
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt about any aspect of this circular, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Van Shung Chong Holdings Limited (the “Company”), you should at once hand this circular together with the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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VSC万顺昌

VAN SHUNG CHONG HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1001)

Board of Directors:

Andrew Yao Cho Fai, *Chairman*
Fernando Dong Sai Ming
Chow Yei Ching*
Harold Richard Kahler*
Kenny Tam King Ching*
Xu Lin Bao*

(Independent Non-executive Directors)*

*To the shareholders (and, for information only,
to holders of outstanding options)*

Dear Sir or Madam,

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head Office and Principal Place
of Business:*

Rooms 4902-8, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

30th July, 2007

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

INTRODUCTION

The purpose of this circular is to seek shareholders' approval of certain proposals which would, firstly, provide a fresh general mandate to the directors of the Company (the “Directors”) to issue shares in the Company, and secondly, continue to enable the Company to repurchase its own shares on the Stock Exchange in accordance with the terms and conditions set out in this circular, and thirdly, the re-election of Directors.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Rooms 4902-8, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong on 31st August, 2007 at 10:00 a.m.
“Board”	the board of Directors
“Codes”	The Codes on Takeovers and Mergers and Share Repurchases
“Company”	Van Shung Chong Holdings Limited
“Director(s)”	the director(s) of the Company
“VSC Group”	the Company and its subsidiaries
“Huge Top”	Huge Top Industrial Ltd.
“Latest Practicable Date”	24th July, 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Notice”	Notice of the AGM
“Options”	option(s) to subscribe for Share(s) granted or available for grant under the Share Option Scheme
“Share(s)”	fully paid share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE CHAIRMAN

ANNUAL GENERAL MEETING

Notice of the Company's 2007 AGM to be held on 31st August, 2007 is set out on pages 11 to 14 of this circular. A form of proxy for use at the AGM is also enclosed. Whether or not shareholders intend to be present at the AGM, they are requested to complete the form of proxy and deposit it with the Company Secretary at the head office and principal place of business of the Company at Rooms 4902-8, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in accordance with the instructions printed thereon, not later than 48 hours before the time fixed for holding the AGM. The return of the form of proxy will not prevent shareholders from attending the AGM and voting in person should they wish to do so.

GENERAL MANDATE FOR ISSUE OF SHARES

Ordinary resolutions (Resolutions nos. 5A and 5C as set out in the Notice) are to be proposed at the AGM which, if passed, will give the Directors a fresh general mandate to issue new Shares in the Company not exceeding 20 per cent. of the Company's issued share capital as at the date of passing such resolutions, and to issue any Shares in place of those repurchased by the Company pursuant to the Repurchase Mandate (as defined below).

Accordingly, on the basis of 376,840,251 Shares in issue as at 24th July, 2007, being the Latest Practicable Date prior to the printing of this circular, and assuming that no Shares will be issued or repurchased prior to the AGM, exercise in full of the 20% general mandate will result in up to 75,368,050 Shares being issued by the Company during the Relevant Period (as defined in the Resolution no. 5A).

The general purpose of such a mandate is to enable the Directors to issue Shares up to a specified amount without first having to obtain the consent of shareholders in general meeting. The need to make such an issue of Shares could, for example, arise in the context of a transaction (such as the acquisition of a company) which had to be completed speedily. The mandate will expire at the earliest of: a) the conclusion of the next annual general meeting of the Company; b) the expiration of the period within which the next annual general meeting of the Company is required by the laws of Bermuda or the Company's Bye-laws to be held; and c) the date on which the authority given under the ordinary resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.

GENERAL MANDATE FOR REPURCHASE OF OWN SHARES

The existing general mandate to repurchase Shares was granted to the Directors at the previous annual general meeting held on 31st August, 2006. At the AGM, an ordinary resolution (Resolution no. 5B as set out in the Notice) is to be proposed which, if passed, will give the Directors a fresh general mandate (the "Repurchase Mandate") to exercise the Company's power to repurchase its own Shares on the Stock Exchange, which mandate will be acted upon by the Directors where they consider it to be in the best interests of the Company to do so.

If this ordinary resolution is passed, the Company will be entitled to repurchase on the Stock Exchange, pursuant to the Repurchase Mandate, Shares representing up to an aggregate of 10 per cent. of the issued share capital of the Company at the date of passing such resolution in accordance with the Listing Rules, in the period whilst the Repurchase Mandate is in effect (normally, until the next annual general meeting of the Company). Under the Listing Rules, the Company and its Directors must also comply with the Codes.

The explanatory statement set out in the Appendix on pages 8 to 10 of this circular contains further details relating to the proposed Repurchase Mandate including, in particular, the reasons for the proposals and other details required to be set out by the Listing Rules.

LETTER FROM THE CHAIRMAN

PROPOSED RE-ELECTION OF DIRECTORS

In accordance with the Company's revised Bye-law 87(1), Mr. Yao Cho Fai, Andrew ("Mr. Yao") and Dr. Chow Yei Ching ("Dr. Chow") and Mr. Harold Richard Kahler ("Mr. Kahler") will retire by rotation. Mr. Yao, Dr. Chow and Mr. Kahler being eligible, will offer themselves for re-election, at the AGM.

Particulars of the Directors proposed to be re-elected at the AGM are as follows:

Mr. Yao, aged 41, joined the Company on 12th January 1994 and is currently the chairman and chief executive officer of the Company. Mr. Yao graduated from the University of California, Berkeley and Harvard Graduate School of Business. He is responsible for the VSC Group's overall corporate strategy and objectives. He serves as a member of Hong Kong Housing Society. He also sits on the Shanghai People's Political Consultative Conference, chairman of Shanghai Youths Federation, chairman of the Hong Kong United Youth Association Limited, deputy chairman of China Young Entrepreneurs' Association, director of the Shanghai Fudan University and court member of the University of Hong Kong. Mr. Yao is also an executive director of North Asia Strategic Holdings Limited which is a company listed on Growth Enterprise Market and an independent non-executive director of Grand Investment International Limited and Kader Holdings Company Limited which are companies listed on main board. He is also a director of most of the subsidiaries of the Company. Save as the above, Mr. Yao did not hold any other directorship in any other listed company in the last three years.

The total amount of the directors' emoluments received by Mr. Yao for the year ended 31st March, 2007 were HK\$1,968,500, and the details are set out in "Directors' and Senior Executives' Emoluments" under "Notes to the Financial Statements" of the Company's annual report 2007. The Company has not entered into any service contract with Mr. Yao. Mr. Yao is subject to retirement by rotation and re-election at the AGM in accordance with the Bye-laws and his emolument will be reviewed annually taking into consideration prevailing market practice.

As at the Latest Practicable Date, Mr. Yao has the following interests, within the meaning of Part XV of the Securities and Futures Ordinance:

(i) Mr. Yao's long positions in Shares and options of the Company

Name	Nature of interest	Attributable interest to Mr. Yao	Number of Shares	Approximate percentage	Number of share options	Aggregate interest
Mr. Yao	Corporate interest held by Huge Top (<i>Note</i>)	deemed interest (indirectly)	173,424,000	46.02%	—	173,424,000
	Personal interest	100% (directly)	<u>1,614,000</u>	<u>0.43%</u>	<u>1,500,000</u>	<u>3,114,000</u>
			<u>175,038,000</u>	<u>46.45%</u>	<u>1,500,000</u>	<u>176,538,000</u>

Note:

As at the Latest Practicable Date, Huge Top holds 173,424,000 Shares. Mr. Yao is one of the two directors of Huge Top. Mr. Yao directly holds approximately 11.91% and indirectly through Perfect Capital International Corp. ("Perfect Capital") owns approximately 42.86% of the issued shares of Huge Top and is entitled to exercise more than one-third of the voting power at general meetings of Huge Top. Mr. Yao owns the entire issued share capital of Perfect Capital. These interests of Mr. Yao in the Shares were corporate interests.

LETTER FROM THE CHAIRMAN

(ii) **Mr. Yao's long positions in associated corporation — Huge Top**

Name	Nature of interest	Attributable interest to Mr. Yao	Number of shares	Approximate percentage
Mr. Yao (<i>Refer to the Note in (i) above</i>)	Corporate interest held by Perfect Capital	deemed interest (indirectly)	36	42.86%
	Personal interest	100% (directly)	<u>10</u>	<u>11.91%</u>
			<u>46</u>	<u>54.77%</u>

Save as the above, Mr. Yao does not has any other relationships with any directors, senior management or substantial or controlling Shareholders of the Company.

Save as disclosed above, there is no other matter relating to the re-election of Mr. Yao that needs to be brought to the attention of the Shareholders and there is no information which is discloseable nor is/was Mr. Yao involved in any matters required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Dr. Chow, aged 71, is an independent non-executive director and audit committee member of the Company. Dr. Chow, is the founder and chairman of Chevalier Group that comprises two public-listed companies in Hong Kong, namely Chevalier International Holdings Limited and Chevalier Pacific Holdings Limited. He is an independent non-executive director of Shaw Brothers (Hong Kong) Limited and Towngas China Company Limited and a non-executive director of Television Broadcasts Limited. Dr. Chow is the Honorary Consul of The Kingdom of Bahrain in Hong Kong and a standing committee member of the Chinese People's Political Consultative Conference, Shanghai. Dr. Chow holds an Honorary Degree of Doctor of Laws from The University of Hong Kong and an Honorary Degree of Doctor of Business Administration from The Hong Kong Polytechnic University. He also serves in a number of positions in various educational, charitable and trade organisations. Save as the above, Dr Chow did not hold any other directorship in any other listed company in the last three years.

Dr. Chow joined the Company as an independent non-executive Director on 18th January, 1994 and is entitled to receive a director's emolument of HK\$80,000 per annum. His director's fee will be determined by the Board and will be reviewed annually taking into consideration prevailing market practice.

As at the Latest Practicable Date, Dr. Chow did not have any interest in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. The Company has not entered into any service contract with Dr. Chow. Dr. Chow is subject to retirement by rotation and re-election at the AGM in accordance with the Bye-laws. Dr. Chow does not has any other relationships with any directors, senior management or substantial or controlling Shareholders of the Company.

Save as disclosed above, there is no other matter relating to the re-election of Dr. Chow that needs to be brought to the attention of the Shareholders and there is no information which is discloseable nor is/was Dr. Chow involved in any matters required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

LETTER FROM THE CHAIRMAN

Mr. Kahler, aged 60, is an independent non-executive director and audit committee member of the Company. Mr. Kahler, is an experienced international business executive, specialised in advising companies that are expanding their presence in the Greater China region. Mr. Kahler graduated from George Washington University with a Master Degree in Economics and received his Juris Doctor from Georgetown University. Mr. Kahler has extensive Asia experience. From 1990 to mid-2002, he served Caterpillar Inc., in Asia — first as managing director of P.T. Natra Raya, a manufacturing and assembly operation in Indonesia; then as president of Caterpillar China, where he was responsible for establishing a new business subsidiary to manage Caterpillar's growing interests and investments in the region. Other assignments with Caterpillar and the US Government have provided Mr. Kahler experience with Japan, Vietnam and other Asian economies. In 2002, Mr. Kahler served as chairman of the American Chamber of Commerce in Hong Kong.

Mr. Kahler joined the Company as an independent non-executive Director on 24th September, 2002 and is entitled to receive a director's emolument of US\$45,000 per annum. His director's fee will be determined by the Board and will be reviewed annually taking into consideration prevailing market practice.

As at the Latest Practicable Date, Mr. Kahler has personal interest of 66,000 Shares (representing 0.02% of the issued share capital of the Company as at the Latest Practicable Date), within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Kahler entered into an employment contract with the Company for a term of 3 years until 31st December, 2009. Pursuant to the terms of the employment contract, the annual salary of Mr. Kahler is US\$45,000. He does not at present, and in the past three years did not, hold any other directorship in any listed public company. Mr. Kahler does not has any other relationships with any directors, senior management or substantial or controlling Shareholders of the Company.

Save as disclosed above, there is no other matter relating to the re-election of Mr. Kahler that needs to be brought to the attention of the Shareholders and there is no information which is discloseable nor is/was Mr. Kahler involved in any matters required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

RIGHT TO DEMAND A POLL

Pursuant to Bye-law 66 of the Bye-laws of the Company, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded:

- (a) by the chairman of the AGM; or
- (b) by at least three Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the AGM; or
- (d) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy and holding Shares conferring a right to vote at the AGM 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 the right; or
- (e) by any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing 5% or more of the total voting rights of all the Shareholders having the right to vote at the AGM.

LETTER FROM THE CHAIRMAN

A demand by a person as proxy for a Shareholder or in the case of a Shareholder being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a Shareholder.

RECOMMENDATION

The Directors consider that the proposals referred to in this circular are in the best interests of the Company and the Shareholders and recommend that the Shareholders vote in favour of the Resolutions nos. 5A, 5B and 5C to be proposed at the AGM.

Yours faithfully,
Andrew Yao Cho Fai
Chairman

This explanatory statement has been prepared in accordance with and as required by the provisions of the Listing Rules in relation to the resolution numbered 5B (the “Resolution”) contained in the Notice, as set out on pages 11 to 14 of this circular for the repurchase by the Company of its own Shares on the Stock Exchange. This explanatory statement includes information for the Shareholders to enable them to decide whether or not to approve the Repurchase Mandate. Repurchase by the Company of its own Shares pursuant to the Repurchase Mandate may be made subject to certain restrictions.

EXERCISE OF THE REPURCHASE MANDATE

The Resolution will, if passed, give a general unconditional Repurchase Mandate to the Directors authorising the repurchase by the Company of up to 10 per cent. of the fully paid Shares in issue as at the date of passing such resolution in each case at any time during the Relevant Period (as defined in the Resolution).

Accordingly, on the basis of 376,840,251 Shares in issue as at the Latest Practicable Date, and assuming that no Shares will be issued or repurchased prior to the AGM, exercise in full of the Repurchase Mandate will result in up to 37,684,025 Shares being repurchased by the Company during the Relevant Period (as defined in the Resolution).

REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and Shareholders to have a general authority from Shareholders to enable the Directors to repurchase Shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement in the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and Shareholders. However, the Directors have no present intention to repurchase any Shares.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with Bermuda law and the Memorandum of Association and Bye-laws of the Company. Such funds may include capital paid up on the repurchased Shares or funds otherwise available for dividend or distribution and the proceeds of a fresh issue of Shares made for the purpose of the repurchases. Any premium payable on a repurchase over the par value of Shares to be repurchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company’s share premium account.

If the Repurchase Mandate was exercised in full at any time during the proposed repurchase period, there could be a material adverse effect on the working capital position of the VSC Group or the gearing levels (as compared with the position disclosed in the latest published audited consolidated accounts as at 31st March, 2007). The Directors therefore do not propose to exercise the Repurchase Mandate to such an extent unless the Directors determine that such repurchases are, taking into account all relevant factors, in the best interests of the VSC Group.

SHARE PRICES

The highest and lowest prices at which Shares of the Company have been traded on the Stock Exchange during each of the previous twelve months preceding the date of this circular were as follows:

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
July 2006	0.850	0.690
August 2006	0.840	0.730
September 2006	0.970	0.800
October 2006	0.890	0.820
November 2006	0.870	0.790
December 2006	1.070	0.820
January 2007	1.230	0.920
February 2007	1.330	1.070
March 2007	1.280	1.120
April 2007	1.340	1.150
May 2007	1.560	1.250
June 2007	1.890	1.140
July 2007 (up to Latest Practicable Date)	1.750	1.420

DISCLOSURE OF INTERESTS

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

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the laws of Bermuda.

No connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

THE CODES ON TAKEOVERS AND MERGERS AND SHARE REPURCHASES

If as a result of a share repurchase by the Company, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Codes. Accordingly, a shareholder or a group of shareholders acting in concert, could, depending upon the level of increase in shareholding interest(s), become obliged to make a mandatory offer in accordance with Rule 26 of the Code on Takeovers and Mergers. In the event that any exercise of the Repurchase Mandate will, to the knowledge of the Directors, have such a consequence, the Directors will not exercise the mandate to such an extent. As at the Latest Practicable Date, Huge Top, the only substantial shareholder who had registered an interest of 10% or more of the issued share capital of the Company, had a shareholding percentage in the Company of approximately 46.02%. If the Repurchase Mandate is exercised in full, Huge Top's shareholding percentage in the Company will be increased to approximately 51.13%. The Directors have no present intention to exercise the proposed Repurchase Mandate to such an extent as would result in takeover obligations.

REPURCHASES MADE BY THE COMPANY

No purchase has been made by the Company of its Shares (on the Stock Exchange or otherwise) in the six months prior to the date of this document.

NOTICE OF ANNUAL GENERAL MEETING



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VAN SHUNG CHONG HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1001)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the members of Van Shung Chong Holdings Limited (the “Company”) will be held at Rooms 4902-8, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong on 31st August, 2007 at 10:00 a.m. for the following purposes:

1. To receive and adopt the audited accounts and the Reports of the Directors and Auditors for the year ended 31st March, 2007.
2. To consider and declare a final dividend of HK2.6 cents per share for the year ended 31st March, 2007.
3. To re-elect Directors and authorise the Board of Directors to fix the Directors’ remuneration and to appoint new Directors from time to time.
4. To re-appoint PricewaterhouseCoopers as the Company’s Auditors and authorise the Board of Directors to fix their remuneration.

As special business, to consider and, if thought fit, to pass with or without modifications, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

5. A. **“THAT:**
 - (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined below) 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 would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period (as defined below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period (as defined below);
 - (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 (as defined below) or (ii) the exercise of subscription or conversion rights under any warrants of the Company and under any securities which are convertible into shares in the capital of the Company, (iii) on the exercise of the subscription

NOTICE OF ANNUAL GENERAL MEETING

rights under share option schemes of the Company approved by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or (iv) any scrip dividend scheme or similar arrangement implemented in accordance with the Bye-laws of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution, and the said approval 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 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 Bermuda law or the Company’s Bye-laws to be held; and
 - (iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members of the Company 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 any relevant jurisdiction or the requirements of any recognised regulatory body or any stock exchange).”

B. “THAT:

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase issued shares of HK\$0.10 each in the capital of the Company (“Shares”), subject to and in accordance with paragraph (c) below and all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as defined below) to procure the Company to purchase its Shares at such prices as the Directors at their discretion may determine;
- (c) the aggregate nominal amount of Shares which are authorised to be purchased by the Directors pursuant to the approval in paragraph (a) shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) 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 Bermuda law or the Company’s Bye-laws to be held; and
 - (iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.”
- C. “**THAT** conditional upon the passing of Resolutions nos. 5A and 5B set out in the notice convening this meeting, the aggregate nominal amount of Shares which shall have been repurchased by the Company pursuant to and in accordance with Resolution no. 5B set out in the notice convening this meeting shall be added to the aggregate nominal amount of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with Resolution no. 5A set out in the notice convening this meeting, provided that such additional amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution.”

By Order of the Board
Tse Sau Wai
Company Secretary

Hong Kong, 30th July, 2007

Registered Office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head Office and Principal Place of Business:
Rooms 4902-8, Hopewell Centre
183 Queen’s Road East
Wanchai, Hong Kong

The Directors as at the date of this notice are:

Executive Directors: Andrew Yao Cho Fai (*Chairman*); Fernando Dong Sai Ming

Independent non-executive Directors: Chow Yei Ching; Harold Richard Kahler; Kenny Tam King Ching;
Xu Lin Bao

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member entitled to attend and vote at the above meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company. In order to be valid, a form of proxy must be deposited with the Company Secretary at the head office and principal place of business of the Company at Rooms 4902-8, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, together with any power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
2. The register of members of the Company will be closed from Wednesday, 29th August, 2007 to Friday, 31st August, 2007 (both dates inclusive) during which period no transfer of Shares can be registered. In order to qualify for the final dividend which, if approved, will be payable on or before 28th September, 2007, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong Share Registrars, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. (Hong Kong SAR time) on 28th August, 2007.
3. Under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), the general mandate lapses unless it is renewed at each annual general meeting.
4. With respect to Resolutions nos. 5B and 5C, approval is being sought from shareholders for a general mandate to be given to the Directors to repurchase Shares and to issue Shares as a result of such repurchase. In accordance with the Listing Rules and the Code on Share Repurchases, an explanatory statement in connection with the general mandate to repurchase Shares, is included in the accompanying circular and will be despatched to shareholders together with the annual report for the year ended 31st March, 2007.