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**C.P. Lotus Corporation**

卜 蜂 蓮 花 有 限 公 司

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

(Stock Code: 00121)

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the Annual General Meeting of C.P. Lotus Corporation (the “Company”) will be held at Peak Suite, Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong on Friday, 22 June 2012 at 2:00 p.m. for the following purposes:

1. To receive and consider the Audited Financial Statements and the Reports of the Directors and of the Auditors for the year ended 31 December 2011;
2. To elect retiring Directors and to authorise the Board of Directors to fix their remuneration;
3. To re-appoint Auditors and to authorise the Board of Directors to fix their remuneration; and

(By way of special business) to consider, and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions:

**ORDINARY RESOLUTIONS**

4A. “**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and otherwise deal with unissued shares in the capital of the Company and to make or grant offers, agreements, options and other securities, including warrants to subscribe for 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) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options and other securities, including warrants to subscribe for shares of the Company, which would or might require the exercise of such powers at any time during or after the end of the Relevant Period;

(c) the aggregate nominal value of the share capital of the Company which may be allotted or conditionally or unconditionally agreed to be allotted (whether pursuant to an option or otherwise), issued or otherwise dealt with by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to a Rights Issue (as hereinafter defined) or any issue of shares of the Company on the exercise of the subscription or conversion rights attaching to any securities which may be issued by the Company from time to time or the exercise of any options granted under the share option scheme of the Company or any issue of shares in lieu of the whole or part of a dividend on shares, shall not exceed 20% of the aggregate nominal value of the share capital of the Company 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 time of 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 any applicable law or the articles of association of the Company to be held; and
- (iii) the time of the passing of an ordinary resolution of the Company in general meeting revoking or varying the authority set out in this Resolution; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such 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 recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

4B. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase securities of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and which is 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/or the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) 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 value of securities authorised to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal value of the issued share capital of the Company in issue as at the date of the passing of this Resolution, and the said approval shall be limited accordingly; and

(c) for the purpose of this Resolution:

“Relevant Period” means the period from the time of 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 any applicable laws or the articles of association of the Company to be held; and

(iii) the time of the passing of an ordinary resolution of the Company in general meeting revoking or varying the authority set out in this Resolution.”

4C. **“THAT**, conditional upon the Resolutions set out in paragraphs 4A and 4B of the notice convening this Meeting being duly passed, the general mandate granted to the Directors and for the time being in force to exercise the powers of the Company to allot, issue and otherwise deal with unissued shares in the capital of the Company pursuant to the resolution set out in paragraph 4A of the notice convening this Meeting be and is hereby extended by the addition thereon of an amount representing the aggregate nominal value of the share capital of the Company repurchased by the Company under the authority granted pursuant to the resolution set out in paragraph 4B of the notice convening this Meeting, provided that such extended amount shall not exceed 10% of the aggregate nominal value of the share capital of the Company in issue at the date of passing of the said resolution.”

5A. **“THAT**, subject to and conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the shares of the Company (not exceeding 10% of the Company’s issued share capital as at the date of passing of this resolution) which may fall to be issued upon the exercise of the options to be granted under the new share option scheme of the Company (the “New Share Option Scheme”), the rules of which are contained in the document marked “A” produced to the meeting and signed by the Chairman of the meeting for the purposes of identification, the New Share Option Scheme be and is hereby approved and adopted and the board of directors of the Company be and is hereby authorised to grant options and to allot, issue and deal with the shares of the Company which fall to be issued pursuant to the exercise of any option granted under the New Share Option Scheme and to take all such steps, to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme including, but without limitation:

- (i) to administer the New Share Option Scheme under which options may be granted to Eligible Persons (as defined in the New Share Option Scheme) to subscribe for shares of the Company;
- (ii) to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to modification and/or amendment;
- (iii) to make application at the appropriate time or times to the Stock Exchange, and any other stock exchanges upon which the issued shares of the Company may for the time being be listed, for listing of and permission to deal in any shares of the Company which may hereafter from time to time be issued and allotted pursuant to the exercise of any options granted under the New Share Option Scheme; and
- (iv) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme,

(without prejudice to the rights and benefits of and attached to any such options as may have been granted under the share option scheme of the Company adopted by Shareholders on 31 May 2002 and expiring on 30 May 2012 (the “Existing Share Option Scheme”).)”

5B. “**THAT** the Existing Share Option Scheme be terminated with effect from the date on which the New Share Option Scheme shall become unconditional and effective, and shall cease to have any further effect except that the Existing Share Option Scheme will remain in full force and effect to the extent necessary to give effect to the exercise of any option granted under the Existing Share Option Scheme prior to its termination, or otherwise to the extent as may be required in accordance with the rules of the Existing Share Option Scheme.”

By Order of the Board  
Choi Yi Mei  
Company Secretary

Hong Kong, 27 April 2012

*As at the date of this notice, the Board comprises eleven executive directors, namely Mr. Soopakij Chearavanont, Mr. Narong Chearavanont, Mr. Chan Yiu-Cheong, Ed, Mr. Michael Ross, Mr. Yang Xiaoping, Mr. Li Wen Hai, Mr. Meth Jiaravanont, Mr. Umroong Sanphasitvong, Mr. Suphachai Chearavanont, Mr. Piyawat Titasattavorakul and Mr. Shih Hong-Mo, and three independent non-executive directors, namely Mr. Viroj Sangsnit, Mr. Songkitti Jaggabatara and Mr. Cheng Yuk Wo.*

*Notes:*

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. In order to be valid, the proxy form together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of such power or authority), must be lodged with the Company at 21st Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting.
3. A form of proxy for use at the meeting is being despatched to the shareholders of the Company together with a copy of this notice.