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If you are in doubt about this circular or as to 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 **K & P INTERNATIONAL HOLDINGS LIMITED** (the “Company”), you should at once hand this circular to the purchaser or transferee or the bank or stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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K & P INTERNATIONAL HOLDINGS LIMITED

堅寶國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 675)

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
AND
NOTICE OF THE ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company to be held at The Rosewood, 3/F., Renaissance Kowloon Hotel, 22 Salisbury Road, Tsimshatsui, Kowloon, Hong Kong on Tuesday, 2 June 2009 at 10:00 a.m. is set out on pages 12 to 14 of this circular. Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

30 April 2009

* For identification purposes only

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DEFINITIONS

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

| | |
|---------------------------|---|
| “Annual General Meeting” | an annual general meeting of the Company to be held at The Rosewood, 3/F., Renaissance Kowloon Hotel, 22 Salisbury Road, Tsimshatsui, Kowloon, Hong Kong on Tuesday, 2 June 2009 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 12 to 14 of this circular, or any adjournment thereof; |
| “Board” | the board of Directors; |
| “Company” | K & P International Holdings Limited (堅寶國際控股有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange; |
| “Current Bye-laws” | the bye-laws of the Company currently in force with any amendments thereto from time to time; |
| “Director(s)” | the director(s) of the Company; |
| “Group” | the Company and its subsidiaries from time to time; |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong; |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China; |
| “Issuance Mandate” | as defined in paragraph 2(b) of the Letter from the Board; |
| “Latest Practicable Date” | 23 April 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular; |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange; |
| “Repurchase Mandate” | as defined in paragraph 2(a) of the Letter from the Board; |
| “SFO” | Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong; |

* *For identification purposes only*

DEFINITIONS

| | |
|------------------|--|
| “Share(s)” | ordinary share(s) of HK\$0.10 each in the capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share 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 Codes on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong. |

LETTER FROM THE BOARD



K & P INTERNATIONAL HOLDINGS LIMITED

堅寶國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 675)

Executive Directors:

Lai Pei Wor (Chairman)

Chan Yau Wah (Deputy Chairman)

Independent Non-executive Directors:

Kung Fan Cheong

Leung Man Kay

Li Yuen Kwan, Joseph

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal place of business

in Hong Kong:

Units 2304-06, 23rd Floor

Riley House, 88 Lei Muk Road

Kwai Chung

New Territories

Hong Kong

30 April 2009

To the shareholders

Dear Sir/Madam,

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS
AND
NOTICE OF THE ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting to be held on Tuesday, 2 June 2009 relating to, among other things, (i) the granting of General Mandates to the Directors for the issue and repurchase of the Company's Shares and (ii) the re-election of the retiring Directors.

* For identification purposes only

LETTER FROM THE BOARD

2. PROPOSED GRANTING OF THE REPURCHASE AND ISSUANCE MANDATES

At the annual general meeting of the Company held on 28 May 2008, general mandates were granted to the Directors to exercise the powers of the Company to repurchase Shares and to issue new Shares respectively. Such mandates will lapse at the conclusion of the Annual General Meeting.

Ordinary resolutions will be proposed at the Annual General Meeting to approve the granting of new general mandates to the Directors:

- (a) to purchase Shares on the Stock Exchange of an aggregate nominal amount of up to 10% of the total nominal amount of the issued share capital of the Company on the date of passing of such resolution (i.e. an aggregate nominal amount of Shares up to HK\$2,655,048 (equivalent to 26,550,480 Shares) on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting) (the “Repurchase Mandate”);
- (b) to allot, issue or deal with Shares of an aggregate nominal amount of up to 20% of the total nominal amount of the issued share capital of the Company on the date of passing of such resolution (i.e. an aggregate nominal amount of Shares up to HK\$5,310,096 (equivalent to 53,100,960 Shares) on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting) (the “Issuance Mandate”); and
- (c) to extend the Issuance Mandate by an amount representing the aggregate nominal amount of Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Repurchase Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in the proposed ordinary resolutions contained in items 4 and 5 of the notice of the Annual General Meeting as set out on pages 12 to 14 of this circular. With reference to the Repurchase Mandate and the Issuance Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

3. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to Bye-law 87(1) of the Current Bye-laws, at each annual general meeting 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 less than one-third) shall retire from office by rotation.

LETTER FROM THE BOARD

Pursuant to Bye-law 87(2) of the Current Bye-laws, a retiring Director shall be eligible for re-election. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

According to Bye-laws 87(1) and 87(2) of the Current Bye-laws, Mr. Lai Pei Wor and Mr. Kung Fan Cheong shall retire by rotation at the Annual General Meeting. Both of the two retiring Directors, being eligible, will offer themselves for re-election at the said meeting.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of Mr. Lai Pei Wor and Mr. Kung Fan Cheong are set out in Appendix II to this circular.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 12 to 14 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the granting of the Repurchase Mandate and the Issuance Mandate, the extension of the Issuance Mandate by the addition thereto of the nominal amount of Shares repurchased pursuant to the Repurchase Mandate and the re-election of the retiring Directors.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, at the Share Registrar of the Company in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

5. VOTING BY POLL

Pursuant to the amended Rule 13.39(4) of the Listing Rules which became effective on 1 January 2009, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the Company will procure that the chairman of the Annual General Meeting shall demand voting on all resolutions set out in the notice of the Annual General Meeting be taken by way of poll. The chairman would explain the detailed procedures for conducting a poll at the commencement of the Annual General Meeting.

LETTER FROM THE BOARD

On a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy shall have one vote for every fully paid Share held. A Shareholder present in person (or, in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy who is entitled to more than one vote need not use all his votes or cast all his votes in the same way.

After the conclusion of the Annual General Meeting, the poll results will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and of the Company (www.kpihl.com).

6. RECOMMENDATION

The Directors consider that the granting of the Repurchase Mandate, the granting/extension of the Issuance Mandate and the re-election of the retiring Directors are in the best interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

7. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory Statement on the Repurchase Mandate) and Appendix II (Details of the retiring Directors proposed to be re-elected at the Annual General Meeting) to this circular.

Yours faithfully,
On behalf of the Board
Lai Pei Wor
Chairman

The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Repurchase Mandate.

1. REASONS FOR REPURCHASE OF SHARES

The Directors believe that the granting of the Repurchase Mandate is in the interests of the Company and the Shareholders.

Repurchases of Shares 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. The Directors are seeking the granting of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 265,504,800 Shares.

Subject to the passing of the ordinary resolution set out in item 4 of the notice of the Annual General Meeting in respect of the granting of the Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, i.e. being 265,504,800 Shares, the Directors would be authorized under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, an aggregate nominal amount of Shares up to HK\$2,655,048 (equivalent to 26,550,480 Shares), representing 10% of the aggregate nominal amount of the Shares in issue as at the date of the Annual General Meeting.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws, the laws of Bermuda and/or any other applicable laws, as the case may be.

The Company is empowered by its memorandum of association and the Current Bye-laws to repurchase Shares. The laws of Bermuda provide that the amount of capital paid in connection with a share repurchase by a company may only be paid out of either the capital paid up on the relevant shares, or the funds of the company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of shares made for such purpose. The amount of premium payable on repurchase may only be paid out of the funds of the company which would otherwise be available for dividend or distribution or out of the share premium account of the company before the shares are repurchased.

4. IMPACT OF REPURCHASES

Repurchased Shares shall be treated as cancelled and the amount of the Company's issued capital shall be diminished by the nominal value of those Shares accordingly; but the purchase of shares under this section shall not be taken as reducing the amount of the Company's authorised share capital.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2008) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. TAKEOVERS CODE

If, on the exercise of the power to 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 for the purposes of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, Mr. Lai Pei Wor, the substantial shareholder of the Company and the Chairman and an Executive Director of the Company, was interested in 104,372,000 Shares, representing approximately 39.31% of the total issued share capital of the Company. On the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the relevant ordinary resolution to be proposed at the Annual General Meeting, the interests of Mr. Lai Pei Wor in the issued Shares would be increased to approximately 43.68% of the total issued share capital of the Company. Such an increase may give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. However, the Directors have no intention to exercise the Repurchase Mandate to such extent as would give rise to this obligation.

In addition, the Directors consider that the full exercise of the Repurchase Mandate will not lead to the percentage of the Company's public float falling below 25% of the Company's total issued share capital.

6. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the 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 of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

7. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange during each of the previous 12 months were as follows:

| Month | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
|---|--------------------------------|-------------------------------|
| 2008 | | |
| April | 0.310 | 0.280 |
| May | 0.285 | 0.250 |
| June | 0.285 | 0.285 |
| July | 0.285 | 0.285 |
| August | 0.230 | 0.230 |
| September | 0.225 | 0.185 |
| October | 0.180 | 0.180 |
| November | 0.165 | 0.125 |
| December | 0.170 | 0.110 |
| 2009 | | |
| January | 0.170 | 0.140 |
| February | — | — |
| March | 0.109 | 0.108 |
| April (up to the Latest Practicable Date) | 0.220 | 0.155 |

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the previous six months (whether on the Stock Exchange or otherwise).

Pursuant to the Listing Rules, the details of the Directors, who will retire and offer themselves for re-election at the Annual General Meeting according to the Current Bye-laws, are provided below.

(1) MR. LAI PEI WOR

Position and experience

Mr. Lai Pei Wor (“Mr. LAI”), aged 52, has been appointed as the chairman and executive Director of the Company since 1996. Mr. LAI is also a director of various subsidiaries of the Group. He is the founder of the Group and has over 27 years’ experience in the industry. He is responsible for the Group’s overall strategic planning, policy making and financing.

Mr. LAI has not held any other directorships in listed public companies in the last three years.

Length of service

Mr. LAI has entered into a service contract with the Company for a term of three years commencing from 1 January 2009, and thereafter until terminated by either party serving not less than six months and in any event not more than one year prior notice in writing.

Mr. LAI is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Current Bye-laws. The provisions of the Current Bye-laws in respect of such directors’ retirement by rotation and re-election have been set out in paragraph 3 of the letter from the Board in this circular.

Relationships

As far as the Directors are aware, Mr. LAI does not have any relationship with any director but he is the brother of Mr. Lai Yiu Chun, a substantial shareholder of the Company and an executive director of HI-Tech Precision Plastic Limited, a subsidiary of the Company.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. LAI beneficially owned 7,130,000 Shares of the Company and was deemed to be interested in 97,242,000 Shares of the Company owned by a discretionary trust, The Lai Family Trust, that is set up by Mr. LAI for the benefit of his family. Mr. LAI therefore had an aggregate interest in 104,372,000 Shares of the Company representing approximately 39.31% of the issued share capital of the Company in accordance with the meaning of Part XV of the SFO.

Director’s emoluments

According to the service contract entered with the Company in 2009, Mr. LAI is entitled to an annual emoluments of HK\$2,310,100 per year, subject to annual review by the Board, payable on a monthly basis and a discretionary bonus as determined by the Board with reference to his experience and the remuneration benchmark in the industry, the Company’s performance and the prevailing market conditions and all of his emoluments have been covered by his service contract.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is/was Mr. LAI involved in any of the matters required to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. LAI that need to be brought to the attention of the Shareholders.

(2) MR. KUNG FAN CHEONG**Position and experience**

Mr. KUNG Fan Cheong (“Mr. KUNG”), aged 54, has been appointed as an independent non-executive Director of the Company since 1996. Mr. KUNG is also a member of the audit committee and the chairman of the remuneration committee of the Company. He is a solicitor of the High Court of Hong Kong and is a partner in the law firm of Pang, Kung & Co.. He is a member of The Law Society of Hong Kong. Mr. KUNG is also an independent non-executive Director of Tack Hsin Holdings Limited, a company incorporated in Bermuda and listed on the Stock Exchange.

Save as disclosed above, Mr. KUNG has not held any other directorships in listed public companies in the last three years.

Length of service

Mr. KUNG has entered into a service contract with the Company for a term of two years commencing from 1 October 2007. Mr. KUNG can resign as an independent non-executive Director of the Company by written notice given to the Company. The Company is entitled to terminate Mr. KUNG’s appointment as an independent non-executive Director of the Company by not less than one month’s and in any event not more than one year prior notice in writing (or by payment in lieu of notice) given at any time.

Mr. KUNG is also subject to retirement by rotation and re-election at the Company’s annual general meeting in accordance with the Current Bye-laws. The provisions of the Current Bye-laws in respect of such directors’ retirement by rotation and re-election have been set out in paragraph 3 of the letter from the Board in this circular.

Relationships

As far as the Directors are aware, Mr. KUNG does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. KUNG was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Director’s emoluments

Mr. KUNG is entitled to receive a director’s fee of HK\$22,000 per month, which is determined by the Board by reference to Mr. KUNG’s duties and responsibilities, and is in line with the director’s fee payable to other independent non-executive Directors of the Company. All of his emoluments have been covered by his service contract.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is/was Mr. KUNG involved in any of the matters required to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. KUNG that need to be brought to the attention of the Shareholders.

NOTICE OF THE ANNUAL GENERAL MEETING



K & P INTERNATIONAL HOLDINGS LIMITED

堅寶國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 675)

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting of K & P International Holdings Limited (the “**Company**”) will be held at The Rosewood, 3/F., Renaissance Kowloon Hotel, 22 Salisbury Road, Tsimshatsui, Kowloon, Hong Kong on Tuesday, 2 June 2009 at 10:00 a.m. for the following purposes:

1. To receive the audited consolidated financial statements of the Company and the reports of the directors and auditors for the year ended 31 December 2008;
2. To re-elect directors, to authorize the board of directors to fix the respective directors’ remuneration and to set a maximum number of directors;
3. To re-appoint auditors and to authorize the board of directors to fix their remuneration;

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

4. “**THAT:**
 - (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to purchase its shares in accordance with all applicable laws, rules and regulations;
 - (b) the total nominal amount of shares of the Company to be purchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the said mandate 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;

* For identification purposes only

NOTICE OF THE ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”;

5. **“THAT:**

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined below) 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 powers;
- (b) the mandate in paragraph (a) above shall authorize the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company; and
 - (iii) any scrip dividend scheme or similar arrangement 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 bye-laws of the Company,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company on the date of the passing of this resolution and the said mandate 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 the bye-laws of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

NOTICE OF THE ANNUAL 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 class thereof (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 recognized regulatory body or any stock exchange).”; and

6. “**THAT** conditional upon the passing of resolutions set out in items 4 and 5 of the notice convening this meeting (the “Notice”), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate nominal amount of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of an amount representing the aggregate nominal amount of shares purchased by the Company pursuant to the mandate referred to in resolution set out in item 4 of the Notice, provided that such amount 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.”.

On behalf of the Board
Lai Pei Wor
Chairman

Hong Kong, 30 April 2009

Notes:

1. All resolutions at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. The Register of Members of the Company will be closed from Wednesday, 27 May 2009 to Tuesday, 2 June 2009, both dates inclusive, during which period no transfer of shares will be effected. In order to qualify for attending and voting at the above meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 26 May 2009.
5. A circular containing further details concerning items 2, 4, 5 and 6 set out in the above notice will be sent to all shareholders of the Company together with the 2008 Annual Report.