

---

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

---

**If you are in any 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 Lam Soon (Hong Kong) Limited, you should at once hand this circular and the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information about certain resolutions to be proposed at the forthcoming annual general meeting of Lam Soon (Hong Kong) Limited. The directors of Lam Soon (Hong Kong) Limited collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

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.

---



## LAM SOON (HONG KONG) LIMITED

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 411)**

# ANNUAL GENERAL MEETING GENERAL MANDATES TO ISSUE AND REPURCHASE SECURITIES AND RE-ELECTION OF DIRECTORS

---

A letter from the board of the directors of Lam Soon (Hong Kong) Limited is set out on pages 3 to 6 of this circular. A notice convening the annual general meeting of Lam Soon (Hong Kong) Limited to be held at 3rd Floor, Lam Soon Building, 21 Dai Fu Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong on Tuesday, 18 November 2008 at 10:30 a.m. is set out on pages 14 to 17 of this circular. Whether or not you intend to attend the meeting, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event no later than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting as the case may be. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

24 October 2008

---

## CONTENTS

---

	<i>Page</i>
<b>DEFINITIONS</b> .....	1
 <b>LETTER FROM THE BOARD</b>	
Introduction .....	3
General Mandates to Issue and Repurchase Securities .....	4
Re-election of Directors .....	5
Annual General Meeting .....	5
Procedures for Demanding a Poll .....	5
Recommendation .....	6
 <b>APPENDIX I — EXPLANATORY NOTES TO REPURCHASE MANDATE</b> ....	 7
 <b>APPENDIX II — DETAILS OF DIRECTORS STANDING                   FOR RE-ELECTION</b> .....	  11
 <b>NOTICE OF ANNUAL GENERAL MEETING</b> .....	 14

---

## DEFINITIONS

---

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

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at 3rd Floor, Lam Soon Building, 21 Dai Fu Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong on Tuesday, 18 November 2008 at 10:30 a.m.
“Articles of Association”	the existing articles of association of the Company
“Board”	the board of Directors
“Companies Ordinance”	Companies Ordinance, Chapter 32 of the Laws of Hong Kong
“Company” or “Lam Soon”	Lam Soon (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 411)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hong Leong Group Company”	Hong Leong Company (Malaysia) Berhad, a private company incorporated in Malaysia, and its subsidiaries
“Latest Practicable Date”	17 October 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“Memorandum”	the existing memorandum of association of the Company

---

## DEFINITIONS

---

“PRC”	the People’s Republic of China
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	share(s) of par value HK\$1.00 each in the capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Year”	from 1 July 2007 to 30 June 2008
“%”	per cent.

---

## LETTER FROM THE BOARD

---



### LAM SOON (HONG KONG) LIMITED

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 411)**

*Directors:*

Kwek Leng Hai, *Chairman*  
Leung Wai Fung, *Group Managing Director*  
Whang Sun Tze, *Ph.D.*  
Lo Kwong Chi, *Clement\**  
Tan Lim Heng  
Tsang Cho Tai  
Ding Wai Chuen\*  
Irie Yasuaki\*  
Ikeda Hiromi

— *alternate director to Irie Yasuaki*

*Registered Office:*

21 Dai Fu Street  
Tai Po Industrial Estate  
Tai Po  
New Territories  
Hong Kong

\* *Independent Non-Executive Director*

24 October 2008

*To the Shareholders*

Dear Sir or Madam,

## **ANNUAL GENERAL MEETING GENERAL MANDATES TO ISSUE AND REPURCHASE SECURITIES AND RE-ELECTION OF DIRECTORS**

### **INTRODUCTION**

The purpose of this circular is to provide you with information in respect of resolutions to be proposed at the Annual General Meeting for, inter alia, (i) the granting of general mandates to the Directors to issue and repurchase Shares and the extension of the general mandate to issue Shares by the amount of Shares repurchased by the Company pursuant to the general mandate to repurchase Shares; and (ii) the re-election of Directors and other relevant information regarding the Annual General Meeting.

---

## LETTER FROM THE BOARD

---

### GENERAL MANDATES TO ISSUE AND REPURCHASE SECURITIES

At the annual general meeting of the Company held on 13 November 2007, ordinary resolutions were passed granting general mandates to the Directors, inter alia, (i) to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at 13 November 2007; and (ii) to allot, issue and deal with Shares not exceeding the aggregate of 20% of the aggregate nominal amount of the issued share capital of the Company as at 13 November 2007 and those Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at 13 November 2007 repurchased by the Company (collectively referred to as “Existing General Mandates”). A copy of such resolutions had been delivered to the Stock Exchange in accordance with the Listing Rules. The Company had previously sent to the Shareholders an explanatory statement regarding the Existing General Mandates in compliance with the Listing Rules.

In accordance with the provisions of the Listing Rules and the terms of the Existing General Mandates, the Existing General Mandates shall lapse at the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; and (iii) the date upon which the authority are revoked or varied by an ordinary resolution of the Shareholders in general meeting.

As at the Latest Practicable Date, the issued share capital of the Company comprised 243,354,165 Shares. Assuming there is no change in the issued share capital prior to the AGM, the new general mandates to issue Shares not exceeding 48,670,833 Shares (being 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the resolution) and to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the resolution; and extension of the general mandate to issue Shares by the amount of Shares repurchased by the Company pursuant to the general mandate to repurchase Shares, respectively, as set out in ordinary resolution nos. 5A, 5B and 5C of the notice of Annual General Meeting on pages 14 to 17 of this circular, are now proposed to be granted. With reference to the proposed new general mandates, the Directors wish to state that, as at the date hereof, they have no immediate plans to repurchase any existing Shares or to issue any new securities pursuant to the relevant mandates.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed general mandate to repurchase securities is set out in Appendix I to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

---

## LETTER FROM THE BOARD

---

### RE-ELECTION OF DIRECTORS

Pursuant to Article 78 of the Articles of Association, Messrs. Leung Wai Fung, Lo Kwong Chi, Clement and Ding Wai Chuen shall retire and, being eligible, offer themselves for re-election at the Annual General Meeting.

Details of the retiring Directors standing for re-election required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

### ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting is set out on pages 14 to 17 of this circular. There is no Shareholder that is materially interested in the proposed resolutions regarding the general mandates to issue and repurchase Shares and therefore none of the Shareholders shall abstain from voting in respect of such resolutions.

A form of proxy for use at the Annual General Meeting is enclosed. Shareholders are requested to complete the form of proxy and return it to the registered office of the Company at 3rd Floor, Lam Soon Building, 21 Dai Fu Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong in accordance with the instructions printed thereon and in any event, not less than 48 hours before the time fixed for holding the meeting, whether or not they intend to be present at the meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

### PROCEDURES FOR DEMANDING A POLL

Pursuant to Article 57 of the Articles of Association, at any general meeting of the Company, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the Chairman of the meeting; or
- (ii) by at least five members present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any member or members present in person or by a duly authorised corporate representative or by proxy and representing not less than one-tenth of total voting rights of all the members having the right to vote at the meeting; or

---

## LETTER FROM THE BOARD

---

- (iv) by a member or members present in person or by a duly authorised corporate 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 the shares conferring that right; or
- (v) by the Chairman of the meeting and/or the Directors who, individually or collectively, hold proxies in respect of shares representing five per cent or more of the total voting rights of all members having a right to vote at the meeting pursuant to the Listing Rules.

### RECOMMENDATION

The Directors believe that the granting of the general mandates to repurchase Shares and issue Shares and extension of the general mandate to issue Shares by the amount of Shares repurchased by the Company pursuant to the general mandate to repurchase Shares and re-election of the retiring Directors are in the best interests of the Company and Shareholders as a whole and accordingly recommend the Shareholders to vote in favour of the relevant resolutions set out in the notice of the Annual General Meeting on pages 14 to 17 of this circular.

Your attention is drawn to the information set out in Appendices I and II to this circular.

Yours faithfully,  
For and on behalf of the Board  
**Kwek Leng Hai**  
*Chairman*



**GENERAL MANDATE TO REPURCHASE SHARES**

At the Annual General Meeting, an ordinary resolution will be proposed that the Directors be given a general and unconditional mandate (the “Repurchase Mandate”) to exercise all the powers of the Company to repurchase on the Stock Exchange the issued and fully paid Shares in the capital of the Company. Under such mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the share capital of the Company in issue on the date of passing the resolution.

Shareholders should note that the Repurchase Mandate covers purchases made only during the period ending on the earliest of the date of the next annual general meeting of the Company, the date by which the next annual general meeting of the Company is required to be held by the Articles of Association or any applicable laws and the date upon which such authority is revoked or varied.

As at the Latest Practicable Date, 243,354,165 Shares were in issue and fully paid. Assuming that there are no changes (from the Latest Practicable Date to the date of the Annual General Meeting) in the Company’s issued and fully paid share capital, the maximum number of Shares that may be repurchased by the Company pursuant to the Repurchase Mandate will be 24,335,416.

**DIRECTORS AND CONNECTED PERSONS**

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of their associates has a present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company on the Stock Exchange.

No persons who are connected persons (who are the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or their associates (as defined in the Listing Rules)) have notified the Company that they have a present intention to sell Shares to the Company or have undertaken not to sell any of the Shares held by them to the Company, in the event that the Company is authorised to make purchases of Shares, on the Stock Exchange.

**DIRECTORS’ UNDERTAKING**

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and all applicable laws of Hong Kong and in accordance with the regulations set out in the Memorandum and Articles of Association.

**EFFECT OF THE TAKEOVERS CODE**

If on the exercise of the power of repurchase Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights and may give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Dr. Whang Sun Tze and his family members and their respective associates (together "TC Whang Family") in aggregate beneficially held 37,905,988 Shares representing approximately 15.58% of the issued share capital of the Company, GuoInvest International Limited ("GuoInvest") and GuoLine International Limited ("GuoLine"), wholly-owned subsidiaries of Hong Leong Company (Malaysia) Berhad, beneficially held in total of 140,008,659 Shares, representing approximately 57.53% of the issued share capital of the Company. Under Rule 26 of the Takeovers Code, TC Whang Family, GuoInvest and GuoLine are parties acting in concert pursuant to the shareholders' agreement and the supplemental agreement both dated 27 May 1997 and the Novation Agreement dated 5 September 2003. The combined shareholdings of TC Whang Family, GuoInvest and GuoLine, and parties acting in concert with them (the "Concert Group") amounted to 177,914,647 Shares representing approximately 73.11% of the issued share capital of the Company as at the Latest Practicable Date.

On the basis of the above figures, exercise in full of the general repurchase mandate would result in aggregate shareholding of the Concert Group in the Company being increased to approximately 81.23%. The Directors are not aware of any general offer obligation which will arise under Rule 26 of the Takeovers Code as a result of any purchases made under the Repurchase Mandate.

**PUBLIC FLOAT**

The Directors do not have a present intention to exercise the Repurchase Mandate to such extent, causing the public float of the securities of the Company to fall below 25%.

**LISTING RULES FOR REPURCHASE OF SHARES****Shareholders' Approval**

The Listing Rules provide that all securities repurchased on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by specific resolution in relation to specific transaction.

**Reasons for Repurchase**

The Directors consider that the Repurchase Mandate will provide the Company with the flexibility to make such repurchases when appropriate and beneficial to the Company and its shareholders. Such purchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share.

**Source of Funds**

Repurchase must be made from internal resources, borrowings and/or other funds legally available for such purpose in accordance with the Memorandum and Articles of Association and the laws of Hong Kong.

**Material Adverse Impact**

On the basis of the consolidated financial position of the Company as at 30 June 2008 (being the date to which the latest published audited financial statements of the Company have been made up) and in particular the working capital position and gearing ratio of the Company and the number of Shares in issue, the Directors consider that there will not be a material impact on the working capital or the gearing position of the Company in the event that the proposed purchases were to be carried out in full at any time during the proposed repurchase period. No purchase would be made in circumstances that would have a material adverse impact on the working capital or gearing ratio of the Company (as compared with the position disclosed in the latest published audited financial statements for the year ended 30 June 2007) unless the Directors consider that such purchases were in the best interests of the Company.

**SHARE REPURCHASE MADE BY THE COMPANY**

The Company has not repurchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

## GENERAL

During each of the twelve months preceding the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

	Price per share	
	Highest (HK\$)	Lowest (HK\$)
<b>2007</b>		
October	5.00	4.70
November	4.92	4.50
December	5.00	4.48
<b>2008</b>		
January	5.09	4.50
February	4.88	4.59
March	4.70	4.20
April	5.00	4.40
May	4.80	4.50
June	4.80	4.50
July	4.30	3.80
August	4.10	3.71
September	4.30	3.53
October (up to the Latest Practicable Date)	3.70	2.83

As required by the Listing Rules, the following are the particulars of the directors who will retire and be eligible for re-election at the Annual General Meeting:

1. **Leung Wai Fung** (“Mr. Leung”), aged 52, has been an Executive Director of the Company since 11 July 2005. Mr. Leung has been designated as the Group Managing Director with effect from 1 September 2006.

Mr. Leung joined the Company in 1997 and had assumed the positions of Group Chief Financial Officer and Chief Operating Officer of Distribution Segment. He was appointed as Executive Director of the Board in June 2002. In March 2004, Mr. Leung resigned from the Company and assumed a senior management position with a Hong Leong Group Company. Save as disclosed above, he did not hold any directorship in other listed public companies in the last three years prior to the Latest Practicable Date.

Mr. Leung holds a Bachelor Degree in Business Administration from Simon Fraser University and an Executive Master’s Degree in Business Administration (EMBA) from Fudan University School of Management. He has over 20 years experience in the areas of business management, strategic planning and development as well as acquisitions and mergers. Mr. Leung is not related to any other Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Leung was interested in 200,000 Shares and 2,200,000 underlying shares in respect of the share options under the share option scheme of the Company within the meaning of Part XV of the SFO. Mr. Leung has entered into a service agreement with the Company under which he is entitled to an emolument of approximately HK\$2,696,000 per annum inclusive of basic salary, housing allowance and other allowances. He is also eligible to a performance related discretionary bonus. Such emolument was determined based on his position in the Company and will be reviewed by the Board from time to time based on the market rate. The service agreement is not of a specific term but Mr. Leung is subject to retirement by rotation and re-election at the annual general meetings pursuant to the Company’s Articles of Association.

Save as disclosed above, there are no other matters concerning Mr. Leung that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

2. **Lo Kwong Chi, Clement** (“Mr. Lo”), aged 63, has been an Independent Non-Executive Director of the Company since 1993 and non-executive Director of the Company since appointment to the Board in 1975. Save as disclosed above, Mr. Lo did not hold any directorship in other listed public companies in the last three years prior to the Latest Practicable Date.

Mr. Lo is a solicitor by profession and was admitted to practice both in Hong Kong and England in 1970. Mr. Lo is not related to any other Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Lo was interested in 403,754 Shares within the meaning of Part XV of the SFO. There is no service contract between Mr. Lo and the Company. Mr. Lo is not appointed for a specific term but is subject to retirement by rotation and re-election at the annual general meetings pursuant to the Articles of Association. For the Year, he is entitled to a Director’s fee of HK\$195,000 subject to Shareholders’ approval at the AGM. The Director’s fee will be reviewed by the Board from time to time based on the market rate. Save as disclosed above, there are no other matters concerning Mr. Lo that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

3. **Mr. Ding Wai Chuen** (“Mr. Ding”), aged 48, has been an Independent Non-Executive Director of the Company since appointment to the Board in 2004. Mr. Ding is an associate member of the Institute of Chartered Accountants in England and Wales and a fellow member of the Hong Kong Institute of Certified Public Accountants (Practising).

Mr. Ding is an independent non-executive director of Guoco Group Limited, a fellow subsidiary of the Company and a company listed on the Main Board of the Stock Exchange. Save as disclosed above, Mr. Ding did not hold any directorship in other listed public companies in the last three years prior to the Latest Practicable Date.

Mr. Ding is a Partner of Grant Thornton, Certified Public Accountants. Mr. Ding had worked for international firms of accountants in England and in Hong Kong for over 11 years before joining the Hong Kong Institute of Certified Public Accountants (“HKICPA”) in 1994 as the Head of the Professional Compliance Division. His main responsibilities at the HKICPA were monitoring and enforcing compliance with the HKICPA’s professional standards. In 2007, Mr. Ding was appointed by the Hong Kong SAR Government as a member of the Financial Reporting Review Panel of the Financial Reporting Council. Since 2002, Mr. Ding has been appointed by the PRC Ministry of Finance as a member of the Advisory Group of Foreign Experts for the development of PRC’s Independent Auditing Standards. Since the beginning of 2007, he has been involved, as an advisor, in the joint projects between the HKICPA and PRC Ministry of Finance for the comparison of Hong Kong and PRC accounting and

auditing standards. Mr. Ding was appointed by the Hong Kong SAR Government as a member of the Commission on Strategic Development in November 2005 and as a member of the Central Policy Unit Panel on the Pan-Pearl River Delta in January 2006. Mr. Ding has recently been elected as a council member of the HKICPA. Mr. Ding is not related to any other Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Ding was interested in 10,000 Shares within the meaning of Part XV of the SFO. There is no service contract between Mr. Ding and the Company. Mr. Ding is not appointed for a specific term but is subject to retirement by rotation and re-election at the annual general meetings pursuant to the Articles of Association. For the Year, he is entitled to a Director's fee of HK\$175,000 subject to Shareholders' approval at the AGM. The Director's fee will be reviewed by the Board from time to time based on the market rate. Save as disclosed above, there are no other matters concerning Mr. Ding that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

---

## NOTICE OF ANNUAL GENERAL MEETING

---



### LAM SOON (HONG KONG) LIMITED

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 411)**

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of Lam Soon (Hong Kong) Limited (the “Company”) will be held at 3rd Floor, Lam Soon Building, 21 Dai Fu Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong on Tuesday, 18 November 2008 at 10:30 a.m. for the following purposes:

As Ordinary Business:

1. To lay before the meeting the audited Statements of Accounts together with the Reports of the Directors and Auditors thereon for the year ended 30 June 2008.
2. To declare a final dividend.
3. To fix the fees of the Directors for the year ended 30 June 2008 and to re-elect retiring Directors.
4. To appoint Auditors and to authorise the Board of Directors to fix their remuneration.

As Special Business:

5. To consider and, if thought fit, pass with or without amendments, the following ordinary resolutions:

#### **Ordinary Resolutions**

A. **“THAT:**

- (a) subject to paragraph (b), the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to repurchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited, subject to and in accordance with all applicable laws of the Hong Kong Special Administrative Region and the Memorandum and Articles of Association of the Company, be and is hereby generally and unconditionally approved;



---

## NOTICE OF ANNUAL GENERAL MEETING

---

(b) the aggregate nominal amount of shares of the Company to be purchased by the Director of the Company pursuant to the approval in paragraph (a) shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution and the said approval shall be limited accordingly; and

(c) for the purposes of this resolution:

“Relevant Period” means the period from 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 Articles of Association of the Company or any applicable law to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution in general meeting.”

B. **“THAT:**

(a) subject to paragraph (b), the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to allot and issue additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers either during or after the Relevant Period be and is hereby generally and unconditionally approved;

(b) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to:

- (i) a Rights Issue;
- (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or securities which are convertible into shares of the Company;
- (iii) the exercise of any option under the Company’s share option schemes; or

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (iv) any scrip dividend or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company,

shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution and this approval shall be limited accordingly; and

- (c) For the purposes of this resolution:

“Relevant Period” means the period from 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 Articles of Association of the Company or any applicable laws to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to the holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

---

## NOTICE OF ANNUAL GENERAL MEETING

---

C. “**THAT:**

conditional upon the passing of the resolutions nos. 5A and 5B of the notice convening this meeting, the general mandate granted to the Directors of the Company to exercise the powers of the Company to allot shares pursuant to resolution no. 5B be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 5A, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution.”

By Order of the Board  
**Cheng Man Ying**  
*Company Secretary*

Hong Kong, 24 October 2008

*Notes:*

- (1) A shareholder entitled to attend and vote at the meeting convened by this notice is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy does not need to be a shareholder of the Company.
- (2) In order to be valid, the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a copy of such authority notarially certified, must be deposited at the registered office of the Company at 3rd Floor, Lam Soon Building, 21 Dai Fu Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting, as the case may be. Completion and return of the form of proxy will not preclude a shareholder from attending and voting at the meeting if the shareholder so wish.
- (3) The register of members of the Company will be closed from 13 November 2008 to 19 November 2008, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the final dividend, all share transfers accompanied by the requisite share certificates must be lodged with the Company's Registrar — Hongkong Managers and Secretaries Limited at Unit 3401-2, 34th Floor, AIA Tower, 183 Electric Road, North Point, Hong Kong for registration not later than 4:00 p.m. on 12 November 2008.