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

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

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**STYLAND HOLDINGS LIMITED**

(Incorporated in Bermuda with limited liability)

(Stock Code: 211)

**SCRIP DIVIDEND SCHEME
IN RELATION TO THE INTERIM DIVIDEND FOR THE SIX MONTHS
ENDED 30 SEPTEMBER 2008
AND
NOTIFICATION OF GIFT DISTRIBUTION ARRANGEMENT**

A notice convening a special general meeting of Styland Holdings Limited to be held at 28/F, Aitken Vanson Centre, 61 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong at 10:30 a.m. on 18 August 2009 is set out on pages 8 to 9 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding such meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you so wish.

22 July 2009

DEFINITIONS

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

“2008 Interim Dividend”	the interim dividend of HK\$0.0018 per Share for the six months ended 30 September 2008 payable to the Shareholders whose names were recorded on the register of members of the Company as on the Record Date
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“Company”	Styland Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Overseas Shareholders”	Shareholders who are residents in jurisdictions outside Hong Kong
“Record Date”	23 January 2009
“Registrar”	Tricor Tengis Limited, the branch share registrar of the Company in Hong Kong
“Scrip Dividend Scheme”	a scheme of the Company under which the 2008 Interim Dividend is to be wholly paid by allotment and issue of Scrip Shares credited as fully paid in lieu of cash
“Scrip Shares”	the new Shares to be allotted, issued and credited as fully paid-up Shares under the Scrip Dividend Scheme
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, among other matters, approve the Scrip Dividend Scheme and the transactions contemplated thereunder
“Share(s)”	existing issued share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong

LETTER FROM THE BOARD



STYLAND HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 211)

Executive Directors:

Yeung Han Yi Yvonne
Chan Chi Mei Miranda
Cheung Hoo Win
Zhang Yuyan

Registered office:

Cannon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Independent non-executive Directors:

Zhao Qingji
Yeung Shun Kee Edward
Li Hancheng
Lo Tsz Fung Philip

*Head office and principal place of
business in Hong Kong:*

28th Floor, Aitken Vanson Centre
61 Hoi Yuen Road
Kwun Tong, Kowloon
Hong Kong

22 July 2009

To the Shareholders

Dear Sir or Madam,

**SCRIP DIVIDEND SCHEME
IN RELATION TO THE INTERIM DIVIDEND FOR THE SIX MONTHS
ENDED 30 SEPTEMBER 2008
AND
NOTIFICATION OF GIFT DISTRIBUTION ARRANGEMENT**

INTRODUCTION

The Company announced on 19 December 2008 and 3 March 2009 that the Directors had declared the 2008 Interim Dividend and resolved that the 2008 Interim Dividend would be paid to Shareholders whose names appeared on the register of members of the Company on the Record Date and free gifts in addition to the 2008 Interim Dividend will be distributed to the Shareholders.

The Board recommended the Scrip Dividend Scheme, i.e. that the 2008 Interim Dividend be wholly paid and satisfied by allotment and issue of Scrip Shares credited as fully paid up in lieu of cash. Pursuant to bye-laws 147 (D) of the Bye-laws, the Board may recommend the Company to satisfy the scrip dividend wholly in the form of an allotment of Shares credited as fully paid up without offering any right to Shareholders to elect to receive such dividend in cash in lieu of such allotment, but subject to approval of the Shareholders by an ordinary resolution.

LETTER FROM THE BOARD

SCRIP DIVIDEND SCHEME

Particulars of the Scrip Dividend Scheme

Under the Scrip Dividend Scheme, each Shareholder is entitled to receive the 2008 Interim Dividend by allotment and issue of the Scrip Shares credited as fully paid in lieu of cash.

The Scrip Shares to be issued pursuant to the Scrip Dividend Scheme will, when issued, rank pari passu in all respects with the existing issued Shares. In particular, they will rank in full for all future dividends and distributions which may be declared, made or paid after the date of issue, but will not be entitled to the 2008 Interim Dividend or any other distribution in respect of the six months ended 30 September 2008.

Basis of allotment of Scrip Shares

For the purpose of calculating the number of Scrip Shares to be allotted to Shareholders pursuant to the Scrip Dividend Scheme, the price per Scrip Share has been fixed by the Directors at HK\$0.018 per Share being the closing price as quoted on the Stock Exchange on 19 December 2008, the recommendation date for the 2008 Interim Dividend (the “**Recommendation Date**”), which represents a 28% discount to the closing price of HK\$0.025 per Share immediately prior to the suspension of trading in Shares on 21 April 2004 (the “**Share Suspension**”). Accordingly, the number of Scrip Shares which Shareholders will receive in respect of their shareholdings on the Record Date on a pro-rata basis under the Scrip Dividend Scheme will be calculated as follows:

$$\begin{array}{l} \text{Number of Scrip Shares} \\ \text{(ignoring fractions of shares, if any)} \end{array} = \frac{\text{HK\$0.0018}}{\text{HK\$0.018}} \times \begin{array}{l} \text{Number of Shares held} \\ \text{on the Record Date} \\ \text{for the 2008 Interim Dividend} \end{array}$$

In order to be entitled to the Scrip Shares, Shareholders had to lodge transfer forms to the Company’s branch share registrar in Hong Kong not later than 4:30 p.m. on 20 January 2009.

LETTER FROM THE BOARD

No Shareholder is entitled to be issued any fraction of a Share under the Scrip Dividend Scheme. Fractional entitlements to Scrip Shares will be disregarded and the benefit thereof will therefore accrue to the Company. For easy reference purpose, set out below is an illustration of the number of Scrip Shares a Shareholder will receive and their value at the Recommendation Date:

Number of Shares held by a Shareholder	Market value based on the closing price of HK\$0.025 per Share immediately prior to the Share Suspension	Number of Scrip Shares a Shareholder will receive under the Scrip Dividend Scheme	Value of the Scrip Shares based on the closing price of HK\$0.018 on the Recommendation Date
10,000	HK\$250.00	1,000	HK\$18.00
100,000	HK\$2,500.00	10,000	HK\$180.00
1,000,000	HK\$25,000.00	100,000	HK\$1,800.00
2,000,000	HK\$50,000.00	200,000	HK\$3,600.00
5,000,000	HK\$125,000.00	500,000	HK\$9,000.00
10,000,000	HK\$250,000.00	1,000,000	HK\$18,000.00
25,000,000	HK\$625,000.00	2,500,000	HK\$45,000.00
30,000,000	HK\$750,000.00	3,000,000	HK\$54,000.00

The Company understands that Shareholders will be required to pay service charges for receiving the Scrip Shares and the value of the Scrip Shares may not be able to cover the said service charges. Taking into accounts the Company's long Share Suspension that Shareholders cannot trade in Shares for years and the financial and economic realities in Hong Kong, the Company hereby calls on the broker firms to share thick and thin with their clients, who are also the Shareholders, to ride out the difficulty of financial tsunami and hope they can consider to waive the service charges or only charge a token rate.

Broker firms or Shareholders who may encounter difficulties relating to the Scrip Dividend Scheme, including the waiver of service charges, may contact their own professional adviser or the following company for any enquiry:

Company: Ever-Long Securities Company Limited

Address: 18/F, Dah Sing Life Building, 99-105 Des Voeux Road Central, Hong Kong

Contact persons:

Name	Telephone	Facsimile	Email
Ms. Yeung	2815 3625	2581 0638	els@everlong.com.hk
Mr. Yu	2850 7107	2581 0638	els@everlong.com.hk
Mr. Ng	2815 3522	2581 0638	els@everlong.com.hk

LETTER FROM THE BOARD

Application will be made to the Stock Exchange for listing of and permission to deal in the Scrip Shares. It is expected that the Scrip Shares will be allotted and issued upon the approval of the Stock Exchange after the resumption of trading of the Shares.

Based on the above arrangement, the Company believes that the Scrip Dividend Scheme is in the interest of the Shareholders, and recommends the Shareholders to vote in favour of the resolution in the SGM.

As for the potential shareholders who has subscribed for:

- (i) share options of the Company on 7 June 2007;
- (ii) convertible bonds of the Company on 9 July 2007; and
- (iii) new shares of the Company on 15 November 2007,

we regret that they will not be entitled to the 2008 Interim Dividend. The Company promises to make every effort to have the trading in Shares resumed as soon as possible so that these potential shareholders will entitle equally in all respects with existing Shareholders when they are allotted and/or issued the Shares pursuant to their respective agreements. Nevertheless, the potential shareholders will be allowed to take part in the Third Gift Distribution (as defined below) proposal as disclosed below.

Effect of the Scrip Dividend Scheme

Based on 1,871,188,679 Shares in issue as at the close of business on the Record Date, subject to approval by the Shareholders in the SGM that the 2008 Interim Dividend be wholly satisfied in the form of an allotment of the Scrip Shares without offering any right to Shareholders to elect to receive such dividend in cash in lieu of such allotment, the maximum number of Scrip Shares to be issued would be 187,118,867 representing 10% of the existing and 9% of the enlarged issued share capital of the Company.

Shareholders should note that the Scrip Shares may give rise to notification requirements under Part XV of the Securities Futures Ordinance (Chapter 571 of the Laws of Hong Kong). **Shareholders who are in any doubt as to how these provisions may affect them are recommended to seek their own professional advice. Shareholders who are in any doubt as to their taxation position are also recommended to seek their own professional advice.**

Overseas Shareholders

The participation in the Scrip Dividend Scheme by Overseas Shareholders may be affected by the laws of their relevant jurisdictions.

LETTER FROM THE BOARD

All Shareholders resident outside Hong Kong should consult their bankers or other professional advisers as to whether any governmental or other consents are required or other formalities need to be observed to enable them to receive the Scrip Shares.

The Company has made enquiries in the relevant jurisdictions regarding the feasibility of extending the Scrip Dividend Scheme to Shareholders with registered addresses outside Hong Kong and related legal and regulatory restrictions and requirements. As at the Record Date, the Company has 15 overseas Shareholders situated in the United States of America (the “USA”), Australia, the People’s Republic of China (the “PRC”), Malaysia, Macau Special Administrative Region of the PRC (“Macau”) and Spain. In respect of the Shareholder in the USA, the Company understands that in the absence of registration statement or fulfillment of the required filing or other procedures, the circulation of allotment of the Scrip Shares would or might be unlawful under the relevant securities legislation of the USA. It would also be impractical and not cost effective for the Company to comply with the different legal requirements and procedures in the USA. Accordingly, arrangements will be made for the Scrip Shares which would otherwise have been issued to the Shareholder in the USA, to be sold in the market as soon as practicable after dealing in the Scrip Shares commences. Any net proceeds of the sale, after deduction of expenses, will be distributed in Hong Kong dollars to the Shareholder in the USA and remittances will be posted to him, at his own risk, unless the amount falling to be distributed to him is less than HK\$100.00, in which case it will be retained for the benefit of the Company and the Shareholder in the USA will receive this circular for information only. The other overseas Shareholders will be entitled to receive Scrip Shares calculated above in satisfaction of their respective entitlements to the Scrip Dividend Scheme.

The circular does not constitute or form part of an offer or solicitation of any offer to buy securities of the Company.

Stock Exchange listing and despatch of dividend/share certificates for the Scrip Shares

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Scrip Shares to be issued pursuant to the Scrip Dividend Scheme. No part of the Company’s securities is listed or dealt in on any other stock exchange and no such listing or permission to deal is being, or is proposed to be sought. It is expected that share certificates for the Scrip Shares will be posted to Shareholders at their own risks after the Listing Committee of the Stock Exchange has granted the listing of and permission to deal in the Scrip Shares and the resumption of trading of the Shares. On this basis, dealings in the Scrip Shares are expected to commence after the Listing Committee of the Stock Exchange has granted the listing of and permission to deal in the Scrip Shares and the resumption of trading of the Shares. Further announcement will be made to update the Shareholders in relation to the resumption of trading of the Shares and the granting of listing of and permission to deal in the Scrip Shares.

GIFT DISTRIBUTION ARRANGEMENT

Reference is made to the interim report of the Company dated 19 December 2008 in which the Company mentioned that eligible Shareholders could get free gifts in addition to the 2008 Interim Dividend (“**Third Gift Distribution**”) further to the two previous gift redemption proposals as announced on 20 August 2007 and 27 February 2008. The Company is pleased to announce that the two previous gift redemption proposals were well accepted and received by the Shareholders.

LETTER FROM THE BOARD

The Shareholders may be disappointed for the prolonged suspension of trading in the Shares as they are not able to share the fruitful results of the Company nor they have any channel to dispose of their investments on the Stock Exchange. As such, after the consent of independent non-executive Directors the Board proposed the Third Gift Distribution proposal.

A letter to the Shareholders and a form for the gift election and for Shareholder to express their intent regarding the resumption of trading of the Shares have been enclosed for your attention and handling. The form for gift election and letter of intent should be completed in accordance with the instruction printed on it and returned to the Company's principal place of business and office in Hong Kong so as to be received no later than 21 August 2009.

Elections of the gift cannot be in any way withdrawn, revoked, superseded or altered after the relevant election forms are signed and lodged with the Company's principal place of business and office in Hong Kong. No acknowledge of receipt of the election form will be issued. The decision of the Company in any dispute relating to the Third Gift Distribution shall be conclusive and binding.

WAIVER APPLICATION

The Company has applied to the Stock Exchange for a waiver from the strict compliance with Rule 19.10(2) and 19.10(3) of the Listing Rules and the Stock Exchange agreed to grant the requested waiver.

RECOMMENDATION

Whether or not it is to your advantage to receive Scrip Shares in whole depends upon your own individual circumstances. The decision in this regard and all consequences resulting therefrom are the sole responsibility of each Shareholder. If you are in any doubt as to what to do, you should consult your own professional adviser. This applies particularly to members who are trustees, who are recommended to seek professional advice as to whether they have the power to make any relevant election and as to the effect of the election having regard to the terms of the relevant trust instrument.

Yours faithfully
For an on behalf of the Board
Styland Holdings Limited
Zhao Qingji
Chairman

NOTICE OF SPECIAL GENERAL MEETING



STYLAND HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 211)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (“SGM”) of Styland Holdings Limited (the “Company”) will be held at 28/F, Aitken Vanson Centre, 61 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong on 18 August 2009 at 10:30 a.m. for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** conditional upon the Listing Committee of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the listing of, and permission to deal in, the Scrip Shares (as defined in paragraph (a) of this resolution) and the resumption in trading in the shares of the Company (the “Shares”) the following be and is hereby approved:

- (a) the scrip dividend of HK\$18 for every 10,000 Shares or HK\$0.0018 per Share for the six months ended 30 September 2008 be satisfied wholly in the form of an allotment and issue of Shares at the price of HK\$0.018 per Share credited as fully paid up and no cash dividend will be paid in lieu of such allotment and issue (“Scrip Dividend Scheme”);
- (b) scrip shares of the Company pursuant to the Scrip Dividend Scheme (“Scrip Shares”) be allotted, issued and distributed, credited as fully paid, to the members of the Company whose names appear on the register of members of the Company on 23 January 2009 (the “Record Date”), other than those members whose addresses as shown on the Register of Members at the close of business on the Record Date are in places outside Hong Kong and in respect of whom the Directors consider the exclusion from the Scrip Dividend Scheme to be necessary or expedient in accordance with the Rules (the “Listing Rules”) Governing the Listing of Securities on the the Stock Exchange and the bye-laws of the Company (the “Bye-laws”);
- (c) the Scrip Shares to be issued pursuant to this resolution shall, subject to the memorandum of association of the Company and Bye-laws, rank *pari passu* in all respects with the existing issued Shares of HK\$0.01 each in the capital of the Company, except that they will not be eligible for the Scrip Dividend Scheme mentioned in this resolution and the interim dividend for the year ended 30 September 2008, if any; and
- (d) the Directors be and are hereby authorized to do all acts and things as may be necessary and expedient in connection with the allotment and issue of the Scrip Shares.”

Yours faithfully
For an on behalf of the Board
Styland Holdings Limited
Wang Chin Mong
Company Secretary

Hong Kong, 22 July 2009

NOTICE OF SPECIAL GENERAL MEETING

Principal Place of Business and Office in Hong Kong:

28th Floor, Aitken Vanson Centre

61 Hoi Yuen Road

Kwun Tong, Kowloon

Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the SGM convened by the above notice is entitled to appoint one or more proxies to attend and, on a poll, vote in his stead in accordance with the Company's articles of association. A proxy need not be a member of the Company.
2. A form of proxy for use at the SGM is enclosed herewith. To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy thereof must be deposited at the share registrar of the Company, Tricor Tengis Limited, 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof, as the case may be. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the SGM or any adjournment thereof, should he so wish.
3. Where there are joint registered holders of any share, any one of such persons may vote at the SGM, either in person or by proxy, in respect of such share as if he was solely entitled thereto; but if more than one of such joint holders are present at the SGM in person or by proxy, that one of the said persons so present whose name stands first on the register of member of the Company in respect of such share shall alone be entitled to vote in respect thereof.
4. The voting on the resolution at the SGM will be conducted by way of a poll.

As at the date of this notice, the Board of Directors of the Company consists of four Executive Directors, Ms. Yeung Han Yi Yvonne, Ms. Chan Chi Mei Miranda, Mr. Cheung Hoo Win and Ms. Zhang Yuyan and four Independent Non-executive Directors, Mr. Zhao Qingji, Mr. Yeung Shun Kee Edward, Mr. Li Hancheng and Mr. Lo Tsz Fung Philip.