
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular, you should consult your 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 of Greenheart Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

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GREENHEART GROUP LIMITED

綠森集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 94)

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE NEW SHARES
AND REPURCHASE BY THE COMPANY OF ITS OWN SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
(3) PROPOSED APPOINTMENT OF AUDITORS; AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at Plaza Meeting Room, Regus Business Centre, 35/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Thursday, 28 June 2012 at 10:00 a.m. is set out on pages 12 to 15 of this circular. A form of proxy for use at the annual general meeting is also enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk and the Company at www.greenheartgroup.com.

Whether or not you are able to attend the annual general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 26/F., 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 the holding of the annual general 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 annual general meeting or any adjournment thereof should you so wish.

* for identification purpose only

18 May 2012

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held to consider and, if thought fit, to approve, among other things, the proposed grant of the General Mandate and the Repurchase Mandate, the proposed re-election of Directors and the appointment of auditors
“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company, and “Bye-law” shall mean a bye-law of the Bye-laws
“Company”	Greenheart Group Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“General Mandate”	the general mandate proposed to be granted to the Directors at the AGM to allot, issue and otherwise deal with additional Shares up to a maximum of 20% of the aggregate nominal share capital of the Company in issue as at the date of the passing of such resolution
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	15 May 2012, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to repurchase up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing such resolution

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong)
“Share Option Scheme”	the share option scheme adopted by the Company on 22 March 2002
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Sino-Forest”	Sino-Forest Corporation, the substantial Shareholder interested in 495,519,102 Shares or approximately 63.55% of the issued share capital of the Company as at the Latest Practicable Date
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



GREENHEART GROUP LIMITED

綠森集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 94)

Executive Directors:

Mr. William Judson Martin

Mr. Hui Tung Wah, Samuel

Non-executive Director:

Mr. Simon Murray

Independent non-executive Directors:

Mr. Wong Kin Chi

Mr. Wong Che Keung, Richard

Mr. Tong Yee Yung, Joseph

Registered office:

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

Principal place of business in Hong Kong:

16th Floor

Dah Sing Financial Centre

108 Gloucester Road

Wanchai

Hong Kong

18 May 2012

To the Shareholders

Dear Sir or Madam

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE NEW SHARES
AND REPURCHASE BY THE COMPANY OF ITS OWN SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS; AND
(3) PROPOSED APPOINTMENT OF AUDITORS**

INTRODUCTION

At the AGM to be held at Plaza Meeting Room, Regus Business Centre, 35/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Thursday, 28 June 2012 at 10:00 a.m., resolutions will be proposed, among other matters:

- (a) to grant the General Mandate to the Directors;
- (b) to grant the Repurchase Mandate to the Directors;

* for identification purpose only

LETTER FROM THE BOARD

- (c) to increase the number of Shares to be allotted and issued under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate;
- (d) to re-elect the Directors; and
- (e) to appoint new auditors of the Company.

The purpose of this circular is to provide you with information in relation to the resolutions to be proposed at the AGM for the grant of the General Mandate and the Repurchase Mandate, the extension of the General Mandate, the re-election of Directors, the appointment of auditors and to give you the notice of the AGM.

GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

The General Mandate and the Repurchase Mandate shall be effective until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws, the Companies Act 1981 of Bermuda or any other applicable law of Bermuda to be held; or
- (c) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors.

General Mandate

The Company had in issue 779,724,104 Shares as at the Latest Practicable Date. Subject to the passing of the proposed resolution for the approval of the General Mandate and in accordance with the terms therein, the Company would be allowed to allot and issue up to a maximum of 155,944,820 Shares, representing 20% of the aggregate nominal amount of the issued Shares at the time of the passing of the resolution approving the General Mandate on the basis that no further Shares will be issued or repurchased by the Company prior to the AGM.

The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued under the Share Option Scheme or any scrip dividend scheme as may be approved by the Shareholders.

Repurchase Mandate

Under the Listing Rules, the Company is required to give to the Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution to renew the grant to the Directors of the Repurchase Mandate. The explanatory statement required by the Listing Rules to be included in this circular is set out in Appendix I to this circular.

LETTER FROM THE BOARD

In addition, an ordinary resolution will also be proposed at the AGM to extend the General Mandate by an addition of an amount representing the aggregate nominal value of Shares repurchased under the Repurchase Mandate.

RE-ELECTION OF DIRECTORS

According to Bye-law 97(A), one-third of the Directors for the time being, or, if their number is not a multiple of three, then the number nearest to one-third, shall retire from office by rotation at every annual general meeting of the Company provided that Chairman and the Managing Director shall not be subject to rotation or be taken into account in determining the number of Directors to retire each year. A retiring Director shall be eligible for re-election.

In accordance with Bye-law 97(A), Mr. Wong Kin Chi and Mr. Tong Yee Yung, Joseph shall retire from their offices as Director. Being eligible, Mr. Wong Kin Chi and Mr. Tong Yee Yung, Joseph would offer themselves for re-election as independent non-executive Directors. At the AGM, an ordinary resolution will be proposed to re-elect each of Mr. Wong Kin Chi and Mr. Tong Yee Yung, Joseph as independent non-executive Director.

Mr. Tong Yee Yung, Joseph has served on the Board for more than nine years. During his term as an independent non-executive Director, Mr. Tong has demonstrated that he has the required character, integrity and experience to perform his duties by providing objective views and independent guidance to the Board. The Nomination Committee has assessed and reviewed the annual confirmation of independence based on the independence criteria set out in Rule 13.13 of the Listing Rules, and affirmed that he remains independent. The Board considers that with his past experience, his in-depth understanding with the operations and business of the Group, the long service of Mr. Tong Yee Yung, Joseph would not affect his exercise of independent judgment. As such, the Board considers that the re-election of Mr. Tong as an independent non-executive Director is in the best interest of the Company and the Shareholders as a whole.

Particulars relating to Mr. Wong Kin Chi and Mr. Tong Yee Yung, Joseph are set out in Appendix II to this circular.

APPOINTMENT OF AUDITORS

Reference is made to the announcement of the Company dated 27 April 2012 that Ernst & Young in Hong Kong (“EYHK”) will retire but will not offer themselves for reappointment as auditors of the Company at the AGM upon Ernst & Young LLP (“EYLLP”) having notified Sino-Forest of their resignation as Sino-Forest’s auditor effective 4 April 2012.

EYHK has completed the audit of the Company’s consolidated financial statements for the year ended 31 December 2011. EYHK has confirmed that there are no circumstances connected with their retirement and ceasing to hold office which they consider should be brought to the attention of the Shareholders or creditors of the Company. To the best information, knowledge and belief of the Directors, the decision of EYHK was made solely due to the resignation by EYLLP as auditor of Sino-Forest. The Board would like to express its gratitude for the services rendered by EYHK over the past two years.

LETTER FROM THE BOARD

Following the recommendation by the audit committee of the Company, the Board proposes the appointment of Moore Stephens Hong Kong as the new auditors of the Company following the retirement of EYHK at the AGM. Moore Stephens Hong Kong had been the auditors to the Company for the financial years ended 31 December 2000 to 2009 and is a member of Moore Stephens International Limited which is one of the world's major accounting and consulting networks with 301 independent firms and 636 offices in 100 countries. An ordinary resolution will be proposed for approval by the Shareholders at the AGM to appoint Moore Stephens Hong Kong as the new auditors of the Company.

Save as disclosed above, the Board and the audit committee of the Company confirm that there are no circumstances in respect of the change of auditors of the Company that need to be brought to the attention of the Shareholders.

ACTION TO BE TAKEN

Whether or not you intend to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 26/F., 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 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 adjournment thereof in person if you so wish.

All the resolutions proposed to be approved at the AGM will be taken by poll and an announcement will be made by the Company after the AGM on the results of the AGM.

RECOMMENDATION

The Directors believe that the proposed grant of the General Mandate and the Repurchase Mandate, the extension of the General Mandate, the proposed re-election of Directors and the proposed appointment of auditors are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

GENERAL

Your attention is drawn to the information set out in the appendices to this circular.

Yours faithfully
For and on behalf of the Board of
Greenheart Group Limited
William Judson Martin
Chairman, Chief Executive Officer and Executive Director

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

1. Repurchase of securities from connected parties

The Listing Rules prohibit a company from knowingly purchasing securities on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective associates and a connected person is prohibited from knowingly selling his/her/its securities to the Company.

No connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

2. Share capital

As at the Latest Practicable Date, the issued share capital of the Company comprised 779,724,104 fully paid Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are to be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 77,972,410 fully paid Shares.

3. Reasons for the repurchase

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

4. Funding of repurchases

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company’s available cash flow or working capital facilities which will be funds legally available under Bermuda law and the memorandum of association of the Company and the Bye-laws for such purpose.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company compared with that as at 31 December 2011, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

5. Share prices

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve calendar months were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2011		
May	3.10	2.77
June	2.89	0.50
July	1.45	1.04
August	1.33	0.85
September	0.67	0.46
October	0.71	0.39
November	1.40	0.58
December	1.13	0.60
2012		
January	0.96	0.57
February	0.90	0.75
March	0.87	0.62
April	0.69	0.495
May (up to the Latest Practicable Date)	0.57	0.47

6. Disclosure of interests and minimum public holding

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

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and applicable laws of Bermuda.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or 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 Rules 26 and 32 of the Takeovers Code.

According to the information available to the Company, as at the Latest Practicable Date, Sino-Forest and its wholly-owned subsidiary held 495,519,102 Shares, representing approximately 63.55% of the voting rights in general meetings of the Company.

Unless the voting rights of Sino-Forest and its wholly-owned subsidiary would fall below 50%, as a result of the issue of Shares either upon exercise of the subscription rights attached to the share options of the Company, upon exercise of the conversion rights attached to the convertible bonds of the Company and/or pursuant to any equity fund raising as may be conducted by the Company, an exercise of the Repurchase Mandate by the Directors will not result in Sino-Forest or any parties acting in concert with it triggering a mandatory general offer under Rule 26 of the Takeovers Code. The Directors have no intention to exercise any of the Repurchase Mandate to such an extent that will result in Sino-Forest or any parties acting in concert with it to make a mandatory general offer under the Takeovers Code. Save as disclosed, the Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate.

The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in a public shareholding of less than 25% of the issued share capital of the Company.

7. Shares repurchases made by the Company

Neither the Company nor any of its subsidiaries has repurchased any of the Company's listed securities during the six months immediately prior to the Latest Practicable Date.

The details of the Directors who will retire from office by rotation at the AGM and being eligible, would offer themselves for re-election at the AGM, are set out below:

Mr. Wong Kin Chi –Independent Non-Executive Director

Mr. Wong Kin Chi, aged 60, is an independent non-executive Director. Mr. Wong is also a member of the audit committee, remuneration committee and the nomination committee of the Company. He joined the Board in September 2004 with a Master of Business Administration degree from the University of Durham of United Kingdom. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, and an associate member of the Chartered Institute of Management Accountants of the United Kingdom. Mr. Wong is currently running a company rendering financial and educational management services for clients. He had over 20 years of experience serving as financial controller and senior executive in a number of multi-national corporations and as an auditor in an international accounting firm. Mr. Wong was a non-executive director of Omnitech Holdings Limited, whose shares are listed on Australian Stock Exchange, from 24 September 2007 to 13 May 2011. He was also the independent non-executive director of A-S China Plumbing Products Limited, whose issued shares are listed on the Growth Enterprise Market of the Stock Exchange during the period from 30 September 2004 to 15 December 2009.

Save as aforesaid, Mr. Wong did not act as director in any other listed public company in the last three years preceding the Latest Practicable Date.

Mr. Wong does not have any relationships with any other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company.

As at the Latest Practicable Date, Mr. Wong was interested in 981,145 Shares and underlying shares of the Company within the meaning of Part XV of the SFO.

Pursuant to the letter of appointment, Mr. Wong is appointed for a term of 3 years subject to retirement and re-election at the annual general meeting in accordance with the Bye-Laws. Mr. Wong is currently entitled to an annual remuneration of HK\$240,000. The emoluments of Mr. Wong are determined by the Board upon recommendation by the remuneration committee of the Company with reference to his previous experience.

Save as disclosed above, there is no other matter that needs to be brought to the attention of the Shareholders and there is no information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Tong Yee Yung, Joseph –Independent Non-Executive Director

Mr. Tong Yee Yung, Joseph, aged 57, is an independent non-executive Director. Mr. Tong is also the chairman of the remuneration committee and the nomination committee of the Company and a member of the audit committee of the Company. Mr. Tong joined the Board in May 2001. He graduated from Southern Illinois University in the United States of America with a Bachelor of Science degree and obtained a Master of Business Administration degree from the University of East Asia. Mr. Tong has over 20 years of experience in corporate finance and management for different listed companies in Hong Kong. Mr. Tong is an executive director and partner of Kelston Holdings (Hong Kong) Limited.

Save as aforesaid, Mr. Tong did not act as director in any other listed public company in the last three years preceding the Latest Practicable Date.

Mr. Tong does not have any relationships with any other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company.

As at the Latest Practicable Date, Mr. Tong was interested in 681,145 underlying shares of the Company within the meaning of Part XV of the SFO.

Pursuant to the letter of appointment, Mr. Tong is appointed for a term of 3 years subject to retirement and re-election at the annual general meeting in accordance with the Bye-Laws. Mr. Tong is currently entitled to an annual remuneration of HK\$120,000. The emoluments of Mr. Tong are determined by the Board upon recommendation by the remuneration committee of the Company with reference to his previous experience.

As disclosed in the announcement of the Company dated 30 March 2012, Mr. Tong has failed to first notify in writing the chief executive officer of the Company and receive a dated written acknowledgment before he disposed of 210,000 shares of the Company on 7 October 2011. In view of this, the Company has looked into the matter and is satisfied that: (a) Mr. Tong has been aware of the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the “Model Code”) requirement; (b) the failure to comply with the requirement under the Model Code was caused by an inadvertent oversight; (c) the disposal was not made at a time when there was unpublished price sensitive information relating to the Company; and (d) no dishonesty was involved as Mr. Tong has duly disclosed his disposal to the Stock Exchange and the Company pursuant to the requirement under Part XV of the SFO.

Save as disclosed above, there is no other matter that needs to be brought to the attention of the Shareholders and there is no information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF AGM



GREENHEART GROUP LIMITED

綠森集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 94)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Greenheart Group Limited (the “**Company**”) will be held at Plaza Meeting Room, Regus Business Centre, 35/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Thursday, 28 June 2012 at 10:00 a.m. to transact the following ordinary business:

1. to receive and approve the audited consolidated financial statements for the Company and its subsidiaries and reports of the directors of the Company (the “**Directors**”) and auditors of the Company for the year ended 31 December 2011;
2. to re-elect Mr. Wong Kin Chi as independent non-executive Director;
3. to re-elect Mr. Tong Yee Yung, Joseph as independent non-executive Director;
4. to authorise the board of Directors to fix the Directors’ remuneration;
5. to appoint Moore Stephens Hong Kong as the new auditors 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;

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

6. “**THAT:**
 - (a) subject to paragraph (c) below, pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued Shares and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

* for identification purpose only

NOTICE OF AGM

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise), issued or dealt with 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 any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Bye-laws of the Company in force from time to time; or (iv) any 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, shall not exceed the aggregate of 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date 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 the Bye-laws of the Company, the Companies Act 1981 of Bermuda (the “**Companies Act**”) or any other applicable law of Bermuda to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for 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 Shares (subject to such exclusion 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, 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 jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

NOTICE OF AGM

7. **“THAT:**

- (a) the exercise by the Directors during the Relevant Period of all powers of the Company to repurchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**Securities and Futures Commission**”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Act and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. 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 authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date 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 the Bye-laws of the Company, the Companies Act or any other applicable law of Bermuda to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors of the Company by this resolution.”

8. **“THAT** subject to the ordinary resolutions nos.6 and 7 above being duly passed, the unconditional general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with unissued Shares pursuant to resolution no.6 above be and is hereby extended by the addition thereon of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company subsequent to the passing of this resolution, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the issued Shares on the date of the passing of resolution no.7.”

Hong Kong, 18 May 2012

By order of the Board
Greenheart Group Limited
William Judson Martin

Chairman, Chief Executive Officer and Executive Director

NOTICE OF AGM

Registered office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Principal place of business in Hong Kong:

16th Floor
Dah Sing Financial Centre
108 Gloucester Road
Wanchai
Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the Bye-laws of the Company, vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting.
3. Completion and return of the form of proxy will not preclude members from attending and voting at the annual general meeting or any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
4. Where there are joint registered holders of any Share(s), any one of such joint holders may attend and vote at the meeting, either in person or by proxy, in respect of such Share(s) as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the meeting or any adjourned meeting thereof (as the case may be), the most senior shall alone be entitled to vote, whether in person or by proxy. 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.
5. In relation to proposed resolutions nos.6 and 8 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of shares under the Listing Rules. The Directors have no immediate plans to issue any Shares other than the Shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme as may be approved by shareholders.
6. In relation to proposed resolution no.7 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix I to the circular dated 18 May 2012 of which this notice forms part.

As at the date of this notice, the Board comprises Mr. William Judson Martin and Mr. Hui Tung Wah, Samuel as executive Directors; Mr. Simon Murray as non-executive Director; and Mr. Wong Kin Chi, Mr. Wong Che Keung, Richard and Mr. Tong Yee Yung, Joseph as independent non-executive Directors.