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HARMONY ASSET LIMITED

(Incorporated in the Cayman Islands with limited liability)

(HKEX stock code: 428)

(TSX stock symbol: HAR)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company will be held at Room 1101, St. George's Building, 2 Ice House Street, Central, Hong Kong on Wednesday, 27th day of May, 2009 at 9:00 a.m. for the following purposes:–

1. To receive and consider the financial statements and the report of the directors and independent auditor's report for the year ended 31st December, 2008.
2. To re-elect directors and to authorize the board of directors to fix the remuneration of directors.
3. To re-appoint auditors and authorize the board of directors to fix the remuneration of auditors.
4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:–

ORDINARY RESOLUTION

“THAT:–

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$1.00 each in the capital 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 recognized 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 shares of the Company which the Company is authorized to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% 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

(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 law or the articles of association of the Company to be held; or

(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.”

5. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:–

ORDINARY RESOLUTION

“**THAT:**–

(a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$1.00 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) above shall authorize the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares of the Company under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; (iii) an issue of shares as scrip dividends pursuant to the articles of association of the Company from time to time; (iv) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares 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 passing 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 law or the articles of association of the Company to be held; or
- (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.

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

6. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:–

ORDINARY RESOLUTION

“**THAT** subject to the passing of Ordinary Resolutions in items 4 and 5 of the notice convening the meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to Ordinary Resolution in item 5 of the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution in item 4 of the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Ordinary Resolution.”

7. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“**THAT** the existing scheme mandate limit in respect of the granting of share options to subscribe for shares of the Company under the share option scheme adopted by the Company on 25th June, 2005 (the “Share Option Scheme”) be and is hereby refreshed and renewed provided that the total number of shares which may be allotted and issued pursuant to the grant or exercise of the share options under the Share Option Scheme (excluding share options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme and other share option schemes of the Company) shall not exceed 10% of the shares of the Company in issue as at the date of passing of this resolution (the “Refreshed Limit”), and subject to The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the listing of and permission to deal in such number of shares to be issued pursuant to the exercise of the share options granted under the Refreshed Limit and compliance with the relevant Rules Governing the Listing of Securities on the Stock Exchange, the Directors of the Company be and are hereby authorised to grant share options under the Share Option Scheme up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with the shares pursuant to the exercise of such share options.”

8. As special business to consider and, if thought fit, to pass the following resolution as a special resolution:

SPECIAL RESOLUTION

“**THAT** the Articles of Association of the Company be and are hereby amended in the following manner:

(a) Article 2

(i) by adding the following definitions immediately after the definition of “Dividend”:

electronic communication “electronic communication” shall mean a communication sent by electronic transmission in any form through any medium;

entitled person “entitled person” shall mean an “entitled person” as defined under section 2(1) of the Companies Ordinance;

(ii) by deleting the following definition:

“**Written**” and “**In Writing**” include all modes of representing or reproducing words in visible form.

and substituting therefor the following:

“Written” or “In Writing” or “printed” shall include written or printed or printed by lithography or printed by photography or typewritten or produced by any other mode of representing words or figures in a visible form or, to such extent permitted by, and in accordance with all applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or partly in one visible form and partly in another visible form;

(b) Article 133

By deleting Article 133 in its entirety and substituting therefor the following:

133. Any notice or document to be given or issued under these Articles shall be in writing, except that any such notice or document to be given or issued by or on behalf of the Company under these Articles (including any “corporate communication” within the meaning ascribed thereto in the Listing Rules) shall be in writing which may or may not be in a transitory form and may be recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form (including an electronic communication and publication on a computer network) whether having physical substance or not and may be served or delivered by the Company by any of the following means subject to and to such extent permitted by and in accordance with the Companies laws, Companies Ordinance, the Listing Rules and any applicable laws, rules and regulations:

- (i) personally;
- (ii) by sending it through the post in a properly prepaid letter, envelope or wrapper addressed to a member at his registered address as appearing in the register (in case of other entitled person, to such address as he may provide);
- (iii) by delivering or leaving it at such address as aforesaid;
- (iv) by advertisement published in the newspapers;
- (v) by sending or transmitting it as an electronic communication to the entitled person at his electronic address as he may provide; or
- (vi) by publishing it on the Recognized Stock Exchange’s website and the Company’s computer network, giving access to such network to the entitled person and giving to such person a notice of publication of such notice or document.

In the case of joint holders of a share, all notices shall be given to that holder for the time being one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.

(c) Article 134

By deleting the existing Article 134 in its entirety and substituting therefor the following:

134. Any notice or document (including any “corporate communication” within the meaning ascribed thereto in the Listing Rules) given or issued by or on behalf of the Company:

- (i) if served or delivered in person, shall be deemed to have been served or delivered at the time of personal service or delivery, and in proving such service or delivery, a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the notice or document was so served or delivered shall be conclusive evidence thereof;
- (ii) if served by post, shall be deemed to have been served on the day following that on which it is posted and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly prepaid, addressed and posted (in the case of an address outside Hong Kong by air-mail postage prepaid where air-mail posting from Hong Kong to such place is available) and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
- (iii) if served by advertisement published in the newspapers, shall be deemed to have been served on the day of issue of the newspaper(s) in which the advertisement is published; and
- (iv) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice or document placed on the Company’s computer network or website is deemed given by the Company to a member on the day on which a notice of availability is deemed served on the member.”

(d) By adding the following new Article 136A after the existing Article 136:

136A. (a) The signature to any notice or document by the Company may be written, printed or made electronically.

- (b) Subject to any applicable laws, rules and regulations, any notice or document from the Company, including but not limited to the documents referred to in Article 133 and any “corporate communication” within the meaning ascribed thereto in the Listing Rules, may be given in the English language only, in the Chinese language only or in both the English language and the Chinese language.

By Order of the Board
Peter Lee Yip Wah
Secretary

Dated this 27th day of April, 2009.

Notes:

1. Any member of the Company entitled to attend and vote at the meeting 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. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited with either (i) the Hong Kong branch share registrars of the Company, Computershare Hong Kong Investor Services Limited, Shops 1806-1807, 18th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong or (ii) the Canadian branch share registrars of the Company, Computershare Investor Services Inc., 100 University Ave., 9th Floor, Toronto, Ontario, M5J 2Y1, Canada, not less than 24 hours before the time appointed for holding the meeting or any adjournment thereof.
3. With regard to item no.2 in this notice, the Board of Directors of the Company proposes that the retiring Directors, namely, Mr. CHAN Shuen Chuen, Joseph, Mr. TONG Kim Weng, Kelly and Dr. WONG Yun Kuen be re-elected as Directors of the Company. Details of these retiring Directors are set out in Appendix II to the Company’s circular to shareholders dated 27th April, 2009.
4. An explanatory statement as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in connection with the proposed repurchase mandate under ordinary resolution in item 4 above is set out in Appendix I to the Company’s circular to shareholders dated 27th April, 2009.
5. As at the date of this notice, the Board comprises four executive directors, namely, Mr. LEE Fong Lit David, Dr. CHOW Pok Yu Augustine, Dr. LAM Andy Siu Wing JP and Mr. CHAN Shuen Chuen Joseph and three independent non-executive directors, namely, Mr. TONG Kim Weng Kelly, Mr. HO Man Kai Anthony and Dr. WONG Yun Kuen.