

The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) takes no responsibility for the contents of this document, 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 document.

**If you are in any doubt** as to any aspect of this document or as to the action to be taken, you should consult a 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 EVA Precision Industrial Holdings Limited (the “Company”), you should at once hand this document to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This document is for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

---



**EVA Precision Industrial Holdings Limited**  
**億和精密工業控股有限公司**

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

(Stock Code: 838)

**PROPOSALS FOR**  
**(1) RE-ELECTION OF RETIRING DIRECTORS**  
**(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**  
**AND**  
**(3) REFRESHMENT OF THE SCHEME MANDATE LIMIT**

---

A letter from the chairman of the Company is set out on pages 3 to 8 of this document. A notice convening the annual general meeting (the “AGM”) of the shareholders of the Company to be held at Pacific Place Conference Centre, Tien Room, Level 5, One Pacific Place, 88 Queensway, Hong Kong on Friday, 18 May 2007 at 3:00 p.m. is set out on pages 12 to 15 of this document.

A form of proxy for the AGM is enclosed with this document. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the principal place of business of the Company at Unit 8, 6th Floor, Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, Kowloon, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the AGM. The completion and return of a form of proxy will not preclude you from attending and voting at the AGM in person.

This document includes particulars given in compliance with the Rules Governing the Listing of Securities on the Stock Exchange for the purpose of giving information with regard to the Company. The directors of the Company collectively and individually accept full responsibility for the accuracy of the information contained in this document 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.

---

# CONTENTS

---

	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE CHAIRMAN</b> .....	3
<b>APPENDIX I – EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE</b> .....	9
<b>APPENDIX II – NOTICE OF AGM</b> .....	12
<b>APPENDIX III – POLL PROCEDURES</b> .....	16

---

## DEFINITIONS

---

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

“AGM”	the annual general meeting of the Company to be held at Pacific Place Conference Centre, Tien Room, Level 5, One Pacific Place, 88 Queensway, Hong Kong on Friday, 18 May 2007 at 3:00 p.m. or any adjournment thereof
“2006 Annual Report”	the 2006 annual report of the Company
“Articles”	the articles of association of the Company as amended from time to time
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors or a duly authorized committee of the board of Directors
“Company”	EVA Precision Industrial Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the main board operated by the Stock Exchange
“Companies Ordinance”	the Companies Ordinance (Cap. 32 of the Laws of Hong Kong)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) from time to time of the Company
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	18 April 2007, being the latest practicable date prior to the printing of this document for ascertaining certain information for inclusion in this document
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“PRC”	The People’s Republic of China

---

## DEFINITIONS

---

“Scheme Mandate Limit”	the total number of Shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company, which must not in aggregate exceed 10% of the Shares in issue as at the date of adoption of the Share Option Scheme
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share Option Scheme”	the share option scheme of the Company adopted by the Shareholders on 20 April 2005
“Shareholder(s)”	shareholder(s) of the Company
“Share(s)”	ordinary share(s) of \$0.1 each in the share capital of the Company (or of such other nominal amount as comprising the ordinary share capital of the Company as shall result from a sub-division or a consolidation of the share capital of the Company from time to time)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	means a company which is for the time being a subsidiary (within the meaning of section 2(4) of the Companies Ordinance) of the Company
“substantial Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent



**EVA Precision Industrial Holdings Limited**

**億和精密工業控股有限公司**

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

(Stock Code: 838)

*Executive Directors:*

Zhang Hwo Jie (*Chairman*)

Zhang Jian Hua (*Vice Chairman*)

Zhang Yaohua (*Chief Executive Officer*)

Nomo Kenshiro

*Registered Office:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Independent Non-executive Directors:*

Lui Sun Wing

Choy Tak Ho

Leung Tai Chiu

*Principal place of business in Hong Kong:*

Unit 8, 6th Floor

Greenfield Tower

Concordia Plaza

No. 1 Science Museum Road

Kowloon

Hong Kong

24 April 2007

*To the Shareholders and,*

*for information only, optionholders*

Dear Sir or Madam,

**PROPOSALS FOR**  
**(1) RE-ELECTION OF RETIRING DIRECTORS**  
**(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**  
**AND**  
**(3) REFRESHMENT OF THE SCHEME MANDATE LIMIT**

**INTRODUCTION**

The purpose of this document is to provide you with information regarding the resolutions to be proposed at the AGM involving (1) the re-election of retiring Directors; (2) the grant to the Directors general mandates to allot, issue and deal with additional Shares and to repurchase Shares; and (3) the refreshment of the Scheme Mandate Limit.

---

# LETTER FROM THE CHAIRMAN

---

## **(1) RE-ELECTION OF RETIRING DIRECTORS**

In accordance with article no. 86(3) of the Articles, any Director appointed by the Board will retire at the next general meeting. Accordingly, Mr. Leung Tai Chiu will retire from office and, being eligible, has offered himself for re-election at the AGM.

In accordance with article no. 87 of the Articles, Dr. Lui Sun Wing and Mr. Choy Tak Ho will retire by rotation at the AGM and, being eligible, have offered themselves for re-election.

The biographical details, qualifications, previous experience and major appointments of all the Directors who stand for re-election at the AGM, as required to be disclosed pursuant to rule 13.51(2) of the Listing Rules, are set out below for the Shareholders' consideration.

### **1. Leung Tai Chiu (aged 61)**

Mr. Leung was appointed as an independent non-executive Director on 5 June 2006. He is also a member of the audit committee of the Company. Mr. Leung does not hold any other position with the Company or any member of the Group or have any relationship with any other Directors, senior management or substantial or controlling Shareholders.

Mr. Leung is a Fellow of the Institute of Chartered Accountants in England and Wales. He obtained his professional qualification in the United Kingdom in 1975 and has worked in the auditing profession for over 30 years, 20 years of which as a partner. Mr. Leung retired from PricewaterhouseCoopers effective from 1 May 2005. From November 2006 and as at the Latest Practicable Date, Mr. Leung has served as an independent non-executive director of Kingboard Laminates Holdings Limited, a company listed on the Stock Exchange. Save as disclosed, Mr. Leung did not hold any directorship in other listed companies in the last 3 years.

Mr. Leung has been granted with options under the Share Option Scheme to subscribe for 600,000 Shares. Save as disclosed, as at the Latest Practicable Date, Mr. Leung did not have any interest (within the meaning of Part XV of the SFO) in the securities of the Company.

### **2. Lui Sun Wing (aged 56)**

Dr. Lui was appointed as an independent non-executive Director on 11 January 2005. He is also the chairman of the Company's audit committee and a member of its remuneration committee. Dr. Lui does not hold any other position with the Company or any member of the Group or have any relationship with any other Directors, senior management or substantial or controlling Shareholders.

---

## LETTER FROM THE CHAIRMAN

---

Dr. Lui was a branch director of the Hong Kong Productivity Council for the period from December 1992 to June 2000. He then joined the Hong Kong Polytechnic University as a vice president in 2000, and is now responsible for partnership development. He is also the chief executive officer of the Institute for Enterprise of the Hong Kong Polytechnic University and the chief executive officer and the chairman of the board of directors of PolyU Technology & Consultancy Co., Limited. Dr. Lui is also a director of Advance New Technology Limited. As at the Latest Practicable Date, Dr. Lui was a non-executive director of Eco-Tek Holdings Limited and an independent non-executive director of Leeport (Holdings) Limited, Hang Fung Gold Technology Limited and Smart Union Group (Holdings) Limited which are all listed on the Stock Exchange. Save as disclosed, Dr. Lui did not hold any directorship in other listed companies in the last 3 years.

Dr. Lui has been granted with options under the Share Option Scheme to subscribe for 600,000 Shares. Save as disclosed, as at the Latest Practicable Date, Dr. Lui did not have any interest (within the meaning of Part XV of the SFO) in the securities of the Company.

### **3. Choy Tak Ho (aged 79)**

Mr. Choy was appointed as an independent non-executive Director on 11 January 2005. He is also a member of the audit committee and the remuneration committee of the Company. Mr. Choy does not hold any other position with the Company or any member of the Group or have any relationship with any other Directors, senior management or substantial or controlling Shareholders.

Mr. Choy has 40 years of experience in international trading business in Hong Kong. He is the president of Union International (H.K.) Co., Ltd., the founding chairman of Hong Kong Kwun Tong Industries and Commerce Association Limited and the executive director of the Chinese Manufacturers' Association of Hong Kong Limited. He is also a member of the National Committee of the 8th and 9th Chinese People's Political Consultation Conference, the honorary director of China Overseas Friendship Association, a member of the 6th, 7th and 8th executive committee of All China Federation of Industry and Commerce, the 4th honorary president of Guangdong Chamber of Foreign Investors, the honorary vice president of Pui Ching Commercial College, the charter president of Hong Kong and Overseas Chinese Association of Commerce Ltd., the honorary permanent president of Hong Kong Commerce Industrial Associations, and the honorary life chairman of Chinese General Chamber of Commerce Hong Kong. As at the Latest Practicable Date, Mr. Choy was an independent non-executive director of Sino Golf Holdings Limited, VODone Limited, Oriental Explorer Holdings Limited and Multifield International Holdings Limited which are all listed on the Stock Exchange. Mr. Choy resigned as an independent non-executive director of two listed companies, namely China Leason Investment Group Co., Limited and Ocean Grand Holdings Limited (provisional liquidators appointed) ("OGH") with effect from 15 August 2006 and 26 July 2006 respectively. OGH is incorporated in Bermuda. Pursuant to OGH's announcement dated 24 July 2006, provisional liquidators have been appointed for OGH pursuant to the order of the High Court of Hong Kong dated 24 July 2006. Save as disclosed, Mr. Choy did not hold any directorship in other listed companies in the last 3 years.

Mr. Choy has been granted with options under the Share Option Scheme to subscribe for 600,000 Shares. Save as disclosed, as at the Latest Practicable Date, Mr. Choy did not have any interest (within the meaning of Part XV of the SFO) in the securities of the Company.

---

## LETTER FROM THE CHAIRMAN

---

### 4. General

- (i) Mr. Leung Tai Chiu has entered into a service agreement with the Company for a term of two years commencing on 5 June 2006.
- (ii) Each of Dr. Lui Sun Wing and Mr. Choy Tak Ho has entered into a service agreement with the Company for a term of two years commencing on 11 January 2007.
- (iii) Each of Mr. Leung Tai Chiu, Dr. Lui Sun Wing and Mr. Choy Tak Ho is entitled under their respective service agreements to receive an annual director's fee of \$120,000, subject to review by the Board and the Company's remuneration committee.
- (iv) The emoluments of all Directors are determined on the basis of the relevant Director's experience, level of responsibilities within the Group and the current market situation.
- (v) Save for the information set out in this section, there is no other matter that needs to be brought to the attention of the Shareholders or any information that should be disclosed under paragraphs (h) to (v) of rule 13.51(2) of the Listing Rules.

### (2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

As the general mandates granted to the Directors to allot, issue, and deal with and repurchase Shares respectively pursuant to resolutions passed by the Shareholders at the Company's annual general meeting held on 24 May 2006 will lapse at the conclusion of the AGM, resolutions will be proposed at the AGM to renew the grant of these general mandates. The relevant resolutions, in summary, are:

- an ordinary resolution to grant to the Directors a general and unconditional mandate to allot, issue, and deal with additional securities of the Company (including, inter alia, offers, agreements, options, warrants or similar rights in respect thereof) not exceeding 20% of the aggregate nominal value of the Company's issued share capital as at the date of passing the relevant resolution for the period from the close of the AGM until the conclusion of the next annual general meeting of the Company (or such earlier period as stated in the resolution) (the "Issue Mandate");
- an ordinary resolution to grant to the Directors a general and unconditional mandate to exercise all the powers of the Company to repurchase such number of Shares not exceeding 10% of the aggregate nominal value of the Company's issued share capital as at the date of passing the relevant resolution for the period from the close of the AGM until the conclusion of the next annual general meeting of the Company (or such earlier period as stated in the resolution) (the "Repurchase Mandate"); and
- conditional on the passing of the resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution to authorise the Directors to exercise the powers of the Company to allot, issue, and deal with additional securities under the Issue Mandate by adding those Shares repurchased by the Company pursuant to the Repurchase Mandate.



---

## LETTER FROM THE CHAIRMAN

---

The explanatory statement providing the requisite information regarding the Repurchase Mandate as required to be sent to Shareholders under the Listing Rules is set out in Appendix I to this document.

### **(3) REFRESHMENT OF SCHEME MANDATE LIMIT**

The Board proposes to seek approval of the Shareholders at the AGM to refresh the Scheme Mandate Limit. Under the Scheme Mandate Limit, being the maximum number of new Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company, the Directors were authorized to grant options to subscribe for up to 52,000,000 Shares, representing 10% of the issued share capital of the company as at the date of adoption of the Share Option Scheme. As at the Latest Practicable Date, 51,600,000 options were granted under the Scheme Mandate Limit entitling the grantees to subscribe for in aggregate 51,600,000 Shares, representing 8.6% of the existing issued share capital. None of these options has been exercised up to the Latest Practicable Date.

The Directors consider that the refreshment of the Scheme Mandate Limit will be for the benefit of the Company and the Shareholders as a whole in that it enables the Company to have greater flexibility in granting options to eligible persons under the Share Option Scheme as incentive or reward for their contribution to the Group.

Pursuant to the Listing Rules, the Shares which may be issued upon exercise of all outstanding options granted and yet to be granted under the Share Option Scheme and any other share option scheme(s) of the Company at any time will not exceed 30% of the Shares in issue from time to time. No options shall be granted under any scheme(s) of the Company if this will result in the 30% limit being exceeded.

On the basis of 600,000,000 Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or repurchased by the Company on or before the date of the AGM, the maximum number of Shares which may fall to be issued upon exercise of all options that may be granted by the Company under the refreshed Scheme Mandate Limit would be 60,000,000 Shares. Options previously granted under the Share Option Scheme (including those outstanding, cancelled or lapsed in accordance with the Share Option Scheme) will not be counted for the purpose of calculating the refreshed Scheme Mandate Limit.

The granting of options under the refreshed Scheme Mandate Limit is conditional upon the passing of an ordinary resolution (as set out in Resolution no. 6 in the notice of the AGM, which is set out on pages 12 to 15 of this document) and the listing committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the new Shares, representing a maximum of 10% of the Shares in issue as at the date of the AGM, which may be issued upon exercise of the options granted under the refreshed Scheme Mandate Limit.

Application will be made to the Stock Exchange for approval of the listing of, and permission to deal in, the new Shares which may be issued upon exercise of options granted under the refreshed Scheme Mandate Limit, being up to a maximum of 10% of the Shares in issue as at the date of the AGM.

---

## LETTER FROM THE CHAIRMAN

---

### (4) AGM AND POLL PROCEDURES

The notice convening the AGM is set out in Appendix II to this document. At the AGM, amongst others, ordinary resolutions will be proposed to approve the re-election of the retiring Directors, the granting of the Issue Mandate and the Repurchase Mandate and the refreshment of the Scheme Mandate Limit.

A form of proxy for use at the AGM is enclosed with this document. Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's principal place of business at Unit 8, 6th Floor, Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, Kowloon, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM should you so wish.

Details of the poll procedures are set out in Appendix III to this document.

### (5) RECOMMENDATION

The Directors consider that the proposed resolutions regarding the re-election of the retiring Directors, the granting of the Issue Mandate and the Repurchase Mandate and the refreshment of the Scheme Mandate Limit are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of the proposed resolutions.

Yours faithfully,  
**Zhang Hwo Jie**  
*Chairman*

This is the explanatory statement required by Rule 10.06(1)(b) of the Listing Rules to be given to all Shareholders relating to a resolution to be proposed at the AGM authorizing the Repurchase Mandate.

## **1. EXERCISE OF THE REPURCHASE MANDATE**

Exercise in full of the Repurchase Mandate, on the basis of 600,000,000 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be issued or repurchased by the Company before the AGM, could result in up to 60,000,000 Shares being repurchased by the Company during the period from the passing of the resolution relating to the Repurchase Mandate up to the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; and (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting.

## **2. REASONS FOR REPURCHASES**

Repurchases of Shares will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share.

## **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles and the applicable laws of the Cayman Islands. Such funds include profits available for distribution.

## **4. GENERAL**

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 latest published audited accounts as contained in the 2006 Annual Report) in the event that the Repurchase Mandate is exercised in full. However, 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 on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

## **5. DIRECTORS AND CONNECTED PERSONS**

As at the Latest Practicable Date, to the best knowledge of the Directors having made all reasonable enquiries, none of the Directors and their respective associates has a present intention, in the event that the Repurchase Mandate is approved and exercised, to sell Shares to the Company. No connected persons 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 and exercised.

## 6. UNDERTAKING

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

## 7. THE HONG KONG CODE ON TAKEOVERS AND MERGERS

If as a result of a repurchase of Shares, 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. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, 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. A waiver of this provision would not normally be given except in extraordinary circumstances. As at the Latest Practicable Date, 65% of the issued share capital of the Company was held by Prosper Empire Limited which is wholly owned by Mr. Zhang Hwo Jie, the chairman of the Company, and his brothers Mr. Zhang Jian Hua and Mr. Zhang Yaohua who are both executive Directors. In addition, Mr. Zhang Hwo Jie, Mr. Zhang Jian Hua and Mr. Zhang Yaohua had personal interests in Shares and underlying Shares in respect of options granted under the Share Option Scheme as set out below. The Directors are not aware of any Shareholder, or group of Shareholders acting in concert, who will become obliged to make a mandatory offer as a result of repurchases of Shares.

**Number of  
underlying Shares  
in respect of  
options granted  
under the Share  
Option Scheme**

**Number of Shares**

Mr. Zhang Hwo Jie	3,636,000	2,500,000
Mr. Zhang Jian Hua	5,356,000	2,700,000
Mr. Zhang Yaohua	7,828,000	2,700,000

## 8. SHARE REPURCHASES MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

**9. SHARE PRICES**

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date were as follows:

	<b>Highest</b> (\$)	<b>Lowest</b> (\$)
April, 2006	2.2250	1.6300
May, 2006	2.1000	1.8700
June, 2006	1.9000	1.6600
July, 2006	1.9400	1.7300
August, 2006	1.7900	1.6400
September, 2006	1.7900	1.5500
October, 2006	1.8600	1.4600
November, 2006	1.8700	1.7000
December, 2006	2.0400	1.7800
January, 2007	2.0000	1.9000
February, 2007	2.7800	1.9400
March, 2007	2.6900	2.1900
April, 2007 (up to the Latest Practicable Date)	3.0000	2.7500



**EVA Precision Industrial Holdings Limited**  
**億和精密工業控股有限公司**

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

(Stock Code: 838)

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the shareholders of EVA Precision Industrial Holdings Limited (the “Company”) will be held at Pacific Place Conference Centre, Tien Room, Level 5, One Pacific Place, 88 Queensway, Hong Kong on Friday, 18 May 2007 at 3:00 p.m. for the following purposes:–

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31 December 2006.
2. To re-elect the retiring directors.
3. To declare a final dividend for the year ended 31 December 2006.
4. To re-appoint auditors and to authorize the board of directors to fix their remuneration.
5. As special business to consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions:

5.A. **“THAT:**

- (a) subject to paragraph (c), the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into such shares or warrants or similar rights to subscribe for any shares in the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (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), otherwise than pursuant to the shares of the Company issued as a result of a Rights Issue (as hereinafter defined) or pursuant to the exercise of options under the Share Option Scheme or similar arrangement, or any scrip dividend or similar arrangement providing

for the allotment of shares of the Company in lieu of the whole or part of the dividend on the shares of the Company in accordance with the Company's Articles of Association, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing 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 date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws of the Cayman Islands to be held; or
- (iii) revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company on the register on a fixed record date in proportion to their 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 of, or the requirements of, any recognized regulatory body or any stock exchange in any territory outside Hong Kong).”

5.B. **“THAT:**

- (a) subject to paragraph (b), the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange on which the securities of the Company may be listed as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval mentioned in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this resolution and the said approval shall be limited accordingly; and

- (c) the expression “Relevant Period” shall for the purposes of this resolution have the same meaning as assigned to it under ordinary resolution 5.A.(d) of this notice.”
- 5.C. “**THAT** conditional upon resolutions 5.A. and 5.B. above being passed, the aggregate nominal amount of shares in the capital of the Company which are repurchased by the Company under the authority granted to the directors as mentioned in resolution 5.B. above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution 5.A., provided that the amount of share capital repurchased by the Company shall not exceed 10 per cent. of the total nominal amount of the share capital of the Company in issue on the date of this resolution.”
6. “**THAT** conditional upon 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 any options to be granted under the Refreshed Limit (as defined below) pursuant to the share option scheme (the “Share Option Scheme”) adopted by the shareholders of the Company on 20 April 2005 and any other scheme(s) of the Company, the existing scheme mandate limit under the Share Option Scheme be refreshed so that the aggregate nominal amount of share capital of the Company to be allotted and issued pursuant to the exercise of any options to be granted under the Share Option Scheme and any other scheme(s) of the Company (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme and any other scheme(s) of the Company) shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution (the “Refreshed Limit”) and that the directors of the Company be and are hereby authorised to grant options up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options.”

By order of the Board  
**Wong Hoi Chu, Francis**  
*Secretary*

Hong Kong, 24 April 2007

*Principal office:*

Unit 8, 6th Floor  
Greenfield Tower  
Concordia Plaza  
No. 1 Science Museum Road  
Kowloon  
Hong Kong



*Notes:*

1. A shareholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
2. In order to be valid, the instrument appointing a 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 other authority, must be deposited at the principal office of the Company at Unit 8, 6th Floor, Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, Kowloon, Hong Kong not less than 48 hours before the time appointed for holding the said meeting or adjourned meeting.
3. The register of members of the Company will be closed from Tuesday, 15 May 2007 to Friday, 18 May 2007, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend to be approved at the meeting and the right to attend and vote at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 14 May 2007.
4. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

Article 66 of the Articles sets out the procedures under which a poll may be demanded.

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 required by the rules of the Designated Stock Exchange or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the chairman of the meeting; or
- (b) by at least 3 Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person or in the case of a Shareholder 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 Shareholders having the right to vote at the meeting; or
- (d) by a Shareholder or Shareholders present in person or in the case of a Shareholder 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 rights; or
- (e) by any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing 5 per cent. or more of the total voting rights at the meeting.

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.

*Designated Stock Exchange means a stock exchange in respect of which the Shares are listed or quoted and where such stock exchange deems such listing or quotation to be the primary listing or quotation of the Shares.*