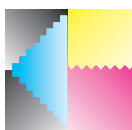

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional advisor.

If you have sold all your shares in Kwong Hing International Holdings (Bermuda) Limited, you should at once hand this circular and 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.

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.



**KWONG HING INTERNATIONAL HOLDINGS
(BERMUDA) LIMITED**

(Incorporated in Bermuda with limited liability)
(Stock Code: 1131)

**PROPOSALS RELATING TO
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND
TO REPURCHASE SHARES AND
PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT
UNDER THE SHARE OPTION SCHEME AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at Floor 6, Grand Ballroom I, Royal Plaza Hotel, 193 Prince Edward Road West, Kowloon, Hong Kong on Tuesday, 28th August 2007 at 3:00 p.m. is set out on pages 12 to 15 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk.

If you are not able to attend the annual general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the office of the Company's head office and principal place of business in Hong Kong at Unit C-D, 8th Floor, Mai Shun Industrial Building, 18-24 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment should you so wish.

3rd August 2007

DEFINITIONS

“AGM”	the annual general meeting of the Company to be held on 28th August 2007
“Associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company, and “Bye-Law” shall mean a bye-law of the Bye-Laws
“Company”	Kwong Hing International Holdings (Bermuda) Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company from time to time
“Eligible Participant(s)”	any full-time or part-time employees of the Company or its subsidiaries (including any executive, non-executive and independent non-executive directors of the Company or its subsidiaries) and any suppliers, consultants and distributors of the Group who, in the sole discretion of the Board, have contributed or may contribute to the Group, eligible for Options under the Share Option Scheme
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	31st July 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Options”	the Options granted under the Share Option Scheme to subscribe for Shares in accordance with the Share Option Scheme

DEFINITIONS

“Proposed Refreshment”	the proposed refreshment of the Scheme Mandate Limit under the Share Option Scheme
“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to repurchase up to 10% of the issued share capital of the Company at the date of the passing of such resolution
“Scheme Mandate Limit”	the maximum number of Shares which may be allotted and issued upon the exercise of all Options which initially shall not in aggregate exceed 10% of the Shares in issue as at the date of adoption of the Share Option Scheme and thereafter, if refreshed shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit by the Shareholders
“SFO”	the Securities and Future Ordinance (Chapter 571 of Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued and unissued share capital of the Company
“Shareholder(s)”	holders of Share(s)
“Share Option Scheme”	the share option scheme adopted by the Company pursuant to an ordinary resolution passed by the Shareholders on 28th August 2002
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Terminated Scheme”	the share option scheme of the Company adopted on 3 March 1997 and terminated by an ordinary resolution of the Shareholders passed on 28th August 2002
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



KWONG HING INTERNATIONAL HOLDINGS (BERMUDA) LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 1131)

Directors:

Mr. Li Man Ching
Ms. Li Mei Lin
Mr. Li Man Shun
Mr. Fung Chi Ki
Mr. Tsui Wing Yin*
Mr. So Kin Wah*
Mr. Lee Pui Shing*

* *Independent non-executive Directors*

Registered office:

Clarendon House,
2 Church Street,
Hamilton, HM II,
Bermuda.

*Head office and principal
place of business:*

Units C-D, 8th Floor,
Mai Shun Industrial Building,
18-24 Kwai Cheong Road,
Kwai Chung, New Territories,
Hong Kong.

To the Shareholders

Dear Sir or Madam,

**PROPOSALS RELATING TO
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND
TO REPURCHASE SHARES AND
PROPOSED
REFRESHMENT OF SCHEME MANDATE LIMIT
UNDER THE SHARE OPTION SCHEME AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the ordinary resolutions to be proposed at the forthcoming AGM relating to (i) re-election of Directors of the Company; (ii) the granting to the Directors the new general mandates to allot, issue and deal with Shares and to repurchase Shares; (iii) the granting to the Directors the mandate to increase the number of Shares to be allotted and issued under the general mandate by an addition number representing such number of Shares repurchased by the Company; and (iv) providing Shareholders with further details of the Proposed Refreshment.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Pursuant to Bye-Laws 101 and 110(A) of the Bye-Laws, Mr. Fung Chi Ki, Mr. So Kin Wah and Mr. Lee Pui Shing shall retire from office by rotation at the AGM. Being eligible, Mr. Fung Chi Ki will offer himself for re-election as an executive Director and Mr. So Kin Wah and Mr. Lee Pui Shing will offer themselves for re-election as independent non-executive Directors at the AGM.

Details of Mr. Fung Chi Ki, Mr. So Kin Wah and Mr. Lee Pui Shing are set out in Appendix I to this circular.

GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

Pursuant to the ordinary resolutions of the Company passed at the annual general meeting held on 31st August, 2006, which granted general mandates to the Directors: (i) to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal value of the then existing share capital of the Company at the date of resolution; (ii) to repurchase Shares with an aggregate nominal value of up to 10% of the aggregate nominal value of the then share capital of the Company at the date of resolution. In addition, a further ordinary resolution was passed to extend the general mandate to issue Shares by the addition of any Shares repurchased by the Company under the authority to repurchase Shares.

No Shares have been repurchased pursuant to the general mandate to repurchase Shares.

These general mandates will lapse at the conclusion of the forthcoming AGM of the Company. The Directors believe that renewal of the general mandates is in the interests of the Company and the Shareholders. Ordinary resolutions will therefore be proposed at the AGM of the Company to be held on Tuesday, 28th August, 2007 to approve new general mandates to allot, issue and deal with Shares and to repurchase Shares.

The ordinary resolution no.4B would grant the Repurchase Mandate to the Directors. In accordance with the Listing Rules, the authority conferred on the Directors by the ordinary resolution no.4B would continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in paragraph (c) of such resolution.

An explanatory statement as required under the Listing Rules, giving certain information regarding the Repurchase Mandate is set out in Appendix II to this circular.

The ordinary resolution no.4A would grant a general mandate to the Directors to allot, issue and deal with the Shares up to a limit of 20% of the issued share capital of the Company as at the date of resolution. Furthermore, the ordinary resolution no.4C would authorise the Directors to issue, under the general mandate contained in the ordinary resolution no.4A, an additional number of Shares representing that number of Shares repurchased under the Repurchase Mandate. In accordance with the Listing Rules, the authority conferred on the Directors by the ordinary resolution no.4A would continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in paragraph (d) of such resolution.

LETTER FROM THE BOARD

The Company has in issue an aggregate of 383,763,200 Shares as at the Latest Practicable Date. Subject to the passing of the proposed resolutions for the approval of the general mandates and in accordance with the terms therein, the Company would be allowed (i) to allot and issue up to a maximum of 76,752,640 Shares, representing 20% of the aggregate nominal amount of the issued Shares; and (ii) to repurchase a maximum of 38,376,320 Shares, representing 10% of the aggregate nominal amount of the issued Share at the time of the passing of the resolution approving the General Mandates on the basis that no further Shares will be issued or repurchased by the Company prior to the AGM.

REFRESHMENT OF THE SCHEME MANDATE LIMIT

The Board proposes that the Scheme Mandate Limit be refreshed to the extent that the total number of securities, which may be issued upon exercise of all Options to be granted under the Share Option Scheme shall not exceed 10% of the Shares in issue as at the date of approval of the Proposed Refreshment by the Shareholders at the AGM.

The Share Option Scheme was adopted by the Company pursuant to the ordinary resolution of the Shareholders on 28th August 2002. Under the Share Option Scheme, the original number of Shares which may be issued upon the exercise of all Options granted or to be granted under the Share Option Scheme was 38,664,000, representing 10% of the issued share capital as at the date of adoption of the Share Option Scheme and the maximum number of Shares that might be issued upon the exercise of all Options under the Share Option scheme or other schemes. Subject to prior Shareholders' approval, the Company may, at any time thereafter, refresh the Scheme Mandate Limit to the extent not exceeding 10% of the Shares in issue as at the date of the aforesaid Shareholders' approval. As at the Latest Practicable Date, 36,273,400 Options, 7,426,400 Options, 7,171,400 Options and 1,933,200 Options was granted, cancelled, lapsed and exercised under the Share Option Scheme respectively. The Board undertakes that no further Options would be granted before the AGM.

As at the Latest Practicable Date, the Company has 383,763,200 Shares currently in issue. The maximum number of Share which may be issued upon the exercise of all the Options to be granted under the Scheme Mandate Limited as refreshed will be 38,376,320 Shares, assuming no further issue or repurchase of Shares prior to the AGM, representing 10% of the issued share capital of the Company as at the date of approval of the Proposed Refreshment by the Shareholders at the AGM.

An ordinary resolution was passed by the Shareholders on 28 August 2002 for the adoption of the Share Option Scheme and termination of the Terminated Scheme. Apart from the Share Option Scheme and the Terminated Scheme, the Company has no other share option scheme. As at the Latest Practicable Date, no share option is outstanding, and no further options may be granted under the Terminated Scheme. Options previously granted under the Share Option scheme (including without limitation those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme) will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed.

LETTER FROM THE BOARD

Pursuant to Rule 17.03(3) of the Listing Rules, the Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme at any time should not exceed 30% of the Shares in issue from time to time. As at the Latest Practicable Date, there are 19,742,400 Options granted and yet to be exercised under the Share Option Scheme, representing approximately 5.14% of the issued share capital of the Company as at the Latest Practicable Date. The Board undertakes that no options shall be granted under any scheme(s) of the Company or any of its subsidiaries if this will result in the 30% limit being exceeded. As at the Latest Practical Date, the total number of Shares which may fall to be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme is 19,742,400 Shares.

Under Rule 17.04(1) of the Listing Rules, each grant of Options under the Share Option Scheme and/or any other share option schemes of the Company to a Director, chief executive, or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors. The Board confirms that the Company has duly complied with this requirement and undertakes that the Company will continue to comply with this requirement.

REASONS FOR THE REFRESHMENT OF THE SCHEME MANDATE LIMIT

The Board considers that it is in the interests of the Company to refresh the Scheme Mandate Limited to permit the granting of further Options so as to provide incentives to, and recognize the contributions of, the Eligible Participants. The Board therefore decided to seek the approval of the Shareholders at the AGM to refresh the Scheme Mandate Limit.

CONDITIONS OF THE REFRESHMENT OF THE SCHEME MANDATE LIMIT

The Proposed Refreshment is conditional upon:

- (i) the passing of the necessary ordinary resolution by the Shareholders at the AGM to approve the Proposed Refreshment; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options to be granted under the refreshed Scheme Mandate Limit.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of Options to be granted under the refreshed Scheme Mandate Limit.

LETTER FROM THE BOARD

RIGHT TO DEMAND A POLL

Pursuant to Bye-Law 78 of the Bye-Laws, 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 (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 three Shareholders present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any Shareholder or Shareholders present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) by a Shareholder or Shareholders present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.
- (v) if required by the Listing Rules, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing 5% or more of the total voting rights at that meeting, and if on a show of hands in respect of any resolution, the meeting votes in the opposite manner to that instructed in those proxies.

Unless a poll be so demanded and not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.

ACTION TO BE TAKEN

Notice of AGM dated 3rd August, 2007 is set out on Appendix III of this circular, and a form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete the form of proxy and return it to the Company's head office and principal place of business in Hong Kong at Units C-D, 8th Floor, Mai Shun Industrial Building, 18-24 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong so as to be received not less than 48 hours before the time appointed for holding the AGM. The return of a form of proxy will not preclude a Shareholder from attending and voting in person at the AGM or any adjournment thereof.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors believe that all the above mentioned resolutions to be proposed at the AGM are in the best interests of the Company as well as its Shareholders. Accordingly, the Directors recommend all Shareholders to vote in favour of the resolutions to be proposed at the AGM.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept fully 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.

Yours faithfully,
Li Man Ching
Chairman

Details of the Directors proposed to be re-elected at the forthcoming AGM are set out as follows:

EXECUTIVE DIRECTOR

Mr. Fung Chi Ki, aged 44, is the Group's chief financial officer and company secretary of the Company. He is member of the Hong Kong Certified Public Accountants and a fellow of the Chartered Institute of Management Accountant. He has over thirteen years' experience in accounting and finance before he joined the Group in July 1998.

There is a service agreement entered into between the Company and Mr. Fung Chi Ki without fixed term, pursuant to which Mr. Fung is entitled to a remuneration of HK\$728,000 per year plus a discretionary bonus as determined by the board of Directors from time to time by reference to market rate after considering his duty and contribution to the Group. The term of his appointment is subjected retirement by rotation in accordance with the Bye-Laws and is also subjected to the termination by either party giving at least three months' prior notice to the other party.

Mr. Fung is not connected with any Directors, senior management of the Company, substantial or controlling Shareholders. As at the Latest Practicable Date, Mr. Fung has a share options for a total of 1,933,200 shares of the company. Save as disclosed above, Mr. Fung does not have any interest in share within the meaning of Part XV of the SFO.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. So Kin Wah, aged 48, holds a master degree in science in construction project management from The University of Hong Kong, and is member of Royal Institution of Chartered Surveyors, The Hong Kong Institute of Surveyors, the Chartered Institute of Building, and The Chartered Institute of Arbitrators.

There is a service agreement entered into between the Company and Mr. So Kin Wah without fixed term, pursuant to which Mr. So is entitled to a remuneration of HK\$100,000 per year by reference to market rate after considering his duty and contribution to the Group. The term of his appointment is subjected retirement by rotation in accordance with the Bye-laws and is also subjected to the termination by either party giving at least three months' prior notice to the other party.

Mr. So does not have any interest in shares within the meaning of Part XV of the SFO.

Mr. So is not connected with any Directors, senior management of the Company, substantial or controlling Shareholders.

Mr. Lee Pui Shing, aged 43, is a senior finance manager of a financial institution in Hong Kong. Mr. Lee is a Chartered Accountant and holds a Bachelor's degree in Commerce from University of Otago in New Zealand. He is a member of New Zealand Institute of Chartered Accountants, a fellow member of Hong Kong Institute of Certified Public Accountants, and possesses extensive experience in corporate management, accounting and finance. Mr. Lee did not hold any directorship in other listed companies in the past.

There is a service agreement entered into between the Company and Mr. Lee Pui Shing with fixed term of three years, pursuant to which Mr. Lee is entitled to a remuneration of HK\$100,000 per year by reference to market rate after considering his duty and contribution to the Group. The term of his appointment is subject retirement by rotation in accordance with the Bye-laws and is also subjected to the termination by either party giving at least three months' prior notice to the other party.

Mr. Lee does not have any interest in share within the meaning of Part XV of the SFO.

Mr. Lee is not connected with any Directors, senior management of the Company, substantial or controlling Shareholders.

Save as disclosed above, none of Mr. Fung Chi Ki, Mr. So Kin Wah and Mr. Lee Pui Shing has information to be disclosed pursuant to any of the requirement under rules 13.51(2)(h) to (v) of the Listing Rules and has matters that need to be brought to the attention of the Shareholders as at the Latest Practicable Date.

1. SHARE CAPITAL

As at Latest Practicable Date, the issued share capital of the Company was 383,763,200 Shares and there were outstanding of share options entitling the holders thereof to subscribe for an aggregate of 19,742,400 Shares. Subject to the passing of the necessary ordinary resolutions and on the basis that no further Shares are issued or repurchased prior to the AGM, an exercise in full of the Repurchase Mandate could accordingly result in up to 38,376,320 Shares being repurchased by the Company during the course of the period prior to the next annual general meeting of the Company.

2. REASONS FOR REPURCHASES

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

3. FUNDING OF REPURCHASES

Repurchases of Shares will be funded entirely from the Company's available cash flow or working capital facilities, which will be funds legally available for the purchase in accordance with the memorandum of association and the bye-laws of the Company and the applicable laws of Bermuda.

The Directors do not propose to exercise the Repurchase Mandate to such an 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. No material adverse effect on the working capital requirements or gearing levels of the Company (as compared with the position disclosed in the audited accounts contained in the annual financial statements for the year ended 31st March 2007) is anticipated in the event that the Repurchase Mandate is exercised in full at any time.

4. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention to sell to the Company or its subsidiaries any of the Shares if the Repurchase Mandate is approved by the Shareholders at the AGM and exercised.

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

As at the Latest Practicable Date, Rayten Limited, the substantial Shareholder of the Company and a company owned as to 34% by Ms. Li Mei Lin, as to 33% by Mr. Li Man Shun, both being executive Directors, held 164,628,000 Shares, representing approximately 42.9% of the issued share capital of the Company. The shareholding of Rayten Limited will be approximately 47.7% of the issued share capital of the Company if the Repurchase Mandate is fully exercised.

Should the Directors exercise in full the power to repurchase Shares, Rayten Limited would be obliged to make a mandatory general offer under Rule 26 of the Takeovers Code. The Directors do not have the intention to exercise the power to repurchase Shares to an extent which would make Rayten Limited or any Shareholder or group of Shareholders to be obliged to make a mandatory offer under Rule 26 of the Takeover Code in this respect.

No connected person (as defined in the Listing Rules) has notified the Company that he/she/it has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

5. SHARE PRICES

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

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2006		
July	0.250	0.220
August	0.210	0.186
September	0.190	0.179
October	0.224	0.180
November	0.250	0.185
December	0.230	0.180
2007		
January	0.213	0.180
February	0.280	0.200
March	0.280	0.181
April	0.405	0.238
May	0.550	0.300
June	0.480	0.340
July (up to the Latest Practicable Date)	1.400	0.380

6. SHARE PURCHASES MADE BY THE COMPANY

The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.



**KWONG HING INTERNATIONAL HOLDINGS
(BERMUDA) LIMITED**

(Incorporated in Bermuda with limited liability)

(Stock Code: 1131)

NOTICE IS HEREBY GIVEN that the annual general meeting of Kwong Hing International Holdings (Bermuda) Limited (the “Company”) will be held at Floor 6, Grand Ballroom I, Royal Plaza Hotel, 193 Prince Edward Road West, Kowloon, Hong Kong on Tuesday, 28th August 2007 at 3:00 p.m. for the following purposes:

1. To receive and adopt the audited financial statements and the reports of directors (the “Directors”) and auditors for the year ended 31st March, 2007;
2. To re-elect Directors and authorize the board of Directors (the “Board”) to fix the Directors’ remuneration;
3. To re-appoint the auditors and authorize the board of Directors to fix their remuneration;
4. As special business, to consider and, if thought fit, to pass the following resolutions as ordinary resolutions:

A. **“THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorize the Directors of the Company 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 of the Company pursuant to the approval in paragraph (a) of this resolution otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) any scrip dividend 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, or (iii) the exercise of rights of conversion or subscription under the terms of any securities which are convertible into shares of the Company or the share option scheme or similar arrangement of the Company for the time being adopted for the grant or issue to directors and/or employees of the Company and/or any its subsidiaries of shares or rights to acquire shares of the Company, shall not exceed the aggregate of: (aa) 20 percent of the aggregate nominal amount of the issued share capital of the Company in issue at the date of passing of this resolution and (bb) if the Directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company, the nominal amount of share capital of the Company purchased by the Company subsequent to the passing of this resolution up to a maximum equivalent to 10 percent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing 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 to be held by Bermuda law or the Company’s bye-laws to be held; and
- (iii) the revocation or variation of the approval given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

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

B. “**THAT**:

- (a) Subject to paragraph (b) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to purchase shares in the capital of the Company be and is hereby generally and unconditionally approved;
- (b) The aggregate nominal amount of the shares of the Company which the Company is authorised to purchase pursuant to the approval in paragraph (a) of this resolution shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of 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 to be held by Bermuda law or the Company’s Bye-laws to be held; and
- (iii) the revocation or variation of the approval given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

- C. “**THAT** conditional upon the passing of resolution no. 4B set out in the notice of this meeting, the aggregate nominal amount of shares which are purchased by the Company pursuant to and in accordance with the said resolution no. 4B shall be added to the aggregate nominal amount of the shares of the Company that may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors of the Company pursuant to and in accordance with resolution no. 4A set out in the notice of this meeting.”

- 5. As the special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** subject to and conditional upon the granting by the Listing Committee of the Stock Exchange of Hong Kong Limited of, the listing of and permission to deal in, the shares of HK\$0.1 each (the “**Shares**”) of the Company to be issued pursuant to the exercise of options granted under the refreshed scheme mandate

limit (the “**Scheme Mandate Limit**”) under the share option scheme adopted by an ordinary resolution of the Shareholders passed on 28 August 2002 in the manner as set out in paragraph (a) of this Resolution below,

- (a) the refreshment of the Scheme Mandate Limit of up to 10% of the Shares of the Company in issue as at the date of passing of this resolution be and is hereby approved; and
- (b) the directors of the Company be and are hereby authorised do all such acts and things and execute all such documents, including under seal where applicable, as they consider necessary or expedient to give effect to the foregoing arrangement.”

By Order of the Board
Fung Chi Ki
Company Secretary

Hong Kong, 3rd August 2007

Notes:

- (1) A member entitled to attend and vote at this Meeting is entitled to appoint a proxy or proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (2) To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Company’s head office and principal place of business in Hong Kong at Units C-D, 8th Floor, Mai Shun Industrial Building, 18-24 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong, not less than 48 hours before the time appointed for holding this Meeting or adjourned meeting (as the case may be).
- (3) The register of members will be closed from Thursday, 23rd August 2007 to Tuesday, 28th August 2007 (both dates inclusive) during which period no transfer of shares can be registered. All transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s Hong Kong branch share registrar, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong for registration not later than 4:00 p.m. on Wednesday, 22nd August 2007.