
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, other licensed corporation, bank manager, solicitor, professional accountant or other professional adviser.

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



粵海制革有限公司

GUANGDONG TANNERY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1058)

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

A notice convening the annual general meeting of Guangdong Tannery Limited to be held at The Boardroom, Basement II, The Wharney Guang Dong Hotel Hong Kong, No. 57-73, Lockhart Road, Wanchai, Hong Kong at 10:00 a.m. on Wednesday, 10 June 2009 is set out on pages 9 to 13 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Tricor Tengis Limited, at 26th Floor Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

27 April 2009

CONTENTS

	<i>Page No.</i>
DEFINITIONS	1
 LETTER FROM THE BOARD	
1. INTRODUCTION	3
2. SHARE ISSUE MANDATE	4
3. RE-ELECTION OF DIRECTORS	4
4. AMENDMENTS TO THE ARTICLES OF ASSOCIATION	5
5. THE AGM	5
6. RECOMMENDATIONS	5
7. RESPONSIBILITY STATEMENT	6
 APPENDIX I – DETAILS OF THE DIRECTORS TO BE RE-ELECTED .	 7
 APPENDIX II – NOTICE OF ANNUAL GENERAL MEETING	 9

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at The Boardroom, Basement II, The Wharney Guang Dong Hotel Hong Kong, No. 57-73, Lockhart Road, Wanchai, Hong Kong at 10:00 a.m. on Wednesday, 10 June 2009, notice of which is set out on pages 9 to 13 of this circular or, where the context so admits, any adjournment thereof;
“AGM Notice”	the notice convening the AGM as set out on pages 9 to 13 of this circular;
“Articles of Association”	the articles of association of the Company, as originally adopted, or as from time to time altered in accordance with the Companies Ordinance;
“Board”	the board of directors of the Company;
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong;
“Company”	Guangdong Tannery Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“controlling shareholder”	as defined in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“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;
“Latest Practicable Date”	22 April 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;

DEFINITIONS

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



粵海制革有限公司

GUANGDONG TANNERY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1058)

Board of Directors:

ZHANG Chunting (*Chairman*)

REN Yingguo (*Managing Director*)

XIONG Guangyang[#]

ZHANG Yaping[#]

FUNG Lak^{*}

CHOI Kam Fai, Thomas^{*}

CHAN Cheong Tat^{*}

HO LAM Lai Ping, Theresa[#]

Registered Office:

29th Floor

Guangdong Investment Tower

148 Connaught Road Central

Hong Kong

^{*} *Independent Non-Executive Director*

[#] *Non-Executive Director*

27 April 2009

To the Shareholders

Dear Sir or Madam,

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

1. INTRODUCTION

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

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

LETTER FROM THE BOARD

2. SHARE ISSUE MANDATE

At the last annual general meeting of the Company held on 27 May 2008, a general mandate was granted to the Directors to exercise the powers of the Company to issue, allot and deal with such number of Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at that date. That general mandate will lapse at the conclusion of the AGM.

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

As at the Latest Practicable Date, the number of Shares in issue was 537,504,000. Subject to the passing of the proposed resolution for approving the Share Issue Mandate and on the basis that no further Shares are issued by the Company prior to the date of the AGM, the Company would be allowed under the Share Issue Mandate to issue up to a limit of 107,500,800 Shares.

3. RE-ELECTION OF DIRECTORS

According to the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being (or if their number is not a multiple of three, the number nearest to but not exceeding one-third) shall retire from office by rotation. The Directors to retire on each occasion shall be those who have been longest in office since their last election, but as between persons who became or were re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. In addition, there shall also be required to retire by rotation any Director (including those appointed for a specific term) who at an annual general meeting of the Company shall have been a Director for three calendar years prior to that annual general meeting and not elected or re-elected at any general meeting during that three year period notwithstanding that the total number of Directors to retire at that annual general meeting would as a result exceed one-third of the Directors for the time being. A retiring Director shall be eligible for re-election.

Mr. Xiong Guanyang and Mr. Chan Cheong Tat will retire by rotation in accordance with Articles 82 to 84 of the Articles of Association at the AGM. Being eligible, they will offer themselves for re-election. Particulars of the Directors who will retire at the AGM and being eligible, offer themselves for re-election are set out in Appendix I to this circular.

LETTER FROM THE BOARD

4. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Directors consider that it is in the interests of the Company and the Shareholders to make certain amendments to the Articles of Association to provide certainty, improve administrative efficiency and comply with the relevant laws and regulations. The purpose of the amendments are: (a) to clarify the requirements on Directors rotation procedures to enhance administrative efficiency; (b) to enable the Directors to participate in meetings of the Board by, inter alia, telephone conference or other communications equipment and (c) to allow the Company to purchase and maintain for any person who is a Director, Executive Director, manager, secretary, officer or auditor of the Company (i) insurance against any liability to the Company, a related company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for fraud) of which he may be guilty in relation to the Company or a related company; and (ii) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or a related company.

Details of the proposed amendments to the Articles of Association are set out in the Special Resolution in the AGM Notice.

5. THE AGM

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

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

6. RECOMMENDATIONS

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

LETTER FROM THE BOARD

7. RESPONSIBILITY STATEMENT

This circular contains particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in respect thereof misleading.

Yours faithfully,
For and on behalf of the Board
ZHANG Chunting
Chairman

APPENDIX I DETAILS OF THE DIRECTORS TO BE RE-ELECTED

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

Mr. Xiong Guangyang, aged 55, was appointed a Director of the Company in June 2002. Mr. Xiong is a senior economist in the People's Republic of China. He graduated from Jilin University and obtained a master degree in finance from the Graduate School of The People's Bank of China. Mr. Xiong joined GDH Limited ("GDH"), the immediate controlling shareholder of the Company, in October 2000 and was appointed a director of GDH in May 2001. He is the chief strategic planning officer of GDH. Prior to joining GDH, Mr. Xiong was mainly engaged in management and operations works in banks. From 1986 to 1996, he was the assistant governor of The People's Bank of China, Guangdong Branch and the governor of The People's Bank of China, Shantou Branch. From 1996 to September 2000, Mr. Xiong was with China Everbright Bank in a number of positions including deputy-managing governor of its Guangzhou Branch.

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

As at the Latest Practicable Date, Mr. Xiong had a derivative interest in respect of 1,150,000 shares in the Company within the meaning of Part XV of the SFO and was interested in 600,000 ordinary shares in Guangnan (Holdings) Limited, an associated corporation of the Company. Save as disclosed above, Mr. Xiong does not have any interests in Shares and/or underlying Shares in the Company or its associated corporations within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr. Xiong. He is subject to retirement by rotation and re-election at least once every three years in accordance with the Articles of Association. Pursuant to the Articles of Association, Mr. Xiong, as a Non-Executive Director, is entitled to such director's fee as may be approved by the Board. Emoluments (if any) for Mr. Xiong will be determined by reference to his job responsibilities and the prevailing market conditions. He is not currently receiving any remuneration from the Company.

Save as disclosed above, in relation to the re-election of Mr. Xiong as a Non-Executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

APPENDIX I DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Mr. Chan Cheong Tat, aged 59, was appointed an Independent Non-Executive Director of the Company in March 2006. Mr. Chan is a fellow member of Hong Kong Institute of Certified Public Accountants, Chartered Association of Certified Accountants and CPA Australia. He is also an associate member of The Institute of Chartered Secretaries and Administrators in the United Kingdom and The Hong Kong Institute of Company Secretaries. Mr. Chan obtained his master's degree in Financial Management from Central Queensland University. He served in the Inland Revenue Department of the Hong Kong Government for 33 years and left the government service in early 2005. Mr. Chan is now director of a tax consultancy company and independent non-executive director of Nobel Jewelry Holdings Limited (stock code: 00475).

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

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

There is no service contract between the Company and Mr. Chan. He is subject to retirement by rotation and re-election at least once every three years in accordance with the Articles of Association. Mr. Chan, as an Independent Non-Executive Director, is entitled to a director's fee of HK\$150,000 per annum. His director's fee was determined by reference to his responsibilities and the prevailing market conditions.

Save as disclosed above, in relation to the re-election of Mr. Chan as an Independent Non-Executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.



粵海制革有限公司

GUANGDONG TANNERY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1058)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an annual general meeting of Guangdong Tannery Limited (the “Company”) will be held at The Boardroom, Basement II, The Wharney Guangdong Hotel Hong Kong, No. 57-73, Lockhart Road, Wanchai, Hong Kong on Wednesday, 10 June 2009 at 10:00 a.m. for the following purposes:

As Ordinary Business:

1. To receive and consider the audited consolidated financial statements and the reports of the directors of the Company (the “Directors”) and the auditors of the Company (the “Auditors”) for the year ended 31 December 2008.
2. To re-elect retiring Directors and to authorise the Board of Directors to fix the remuneration of Directors.
3. To re-appoint Auditors and to authorise the Board of Directors to fix their remuneration.

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

ORDINARY RESOLUTION

4. “**THAT:**

- (a) subject to the following provisions of this resolution and pursuant to Section 57B of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), the exercise by the Directors during the Relevant Period (as defined in paragraph (d) of this resolution) of all the powers of the Company to allot, issue and deal with ordinary shares of HK\$0.10 each in the capital of the Company (the “Shares”) and/or options, warrants and/or instruments carrying rights to subscribe for any Shares or securities convertible into Shares, and to make and/or grant offers, agreements, options or warrants which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

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

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”) to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting;

and,

“Rights Issue” means an offer of Shares open for a period fixed by the Company (or by the Directors) to holders of Shares on the Register of Members (Shares) of the Company on a fixed record date in proportion to their then

holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any authorised regulatory body or any stock exchange in, any territory outside Hong Kong).”

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

SPECIAL RESOLUTION

5. “**THAT** the Articles of Association of the Company be amended as follows:

- (a) by deleting the existing Article 82 and substituting therefor the following new Article 82:

At every annual general meeting one-third of the Directors for the time being or, if their number is not a multiple of three, then the nearest number to but not exceeding one-third shall retire from office, provided that notwithstanding any provisions (if any) to the contrary in these Articles and subject to any requirements on retirement of Directors by rotation as may be provided under the Listing Rules, every Director shall be subject to retirement at an annual general meeting at least once every three years.

- (b) by deleting the entire existing Article 83A.

- (c) by deleting the existing Article 103 and substituting therefor the following new Article 103:

The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Such meetings may be conducted in person, by teleconference or such other means as considered appropriate and which are in accordance with and permitted by all applicable laws, regulations and rules. Questions arising at any meeting shall be determined by a majority of votes. In the case of any equality of votes the chairman of the meeting shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Board meeting.

- (d) by adding a new Article 105A immediately after the existing Article 105:

The Directors may (subject to all applicable laws, regulations and rules) participate in any meeting of the Board by means of a conference telephone or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall (subject to all applicable laws, regulations and rules) constitute presence at a meeting as if those participating were present in person.

- (e) By adding a new Article 141A immediately after the existing Article 141:

The Company may exercise all the powers of the Company to purchase and maintain for any person who is a Director, Executive Director, manager, secretary, officer or auditor of the Company (a) insurance against any liability to the Company, a related company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for fraud) of which he may be guilty in relation to the Company or a related company; and (b) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or a related company.

For the purpose of this Article 141A, “related company”, means any company that is the Company’s subsidiary or holding company or a subsidiary of the Company’s holding company.”

By order of the Board
LO Sze Sze
Company Secretary

Hong Kong, 27 April 2009

Registered office:

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

Notes:

- (i) A shareholder entitled to attend and vote at the above meeting may appoint one or more proxies to attend and vote in his place and such proxy need not be a shareholder of the Company.
- (ii) A form of proxy is enclosed. To be valid, the form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed (or a notarially certified copy of such power or authority) must be delivered to the Company’s share registrar, Tricor Tengis Limited, at 26th Floor Tesbury Centre, 28 Queen’s Road East, Hong Kong not less than 48 hours before the time fixed for holding the meeting or adjourned meeting. The appointment of a proxy will not prevent a shareholder from subsequently attending and voting at the meeting or any adjourned meeting if he so wishes. If a shareholder who has lodged a form of proxy attends the meeting, his form of proxy will be deemed to have been revoked.
- (iii) In the case of joint shareholders, the vote of the senior who tenders a vote, whether in person, or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority will be determined by the order in which the names stand in the Company’s register of shareholders in respect of the joint holding.

- (iv) The register of members of the Company will be closed on Tuesday, 9 June 2009 and Wednesday, 10 June 2009, both days inclusive, during such period no transfer of shares will be registered.
- (v) In order to determine the identity of the members of the Company who are entitled to attend and vote at the above meeting, all transfer documents accompanied by the relevant share certificates must be lodged at the office of the Company's share registrar, Tricor Tengis Limited at 26th Floor Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 8 June 2009.
- (vi) In relation to resolution no. 4, approval is being sought from members of the Company for a general mandate to authorise the issue of Shares. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the general mandate so given.
- (vii) In relation to resolution no. 5, approval is being sought from members of the Company to approve the amendments to the Articles of Association.