

RECOMMENDATION

For the reasons set out above, the Board considers the grant of the General Mandates and the refreshment of the Scheme Mandate Limit to be in the interest of the Company and its shareholders as a whole, and accordingly, recommends all Shareholders to vote in favour of the resolutions set out in the Notice of EGM.

GENERAL

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

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board of
Sau San Tong Holdings Limited
Cheung Yuk Shan, Shirley
Chairman

This is an explanatory statement given to all Shareholders relating to the resolution to be proposed at the EGM granting the Repurchase Mandate.

1. EXERCISE OF THE REPURCHASE MANDATE

On the basis of 208,293,750 Shares in issue as at the Latest Practicable Date, the Repurchase Mandate, if exercised in full, could result in up to 20,829,375 Shares to be repurchased by the Company during the period up to the conclusion of the next annual general meeting of the Company, the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held or when the Repurchase Mandate is revoked or varied by an ordinary resolution by the Shareholders in general meeting, whichever is the earliest.

2. REASONS FOR REPURCHASES

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

3. FUNDING OF REPURCHASES

Any repurchases will only be funded out of funds of the Company legally available for the purposes in accordance with its memorandum and articles of association and the laws of the Cayman Islands.

4. EFFECT OF EXERCISE OF THE REPURCHASE MANDATE

There may be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 March 2010) in the event that the Repurchase Mandate is exercised in full. However, 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 requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. DISCLOSURE OF INTERESTS

None of the Directors and, to the best of their knowledge, having made all reasonable enquiries, none of their respective associates, have any present intention, if the Repurchase Mandate is exercised, to sell Shares to the Company or its subsidiaries.

6. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

7. TAKEOVERS CODE CONSEQUENCES

If as a result of a repurchase of Shares, 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 the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase in the Shareholder's interests, may obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Based on the existing shareholding structure of the Company, the Directors are not aware of any consequences which could arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate. The Directors also have no intention to exercise the Repurchase Mandate to such an extent as would reduce the public holding of Shares to below 25% of the issued share capital of the Company.

8. SHARE PURCHASE MADE BY THE COMPANY

No repurchases of securities have been made by the Company in the previous six months before the Latest Practicable Date, whether on the Stock Exchange or otherwise.

9. CONNECTED PERSON

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective associates has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company. No connected person of the

Company has notified the Company that he/she/it has a present intention to sell Shares to the Company, nor has undertaken not to do so, in the event that the proposed Repurchase Mandate is approved by the Shareholders.

10. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	Highest traded price HK\$	Lowest traded price HK\$
2009		
December	1.057 ¹	0.857 ¹
2010		
January	1.000 ¹	0.829 ¹
February	0.857 ¹	0.601 ²
March	0.650 ²	0.586 ²
April	0.686 ²	0.586 ²
May	0.614 ²	0.507 ²
June	0.543 ²	0.493 ²
July	0.471 ²	0.384 ²
August	0.479 ²	0.411 ²
September	0.460 ²	0.421 ²
October	0.469 ²	0.429 ²
November	3.520	0.409 ³
December (up to the Latest Practicable Date)	1.330	0.350

Notes:

- Adjusted to take into account the effect of the share consolidation which became effective on 12 February 2010, the effect of the share consolidation which became effective on 2 November 2010 and the effect of the rights issue which became unconditional on 1 December 2010.
- Adjusted to take into account the effect of the share consolidation which became effective on 2 November 2010 and the effect of the rights issue which became unconditional on 1 December 2010.
- Adjusted to take into account the effect of the rights issue which became unconditional on 1 December 2010.

NOTICE OF EGM



SAU SAN TONG HOLDINGS LIMITED

修身堂控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8200)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of Sau San Tong Holdings Limited (the “Company”) will be held at 12th Floor, Prestige Tower, 23-25 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong on 10 January 2011 at 11:15 a.m. for the purpose of considering and, if thought fit, passing, with or without modification, the following resolutions as ordinary resolutions of the Company:

1. “**THAT:**

- (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the capital 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;
- (b) the approval in paragraph (a) of this resolution 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) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of options granted under any share option scheme or any similar

* *For identification purposes only*

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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 (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company; or (iv) the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes and other securities of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution, and the said approval shall be limited according; 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 on the register of members of the Company (and, where appropriate, to holders of other securities of the 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

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2. **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its shares 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 Growth Enterprise Market of 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 shares of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution, and the said approval be limited accordingly; and
- (c) 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 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.”

3. **“THAT** subject to the passing of resolutions numbered 1 and 2 set out in the notice convening this meeting, the aggregate nominal amount of shares of the Company which are to be repurchased by the Company pursuant to the authority granted to the directors of the Company as mentioned in resolution numbered 2 shall be added to the aggregate nominal amount of share capital that may be allotted or agreed to be

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allotted by the directors of the Company pursuant to resolution numbered 1 set out in the notice of this meeting provided that the amount of share capital repurchased by the Company shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution.”

4. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the listing of, and permission to deal in, such number of shares of the Company which may fall to be allotted and issued pursuant to the exercise of options which may be granted under the share option scheme of the Company adopted on 4 November 2003 (the “Share Option Scheme”) and any other scheme(s) of the Company, representing 10% of the issued share capital of the Company as at the date on which this resolution is passed:
- (a) approval be and is hereby granted for refreshing the 10% mandate under the Share Option Scheme (the “Refreshed Scheme Mandate”) provided that the total number of shares of the Company which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other scheme(s) of the Company under the limit as refreshed hereby shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date on which this resolution is passed (options previously granted under the Share Option Scheme and any other scheme(s) of the Company (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other scheme(s) of the Company) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate); and
 - (b) the directors of the Company be and are hereby authorised, at their absolute discretion (i) to grant options to subscribe for shares of the Company within the Refreshed Scheme Mandate in accordance with the rules of the Share Option Scheme; and (ii) to allot, issue and deal with shares pursuant to the exercise of options granted under the Share Option Scheme within the Refreshed Scheme Mandate.”

By order of the Board
Sau San Tong Holdings Limited
Cheung Yuk Shan, Shirley
Chairman

Hong Kong, 22 December 2010

NOTICE OF EGM

Registered office:

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

Head office and principal place of business:

12th Floor, Prestige Tower
23-25 Nathan Road
Tsim Sha Tsui, Kowloon
Hong Kong

Notes:

1. Subject to the provisions of the articles of association of the Company, any member of the Company entitled to attend and vote at the EGM is entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it. A member of the Company who is the holder of two or more shares may appoint more than one proxy to represent him/her/it and vote on his/her/its behalf at the EGM. If more than one proxy is so appointed, the appointment shall specify the number of shares in respect of which each such proxy is so appointed. A proxy need not be a member of the Company but must be present in person at the EGM to represent the member. In addition, a proxy or proxies representing either a member of the Company who is an individual or a member of the Company which is a corporation shall be entitled to exercise the same powers on behalf of the member of the Company which he/she/it or they represent as such member of the Company could exercise.
2. Where there are joint holders of shares, any one of such joint holders may vote at the EGM, either in person or by proxy, in respect of such shares as if he/she/it was solely entitled thereto, but if more than one of such joint holders are present at the EGM, 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 of the Company in respect of the joint holding.
3. The form of proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of a form of proxy purporting to be signed on behalf of a corporation by an officer thereof, it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such form of proxy on behalf of the corporation without further evidence of the facts.
4. A form of proxy for use at the EGM is enclosed with the circular of the Company dated 22 December 2010. Such form of proxy is also published on the GEM website at www.hkgem.com and the Company's website at www.sausantong.com. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and return, together with the power of attorney or other authority (if any) under which it is signed (or a copy which has been certified by a notary) to the Company's branch share registrar in Hong Kong, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjourned meeting at which the person named in the form proposes to vote.
5. Completion and return of the form of proxy shall not preclude a member of the Company from attending and voting in person at the EGM and in such event, the form of proxy shall be deemed to be revoked.