
THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION

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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 in Yuxing InfoTech Holdings Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.



YUXING INFOTECH HOLDINGS LIMITED

裕興科技控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8005)

CHANGE OF AUDITORS AND PROPOSED AMENDMENT TO THE BYE-LAWS

A notice convening the special general meeting of the Company to be held at Unit 1809, 18/F, Tower III, Enterprise Square, 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong on Monday, 3rd November 2008 at 11:00 a.m. is set out on pages 7 to 8 of this circular.

A form of proxy for the special general meeting of the Company is enclosed with this circular. Whether or not you are able to attend the special general meeting of the Company, you are requested to complete the proxy form and return the same at the office of the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, 46th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the special general meeting of the Company or any adjourned meeting. Completion and delivery of the proxy form will not preclude you from attending and voting at the special general meeting of the Company or any adjourned meeting if you so wish.

This circular will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.yuxing.com.cn.

* For identification purposes only

CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. 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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Exchange. Listed companies are not generally required to issue paid announcements in Gazetted Newspapers. Accordingly, prospective investors should note that they need to have access to the GEM Website in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

In this circular, the following expressions have the meanings respectively set opposite them unless the context otherwise requires:

“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“CCIF”	CCIF CPA Limited
“Change of Auditors”	the proposed appointment of Mazars as new auditors of the Company following the resignation of CCIF, upon the passing of an ordinary resolution by the Shareholders at the SGM and to hold office until the conclusion of the next annual general meeting of the Company
“Company”	Yuxing InfoTech Holdings Limited, a company incorporated in Bermuda with limited liability and whose Shares are listed on GEM
“Directors”	directors of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	Rules Governing the Listing of Securities on GEM as amended from time to time
“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
“Mazars”	Mazars CPA Limited
“SGM”	the special general meeting of the Company to be held at Unit 1809, 18/F, Tower III, Enterprise Square, 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong on Monday, 3rd November 2008 at 11:00 a.m. (or any adjournment thereof), the notice of which is set out on pages 7 to 8 of this circular
“Share(s)”	share(s) of nominal value of HK\$0.025 each in the share capital of the Company

DEFINITIONS

“Shareholders”

holders of Shares

“Stock Exchange”

The Stock Exchange of Hong Kong Limited



YUXING INFOTECH HOLDINGS LIMITED

裕興科技控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8005)

Executive Directors:

Zhu Wei Sha (*Chairman*)

Chen Fu Rong (*Deputy Chairman*)

Shi Guang Rong

Wang An Zhong

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent Non-executive Directors:

Wu Jia Jun

Zhong Peng Rong

Shen Yan

Principal place of business

in Hong Kong:

Unit 1808, 18th Floor

Tower III

Enterprise Square

9 Sheung Yuet Road

Kowloon Bay

Kowloon

Hong Kong

10th October 2008

To the Shareholders

Dear Sir or Madam,

**CHANGE OF AUDITORS
AND
PROPOSED AMENDMENT TO THE BYE-LAWS**

INTRODUCTION

The purposes of this circular are:

- (i) to provide the Shareholders with further information on the Change of Auditors and the proposed amendment to the Bye-laws; and
- (ii) to give notice of the SGM to consider and, if thought fit, to approve the Change of Auditors and the proposed amendment to the Bye-laws.

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LETTER FROM THE BOARD

CHANGE OF AUDITORS

On 29th September 2008, the Board announced that CCIF resigned as auditors of the Company with effect from 23rd September 2008 as the Board and CCIF could not reach a consensus on the audit fees for the financial year ending 31st December 2008.

In the resignation letter dated 23rd September 2008 issued by CCIF to Board and the audit committee of the Company, CCIF confirmed that there are no matters connected with their resignation that need to be brought to the attention of the holders of securities of the Company. The Board confirms that there are no matters in respect of the Change of Auditors which should be brought to the attention of the holders of securities of the Company.

In accordance with Bye-laws 157 of the Company, if the office of auditor becomes vacant by the resignation of the auditor, the Directors shall as soon as practicable convene a special general meeting to fill the vacancy. The Board therefore proposes to appoint Mazars as auditors of the Company to fill the causal vacancy following the resignation of CCIF and to hold office until the conclusion of the next annual general meeting of the Company, subject to the approval of the Shareholders at the SGM.

AMENDMENT TO THE BYE-LAWS

For administrative convenience in the future, a special resolution will be proposed at the SGM to amend the Bye-laws in order to remove the requirement of convening a special general meeting to appoint a new auditor to fill the causal vacancy.

The Board is of the opinion that the proposed amendment to the Bye-laws is in the best interest of the Company and the Shareholders as a whole.

The full text of the special resolution containing such proposed amendment is set out in the notice of SGM of this circular.

SGM

The SGM will be held at Unit 1809, 18/F, Tower III, Enterprise Square, 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong on Monday, 3rd November 2008 at 11:00 a.m. to consider and, if thought fit, approve the Change of Auditors and proposed amendment to the Bye-laws.

A notice convening the SGM is set out on pages 7 to 8 of this circular. Whether or not you are able to attend the SGM, you are requested to complete the proxy form and return the same at the office of the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the SGM or any adjourned meeting. Completion and delivery of the proxy form will not preclude you from attending and voting at SGM or any adjourned meeting if you so wish.

LETTER FROM THE BOARD

PROCEDURES FOR DEMANDING A POLL

Under Bye-law 66(1) of the Company, a poll may be properly demanded at a general meeting of the Company:

- (a) by the Chairman of the meeting; or
- (b) by at least three members present in person (or in the case of a member being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by a member or members present in person (or in the case of a member being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or
- (d) by a member or members present in person (or in the case of a member being a corporation, by its duly authorised representative) or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all Shares conferring that right.

In accordance with the requirements of the GEM Listing Rules, the results of the poll will be published by way of an announcement which is published on the business day following the meeting.

RESPONSIBILITY STATEMENT

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: (1) the information contained in this circular is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this circular misleading; and (3) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors are of the opinion that the Change of Auditors and amendment to the Bye-laws referred to in this circular are in the best interests of the Company and the Shareholders and recommend the Shareholders to vote in favour of the resolutions as proposed at the SGM.

By Order of the Board
Yuxing InfoTech Holdings Limited
Zhu Wei Sha
Chairman



YUXING INFOTECH HOLDINGS LIMITED

裕興科技控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8005)

NOTICE IS HEREBY GIVEN that the special general meeting of Yuxing InfoTech Holdings Limited (the “Company”) will be held at Unit 1809, 18/F, Tower III, Enterprise Square, 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong on Monday, 3rd November 2008 at 11:00 a.m. to consider and, if thought fit, passing the following resolutions, with or without amendment:

ORDINARY RESOLUTION

“**THAT** Mazars CPA Limited be and is hereby appointed as auditors of the Company to fill the vacancy following the resignation of CCIF CPA Limited, and to hold office until the conclusion of the next annual general meeting of the Company and that the board of directors of the Company be authorized to fix their remuneration.”

SPECIAL RESOLUTION

“**THAT** the bye-laws of the Company (the “Bye-laws”) be and hereby amended in the following manner:

(A) Bye-laws 154(1)

Existing sentence:

“Subject to Section 88 of the Act, at the annual general meeting or at a subsequent special general meeting in each year, the Members shall appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the Members appoint another auditor. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.”

By deleting the words “or at a subsequent special general meeting in each year” appearing in the first sentence of Bye-laws 154(1).

(B) Bye-laws 156

Existing sentence:

“The remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the Members may determine.”

* For identification purposes only

NOTICE OF SGM

By deleting the existing sentence and replacing by the following sentence:

“The remuneration of the Auditor appointed by the Company in general meeting shall be fixed by the Company in general meeting or by the Board, if it is authorized to do so by Company in general meeting, and the remuneration of the Auditor appointed by the Board shall be fixed by the Board.”

(C) Bye-laws 157

Existing sentence:

“If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall as soon as practicable convene a special general meeting to fill the vacancy.”

By deleting the words “the Directors shall as soon as practicable convene a special general meeting to fill the vacancy” appearing in the last sentence and substituting the words “the Board shall appoint a new auditor to fill the vacancy who shall hold office until their successors are elected or appointed ”.”

By Order of the Board
Yuxing InfoTech Holdings Limited
Zhu Wei Sha
Chairman

Hong Kong, 10th October 2008

Principal place of business in Hong Kong:

Unit 1808, 18th Floor
Tower III, Enterprise Square
9 Sheung Yuet Road
Kowloon Bay
Kowloon
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the special general meeting convened by the above notice is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the special general meeting. A proxy need not be a member.
2. In order to be valid, the form of proxy and (if required by the board of directors of the Company) the power of attorney or other authority, (if any) under which it is signed, or a certified copy of that power or authority, must be deposited at the office of the Company’s Hong Kong branch registrar, Computershare Hong Kong Investor Services Limited, 46th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time for holding the special general meeting or adjourned meeting.