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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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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 registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.*

*If you have sold or transferred all your shares in Kam Hing International Holdings 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 transfer was effected for transmission to the purchaser or the transferee.*

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.*

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## KAM HING INTERNATIONAL HOLDINGS LIMITED

錦興國際控股有限公司

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

**(Stock Code: 2307)**

### **PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, PROPOSED RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of Kam Hing International Holdings Limited to be held at 11:00 a.m. on Monday, 28 May 2007 at Units 1-9, 8th Floor, Lucida Industrial Building, 43-47 Wang Lung Street, Tsuen Wan, New Territories, Hong Kong is set out on pages 11 to 14 of this circular. Whether or not you are able to attend the meeting in person, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not later than 48 hours before the time appointed for holding the 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 meeting or any adjourned meeting should you so wish.

30 April 2007

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## DEFINITION

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

“AGM”	the annual general meeting of the Company to be held at 11:00 a.m. on Monday, 28 May 2007 at Units 1-9, 8th Floor, Lucida Industrial Building, 43-47 Wang Lung Street, Tsuen Wan, New Territories, Hong Kong or any adjournment thereof
“Articles”	the articles of association of the Company
“associates”	has the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Kam Hing International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, and the securities of which are listed on the main board of the Stock Exchange
“connected person”	has the same meaning as ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its Subsidiaries
“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
“Latest Practicable Date”	20 April 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

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## DEFINITION

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“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a subsidiary for the time being of the Company within the meaning of the Companies Ordinance whether incorporated in Hong Kong or elsewhere and “Subsidiaries” shall be construed accordingly
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“%”	per cent.

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LETTER FROM THE BOARD

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**KAM HING INTERNATIONAL HOLDINGS LIMITED**

**錦興國際控股有限公司**

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

**(Stock Code: 2307)**

*Executive Directors:*

Mr. Tai Chin Chun (*Chairman*)  
Mr. Tai Chin Wen (*Chief Executive Officer*)  
Ms. Cheung So Wan  
Ms. Wong Siu Yuk  
Mr. Chong Chau Lam

*Registered office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Independent non-executive Directors:*

Mr. Ku Shiu Kuen, Anthony  
Ms. Chu Hak Ha, Mimi  
Mr. Chan Yuk Tong, Jimmy

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

Units 1-9, 8th Floor  
Lucida Industrial Building  
43-47 Wang Lung Street  
Tsuen Wan  
New Territories  
Hong Kong

30 April 2007

*To the Shareholders,*

Dear Sir/Madam,

**PROPOSED GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES,  
PROPOSED RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the AGM for the proposed (i) granting of general mandates to repurchase Shares and to allot, issue and deal with new Shares; and (ii) re-election of the Directors who are due to retire. This circular contains the explanatory statement in compliance with the Listing Rules and to give all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions.

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## LETTER FROM THE BOARD

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### GENERAL MANDATES

At the AGM, separate ordinary resolutions will be proposed to grant the general mandates to the Directors (i) to allot, issue and otherwise deal with Shares not exceeding in aggregate 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing such resolution (the “**Share Issue Mandate**”); (ii) to repurchase Shares comprising the aggregate nominal amount of which does not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolution (the “**Repurchase Mandate**”); and (iii) to add the aggregate amount of the Shares repurchased by the Company up to the maximum of 10% of the issued share capital of the Company as at the date of the passing of resolution in relation to the Repurchase Mandate to the Share Issue Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 640,000,000 Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Issue Mandate, the maximum number of Shares which may be issued pursuant to the Share Issue Mandate on the date of passing the resolution approving the Share Issue Mandate will be 128,000,000 Shares.

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

### PROPOSED RE-ELECTION OF DIRECTORS

Under article 87(1) of the Articles, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not greater than one-third) shall retire from office by rotation provided that notwithstanding anything herein, the chairman of the Board and/or the managing director of the Company shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of directors to retire in each year.

Accordingly, Ms. Wong Siu Yuk, Mr. Chan Yuk Tong, Jimmy and Ms. Chu Hak Ha, Mimi shall retire by rotation in accordance with the Articles and, being eligible, offer themselves for re-election at the AGM. Details of the Directors who are proposed to be re-elected at the AGM are set out as follows:

*Ms. Wong Siu Yuk*

Ms. Wong Siu Yuk, aged 45, is an executive Director. She is responsible for dyeing material sourcing, quality control and stock control in the Group, and assists in the overall management of the Group. Ms. Wong joined the Group in December 1996 and has more than

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## LETTER FROM THE BOARD

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10 years of experience in the textile industry. Ms. Wong is the spouse of Mr. Tai Chin Wen. Save as disclosed above, she did not have any relationship with any other Director, senior management, substantial shareholder or controlling shareholder of the Company and did not hold any other positions with other members of the Group as at the Latest Practicable Date. Besides, she did not hold any other directorships in listed public companies during the past three years.

As at the Latest Practicable Date, Ms. Wong is deemed to be interested in 96,000,000 Shares within the meaning of Part XV of the SFO. Save as disclosed, she is not interested in any Shares or underlying Shares within the meaning of Part XV of the SFO. She has entered into a service contract with the Company for a fixed term of 3 years from 1 September 2004. Pursuant to the terms of the service contract, her basic Director's remuneration of HK\$390,000 per annum is determined with reference to her role, level of experience and contribution to the Group. Under the service contract, after each complete year of service, the remuneration payable to Ms. Wong may, subject to the discretion of the Board, be increased by not more than 20% and be entitled to a discretionary bonus provided that the total amount of bonuses to all Directors for that year shall not exceed 5% of the consolidated profit after tax of the Group.

Ms. Wong confirmed that there is no other information that needs to be disclosed pursuant to any of the requirements as set out in Rules 13.51(2)(h)-(v) of the Listing Rules. The Company is not aware of any other matters that need to be brought to the attention of the Shareholders and the Stock Exchange in relation to the re-election of Ms. Wong.

*Mr. Chan Yuk Tong, Jimmy*

Mr. Chan Yuk Tong, Jimmy, aged 44, is an independent non-executive Director. He obtained a bachelor degree in Commerce from the University of Newcastle in Australia and a master degree of Business Administration from the Chinese University of Hong Kong. He is a practising fellow member of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia. Mr. Chan has over 20 years of experience in corporate finance, financial advisory and management, professional accounting and auditing. He is also an executive director of Vitop Bioenery Holdings Limited and an independent non-executive director of Anhui Conch Cement Company Limited, Carico Holdings Limited, Daisho Microline Holdings Limited and World Trade Bun Kee Ltd., which are listed companies in Hong Kong. Mr. Chan was also an independent non-executive director of Luks Industrial (Group) Limited, a listed company in Hong Kong, during the period from 30 September 2004 to 1 December 2005. Mr. Chan joined the Group on 30 March 2004. He did not have any relationship with any other Director, senior management, substantial shareholder or controlling shareholder of the Company. He is the chairman of the audit committee of the Company and a member of the remuneration committee and nomination committee of the Company. Save as disclosed above, he did not hold any other positions with other members of the Group as at the Latest Practicable Date. Besides, he did not hold any other directorships in listed public companies during the past three years.

As at the Latest Practicable Date, Mr. Chan is not interested in and does not hold any Shares within the meaning of Part XV of the SFO.

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## LETTER FROM THE BOARD

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Mr. Chan has been appointed for a fixed term of 3 years from 1 September 2004 with a basic remuneration of HK\$180,000 per annum, which is determined with reference to his role, level of experience and contribution to the Group.

Save as disclosed above, Mr. Chan confirmed that there is no other information that needs to be disclosed pursuant to any of the requirements as set out in Rules 13.51(2)(h)-(v) of the Listing Rules. The Company is not aware of any other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange in relation to the re-election of Mr. Chan.

*Ms. Chu Hak Ha, Mimi*

Ms. Chu Hak Ha, Mimi, aged 43, is an independent non-executive Director. She is a solicitor practising in Hong Kong SAR and a partner of David Lo & Partners, a law firm in Hong Kong. Ms. Chu was also admitted as solicitor in England and Wales and solicitor and barrister in Australian Capital Territory. Ms. Chu joined the Group on 30 March 2004 as Independent Non-executive Director. She is the chairman of the remuneration committee of the Company and a member of the audit committee and nomination committee of the Company. Save as disclosed above, she did not have any relationship with any other Director, senior management, substantial shareholder or controlling shareholder of the Company and did not hold any other positions with other members of the Group as at the Latest Practicable Date. Besides, she did not hold any other directorships in listed public companies during the past three years.

As at the Latest Practicable Date, Ms. Chu is not interested in and does not hold any Shares within the meaning of Part XV of the SFO.

Ms. Chu has been appointed for a fixed term of 3 years from 1 September 2004 with a basic remuneration of HK\$180,000 per annum, which is determined with reference to her role, level of experience and contribution to the Group.

Save as disclosed above, Ms. Chu confirmed that there is no other information that needs to be disclosed pursuant to any of the requirements as set out in Rules 13.51(2)(h)-(v) of the Listing Rules. The Company is not aware of any other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange in relation to the re-election of Ms. Chu.

### GENERAL INFORMATION

A form of proxy for the AGM is also enclosed herewith.

Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as practicable but in any event no later than 48 hours before the time appointed for holding the AGM. The completion of a form of proxy will not preclude you from attending and voting at the AGM in person should you so wish.

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## LETTER FROM THE BOARD

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### PROCEDURES FOR DEMANDING A POLL

Pursuant to article 66 of the Articles, every resolution submitted to a general meeting shall be determined on a show of hands in the first instance by the Shareholders present in person, unless a poll is demanded (before or upon the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll):

- (a) by the chairman of such 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 in the Company 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 the shares conferring that right.

### RECOMMENDATION

The Directors consider that the general mandates, the Repurchase Mandate and the re-election of the Directors proposed are in the interests of the Company. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions at the forthcoming AGM.

Yours faithfully,

For and on behalf of the board of Directors of  
**Kam Hing International Holdings Limited**  
**Mr. Tai Chin Chun**  
*Chairman*



This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide all the information in relation to the Repurchase Mandate for your consideration.

## 1. LISTING RULES RELATING TO THE REPURCHASES OF SECURITIES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their fully-paid shares on the Stock Exchange subject to certain restrictions, the more important of which are summarised below:

### *(a) Shareholders' approval*

All proposed purchase of securities on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by the shareholders by an ordinary resolution, either by way of a general mandate or by a specific approval in relation to a specific transaction.

### *(b) Share capital*

Under the Repurchase Mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the aggregate nominal amount of its issued share capital at the date of the passing of the proposed resolution granting the Repurchase Mandate.

As at the Latest Practicable Date, the Company had 640,000,000 Shares in issue. Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no Shares are issued or repurchased by the Company prior to the AGM, the exercise of the Repurchase Mandate in full would result in up to 64,000,000 Shares being repurchased by the Company during the period prior to the next annual general meeting of the Company following the passing of the resolution referred to herein or the date upon which the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

### *(c) Reasons for repurchase*

The Directors believe that it is in the interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase securities of the Company on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

### *(d) Funding of repurchase*

In repurchasing securities, a company may only apply funds legally available for such purpose in accordance with its constitutive documents and the laws of the jurisdiction in which the company was incorporated.

As compared with the financial position of the Company as at 31 December 2006 (being the date of its latest audited accounts), the Directors consider that there would not be a material adverse impact on the working capital or gearing position of the Company if the Repurchase Mandate was to be exercised in full during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing level (as compared with the position disclosed in the audited accounts for the year ended 31 December 2006) which in the opinion of the Directors are from time to time appropriate for the Company.

*(e) Connected parties*

None of the Directors nor, to their best knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) has any present intention to sell Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

As at the Latest Practicable Date, no connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

*(f) Undertaking by Directors*

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

*(g) Takeovers Code*

If as a result of a securities repurchase a Shareholder's proportionate interest in the voting rights of the repurchasing company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code.

As at the Latest Practicable Date, Mr. Tai Chin Chun, together with his respective associates, were beneficially interested in 384,000,000 Shares and Mr. Tai Chin Wen, together with his respective associates, were beneficially interested in 96,000,000 Shares, representing approximately 60% and 15% of the issued share capital of the Company respectively. In the event that the Directors exercise the Repurchase Mandate in full in accordance with the terms of the ordinary resolution to be proposed at the AGM, the interests of Mr. Tai Chin Chun and Mr. Tai Chin Wen, together with their respective associates, would respectively be increased to approximately 66.67% and 16.67% of the issued share capital of the Company, which will not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. Such increases would reduce the amount of Shares held by the public to less than 25% of the issued share capital of the Company. However, the Directors have no present intention to exercise the Repurchase Mandate to such an extent as would cause the shareholdings in public hands to fall below 25%.

## 2. SHARE REPURCHASE AND MARKET PRICES

During the six months preceding the Latest Practicable Date, no Shares have been repurchased or redeemed by the Company.

During each of the previous 12 months, the highest and lowest prices at which the Shares have been traded on the Stock Exchange were as follows:

Month	Per Share	
	Highest (HK\$)	Lowest (HK\$)
<b>2006</b>		
April	0.90	0.73
May	0.82	0.65
June	0.73	0.63
July	0.70	0.64
August	0.71	0.65
September	0.69	0.61
October	0.69	0.55
November	0.61	0.55
December	0.58	0.50
<b>2007</b>		
January	0.65	0.56
February	0.80	0.59
March	0.73	0.60
April ( <i>up to Latest Practicable Date</i> )	0.82	0.69

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## NOTICE OF ANNUAL GENERAL MEETING

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### KAM HING INTERNATIONAL HOLDINGS LIMITED

### 錦興國際控股有限公司

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

**(Stock Code: 2307)**

#### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Kam Hing International Holdings Limited (the “**Company**”) will be held at Units 1-9, 8th Floor, Lucida Industrial Building, 43-47 Wang Lung Street, Tsuen Wan, New Territories, Hong Kong on 28 May 2007 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditors for the year ended 31 December 2006.
2. To declare a final dividend for the year ended 31 December 2006.
3. A. To re-elect Ms. Wong Siu Yuk as director of the Company (the “**Director**”);  
B. To re-elect Mr. Chan Yuk Tong, Jimmy as Director;  
C. To re-elect Ms. Chu Hak Ha, Mimi as Director; and  
D. To authorise the board of Directors to fix the remunerations of the Directors.
4. To re-elect auditors and to authorise the board of Directors to fix their remuneration.
5. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:
  - A. “**THAT:**
    - (a) subject to paragraph (c), the exercise by the Directors during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
    - (b) the approval in paragraph (a) shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a), otherwise than pursuant to: (i) a Rights Issue; (ii) the exercise of the subscription rights or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; (iii) any share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iv) any scrip dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earlier 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 articles of association of the Company or any applicable law to be held; and
- (iii) the revocation or variation of this resolution 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 to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or any class thereof (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 any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

**B. “THAT:**

- (a) subject to paragraph (c), the exercise by the Directors during the Relevant Period of all powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited, and that the exercise by the Directors of all the powers of the Company to repurchase such shares, subject to and in accordance with all applicable laws or the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and is hereby generally and unconditionally approved;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) in addition, the approval in paragraph (a) shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the Directors;
- (c) the aggregate nominal amount of shares repurchased or agreed conditionally or unconditionally to 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 share capital of the Company in issue as at the date of passing this resolution, and the authority pursuant to paragraph (a) shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earlier 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 articles of association of the Company or any applicable law to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

- C. “**THAT** conditional upon the passing of resolutions no. 5A and 5B as set out in the notice convening the meeting of which this resolution forms part, the aggregate nominal amount of the shares in the capital of the Company which are repurchased by the Company pursuant to and in accordance with the said resolution no. 5B shall be added to the aggregate nominal amount of the shares in the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with resolution no. 5A as set out in the notice convening the meeting of which this resolution forms part.”

*As at the date of this notice, the executive Directors are Mr. Tai Chin Chun, Mr. Tai Chin Wen, Ms. Cheung So Wan, Ms. Wong Siu Yuk and Mr. Chong Chau Lam; the independent non-executive Directors are Mr. Ku Shiu Kuen, Anthony, Ms. Chu Hak Ha, Mimi and Mr. Chan Yuk Tong, Jimmy.*

By order of the board of the Directors  
**Mr. Tai Chin Chun**  
Chairman

Hong Kong, 30 April 2007

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer, attorney or other person duly authorised to sign the same.
2. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his/her stead. A proxy needs not be a member of the Company.
3. In order to be valid, the form of proxy must be lodged at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or any adjourned meeting.
4. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or at any adjourned meeting (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
5. Where there are joint holders of any shares in the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if he were solely entitled thereto, but if more than one of such joint holders are present at the meeting, the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.
6. The register of members of the Company will be closed from 22 May 2007 to 28 May 2007, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend to be approved at the general meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m., 21 May 2007.
7. Details of the Directors as referred in resolutions no. 3A to 3C above are disclosed in the circular of the Company dated 30 April 2007.