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If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Sa Sa International Holdings Limited, you should at once hand this circular together with the form of proxy and the annual report of Sa Sa International Holdings Limited 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 the transferee.

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making life beautiful

SA SA INTERNATIONAL HOLDINGS LIMITED

莎莎國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 178)

**GENERAL MANDATES TO ISSUE
AND PURCHASE SHARES AND
RE-ELECTION AND APPOINTMENT OF DIRECTORS**

A notice convening an annual general meeting of Sa Sa International Holdings Limited to be held at Tianshan Room, Level 5, Island Shangri-la, Pacific Place, Supreme Court Road, Central, Hong Kong on Thursday, 28 August 2008 at 11:00 a.m. is set out on pages 145 to 148 of the annual report of the Company for the year ended 31 March 2008.

Whether or not shareholders are able to attend the annual general meeting, shareholders should complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share and transfer office, Tricor Abacus Limited, at 26/F, 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. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the annual general meeting or any adjourned meeting, should shareholders so wish.

11 July 2008

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Tianshan Room, Level 5, Island Shangri-la, Pacific Place, Supreme Court Road, Central, Hong Kong on Thursday, 28 August 2008 at 11:00 a.m., notice of which is set out in the annual report of the Company;
“Annual Report”	the annual report of the Company for the year ended 31 March 2008;
“Articles of Association”	the articles of association of the Company;
“associate”	shall have the meaning ascribed thereto in the Listing Rules;
“Board”	at any time means the board of Directors appointed from time to time or a duly authorised committee thereof;
“CEO”	Chief executive officer of the Company;
“CFO”	Chief financial officer of the Company;
“CG Code”	the code on corporate governance practice in Appendix 14 of the Listing Rules;
“Company”	Sa Sa International Holdings Limited, a company incorporated in the Cayman Islands, whose securities are listed on the Stock Exchange;
“connected person”	has the same meaning ascribed under the Listing Rules;
“Deferred Shares”	the issued non-voting deferred shares of the relevant subsidiaries of the Group;
“Director(s)”	the director(s) of the Company;
“Ex-director(s)”	the former Director(s);
“General Mandates”	the Purchase Mandate and the Share Issue Mandate;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;

DEFINITIONS

“INED(s)”	means independent non-executive director(s) of a listed company;
“Latest Practicable Date”	3 July 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“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;
“Purchase Mandate”	the proposed general mandate to be granted to the Directors to permit the purchase of Shares of up to a maximum of 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate;
“Retiring Directors”	the Directors retiring at the AGM and, being eligible, are offering themselves for re-election at the AGM in accordance with the Articles of Association;
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	shares of HK\$0.10 each in the capital of the Company or, if there has been a sub-division, reduction, consolidation, reclassification or reconstruction of the share capital of the Company, the shares forming part of the ordinary equity share capital of the Company;
“Shareholder(s)”	mean(s) holder(s) of Shares from time to time;
“Share Issue Mandate”	the proposed general mandate to be granted to the Directors to permit the allotment and issue of new Shares equal in aggregate up to a maximum of 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	Code on Takeovers and Mergers; and
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong.



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SA SA INTERNATIONAL HOLDINGS LIMITED

莎莎國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 178)

Executive Directors:

KWOK, Siu Ming, Simon, *J.P.*

(Chairman and CEO)

KWOK LAW, Kwai Chun, Eleanor *(Vice-chairman)*

LOOK, Guy *(CFO)*

Non-executive Director:

LEE LOOK, Ngan Kwan, Christina

INEDs:

CHAN, Yuk Shee, *J.P.*

LEUNG, Kwok Fai, Thomas, *J.P.*

TAM, Wai Chu, Maria, *GBS, J.P.*

KI, Man Fung, Leonie, *SBS, J.P.*

Registered office:

P.O. Box 309 GT

Ugland House

South Church Street

George Town

Grand Cayman

Cayman Islands

Principal place of business

in Hong Kong:

14th Floor, Block B

MP Industrial Centre

18 Ka Yip Street

Chaiwan

Hong Kong

11 July 2008

To Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE
AND PURCHASE SHARES AND
RE-ELECTION OF RETIRING DIRECTORS
AND CONTINUOUS APPOINTMENT OF INEDS**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding ordinary resolutions to be proposed at the AGM to be held on 28 August 2008 relating to (i) the grant of the General Mandates to the Board; and (ii) the re-election of Retiring Directors and continuous appointment of INEDs.

LETTER FROM THE BOARD

2. PROPOSED GENERAL MANDATES TO ISSUE AND PURCHASE SHARES

At the annual general meeting of the Company held on 23 August 2007, resolutions were passed giving General Mandates to the Directors to issue and/or purchase Shares. Such General Mandates will lapse at the conclusion of the forthcoming AGM. Ordinary resolutions will therefore be proposed at the AGM to grant to the Directors General Mandates as follows:

- (i) to allot, issue and otherwise deal with new Shares with an aggregate nominal amount not exceeding 20 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the proposed resolution at the AGM, which will be 275,980,516 Shares on the basis of 1,379,902,582 Shares in issue as at the Latest Practicable Date and that no further Shares are issued or purchased prior to the date of AGM; and
- (ii) to purchase Shares with an aggregate nominal amount not exceeding 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the proposed resolution at the AGM.

The Directors will also propose a separate ordinary resolution at the AGM to add to the Share Issue Mandate to issue those Shares purchased by the Company pursuant to the exercise of the Purchase Mandate proposed to be granted to the Directors at the AGM. Such resolution will lapse at the conclusion of the forthcoming AGM.

An explanatory statement, as required by the Listing Rules to regulate the purchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange, to give requisite information for your consideration of the proposal to authorise the Directors to exercise the power of the Company to purchase Shares up to a maximum of 10 per cent. of the issued share capital of the Company as at the date of the AGM is set out in the Appendix 1 to this circular.

3. RE-ELECTION OF RETIRING DIRECTORS

At the AGM, resolutions will be proposed to approve, among other things, (i) the grant of the proposed General Mandates; and (ii) the re-election of Retiring Directors and continuous appointment of INEDs.

Pursuant to Article 116 of the Articles of Association, Mr. Kwok Siu Ming, Simon, Mrs. Kwok Law Kwai Chun, Eleanor and Mr. Look Guy, executive Directors of the Company, will retire from office at the AGM. All of the Retiring Directors, being eligible, offer themselves for re-election.

Particulars of the respective Retiring Directors are set out in Appendix 2 of this circular.

LETTER FROM THE BOARD

4. CONTINUOUS APPOINTMENT OF INEDS FOR SERVING MORE THAN NINE YEARS

Pursuant to the recommended best practice A.4.3 of the CG Code, serving more than nine years could be relevant to the determination of an INED's independence. If an INED serves more than nine years, any further appointment of such INED should be subject to a separate resolution to be approved by shareholders.

Professor Chan Yuk Shee ("Professor Chan") and Dr. Leung Kwok Fai, Thomas ("Dr. Leung") had been appointed as INEDs of the Company since 1999 and 2000 respectively. The current three-year term of directorships of Professor Chan and Dr. Leung commenced from 1 November 2005 to 31 October 2008 and 1 January 2006 to 31 December 2008 respectively. The Board approved and offered to Professor Chan and Dr. Leung, following the recommendations of the nomination committee, and each of Professor Chan and Dr. Leung accepted to be re-appointed as INED of the Company for a further 3-year term commencing from 1 November 2008 to 31 October 2011 and 1 January 2009 to 31 December 2011 respectively.

The Company received from Professor Chan and Dr. Leung confirmations of independence pursuant to Rule 3.13 of the Listing Rules and neither Professor Chan nor Dr. Leung has engaged in the executive management of the Group. In this regard, the Board is satisfied that both Professor Chan and Dr. Leung are persons of integrity and stature and believes that their respective re-appointments allow the Board as well as the Group to continuously benefit from sharing of their invaluable experience, contribution and participation. Therefore, the Board recommended the re-appointments and re-elections of each of Professor Chan and Dr. Leung as an INED in the forthcoming AGM. Particulars of both Professor Chan and Dr. Leung are set out in Appendix 2 of this circular.

5. ANNUAL GENERAL MEETING

The notice of the AGM is set out on pages 145 to 148 of the Annual Report.

Proxy Arrangement

A form of proxy for use at the AGM is enclosed in the Annual Report. Whether or not Shareholders are able to attend the AGM in person, Shareholders should complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share and transfer office, Tricor Abacus Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the AGM or any adjournment thereof should Shareholders so wish.

LETTER FROM THE BOARD

Procedure for Demanding a Poll by Shareholders

Pursuant to Article 80 of the Articles of Association, a resolution put to the vote of a general meeting shall be decided on a show of hands unless (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 by:

- (i) the chairman of the meeting; or
- (ii) at least five members present in person or by proxy and entitled to vote; or
- (iii) any member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or
- (iv) any member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

6. RECOMMENDATIONS

The Directors are of the opinion that (i) the grant of the General Mandates and (ii) the re-election of Retiring Directors and continuous appointment of INEDs are in the interests of the Company and the Shareholders as a whole, and recommend Shareholders to vote in favour of the ordinary resolutions to be proposed at the AGM.

By order of the Board
Kwok Siu Ming, Simon
Chairman and CEO

The following is an explanatory statement required by the Listing Rules to be presented to Shareholders concerning the Purchase Mandate.

1. STOCK EXCHANGE RULES FOR PURCHASES OF SECURITIES

The Listing Rules permit companies with a primary listing on the Stock Exchange to purchase their securities on the Stock Exchange subject to certain restrictions, the most important of which is summarised in the paragraph below.

The Listing Rules provide that all proposed purchases of securities by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by a specific approval of a particular transaction and that the securities to be purchased must be fully paid up.

2. FUNDING OF PURCHASES

Any purchases will be made out of funds which are legally available for the purpose in accordance with the Company's memorandum and Articles of Association and the Companies Law of the Cayman Islands. As compared with the financial position of the Company as at 31 March 2008 (being the date of its latest audited financial statements), the Directors consider that there will not be a material adverse impact on the working capital or on the gearing position of the Company in the event that the proposed purchases were to be carried out in full during the proposed purchase period.

The Directors do not propose to exercise the Purchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing position of the Company as determined from time to time by the Directors.

3. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,379,902,582 Shares.

Subject to passing of the resolution for the grant of Purchase Mandate and on the basis of 1,379,902,582 Shares in issue and that no further Shares are issued or purchased prior to the date of AGM, the Company will be allowed under the Purchase Mandate to purchase a maximum of 137,990,258 Shares during the course of the period ending on the earlier of the date of the annual general meeting in the year 2009, the date by which the next annual general meeting of the Company is required to be held by law or by the Articles of Association and the date upon which such Purchase Mandate is revoked or varied.

4. REASONS FOR PURCHASES

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

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the Purchase Mandate in accordance with the Listing Rules, the applicable laws of Cayman Islands and in accordance with its memorandum and Articles of Association.

6. EFFECT OF TAKEOVERS CODE

As at the Latest Practicable Date, Mr. Kwok Siu Ming, Simon and his wife, Mrs. Kwok Law Kwai Chun, Eleanor together with their associates were beneficially interested in 918,870,400 Shares, representing approximately 66.59 per cent. of the issued share capital of the Company. Based on such shareholdings and in the event that the Directors exercise in full the power to purchase Shares under the Purchase Mandate, the attributable shareholdings of Mr. Kwok Siu Ming, Simon and Mrs. Kwok Law Kwai Chun, Eleanor together with their associates in the Company would be increased to approximately 73.99 per cent. of the issued share capital of the Company. Such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors are not aware of any consequence which the exercise in full of the Purchase Mandate would have under the Takeovers Code. At present, so far as is known to the Directors, no Shareholder may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

7. DIRECTORS, THEIR ASSOCIATES AND THEIR CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective associates has any present intention, in the event that the Purchase Mandate is approved by Shareholders, to sell Shares to the Company. No connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make purchases of Shares.

8. GENERAL

(a) Share Purchase 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 Latest Practicable Date.

(b) Share Prices

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

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2007		
July	3.140	2.850
August	2.880	2.220
September	2.750	2.570
October	2.850	2.510
November	3.100	2.620
December	3.630	2.980
2008		
January	3.790	2.550
February	3.400	2.980
March	3.420	2.600
April	3.270	2.720
May	3.330	2.900
June	3.550	3.140
July (up to and including the Latest Practicable Date)	3.540	3.300

The following are the particulars of the three Retiring Directors and continuous appointment of two INEDs proposed to be re-elected at the AGM:-

Mr. Kwok Siu Ming, Simon, J.P.

Mr. Kwok Siu Ming, Simon (“Mr. Kwok”), J.P., aged 55, is the executive Director of the Company and the chairman of the Group and the executive committee of the Company. He is also directors and shareholders of Sunrise Height Incorporated and Green Ravine Limited, the corporate controlling shareholder and substantial shareholder of the Company respectively, and certain subsidiaries of the Group.

He, together with his wife, Mrs. Kwok Law Kwai Chun, Eleanor (“Mrs. Kwok”), the vice chairman and executive Director of the Company, are the founders of the business of the Group. Over the past 30 years, Mr. Kwok has played a leading role in transforming the Company to a regional network of operations today. Mr. Kwok is currently a Committee Member of Chinese People’s Political Consultative Conference of Hubei Province, the Honorary President of the Cosmetic & Perfumery Association of Hong Kong and Federation of Beauty Industry (HK), the Founding Honorary Chairman and the Vice President of the Executive Committee of the Professional Validation Centre of Hong Kong Business Sector, Governing Council Member (Retailer Category) of the Quality Tourism Services Association, a Founding Member of the Hong Kong Professionals and Senior Executives Association and the Life President of the Hong Kong Brands Protection Alliance. He is also a Trustee of New Asia College, The Chinese University of Hong Kong, a voting member of The University of Hong Kong Foundation, a member of the University Court of Hong Kong University of Science and Technology, and a founding life member and 2007 Board Member of the Hong Kong Polytechnic University Development Foundation. Mr. Kwok was the Winner of the “Owner-Operator Award” at the DHL/SCMP Hong Kong Business Awards 2007 and was one of the four Hong Kong/Macau winners and winner in the Retail Category in the “Ernst & Young Entrepreneur of the Year Awards China 2006”. He received the Honorary Doctoral Degree from the Sinte Gleska University of California. Save as aforesaid, Mr. Kwok does not hold any directorships in any other listed companies in the last three years or other major appointments.

There is no service contract between Mr. Kwok and the Company and he is subject to retirement by rotation and re-election at AGM pursuant to the Articles of Association. The Director’s emoluments for the year ended 31 March 2008 received by Mr. Kwok was approximately HK\$3,368,000, which is determined by the Board with reference to the recommendation by the compensation committee taking into account of his duties and responsibilities, experience, industry standards and prevailing market conditions, and the Group’s performance. Details of his emoluments are set out in note 9 to the consolidated financial statement in the Annual Report.

Mr. Kwok is also the brother-in-law of Mr. Law Kin Ming, Peter, senior vice president of category management and product development department of the Company. As at the Latest Practicable Date, Mr. Kwok has a personal interest of 20,364,000 Shares and corporate interest of 898,506,400 Shares respectively within the meaning of Part XV of the Securities and Futures Ordinance. The 898,506,400 Shares are held as to 696,780,000 Shares by Sunrise Height Incorporated and as to 201,726,400 Shares by Green Ravine Limited. Both Sunrise Height Incorporated and Green Ravine Limited are owned as to 50% each by Mr. Kwok and his wife, Mrs. Kwok. Mr. Kwok and Mrs. Kwok are each taken to be interested in all Deferred Shares of Sa Sa Cosmetic Company Limited, Sa Sa Investment Limited, Matford Trading Limited and Base Sun Investment Limited, all of which are wholly-owned subsidiaries of the Company. Certain qualifying share was held by Mr. Kwok in trust for a wholly-owned subsidiary of the Company. Details of the above interests are shown in the section "Report of the Directors" of the Annual Report. Save as aforesaid, he has neither interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance nor any relationship with any Directors, senior management nor substantial or controlling shareholders of the Company.

A public censure announcement dated 5 September 2000 in respect of Mr. Kwok and Mr. Johnnie Sai Kei Cheng, an Ex-director, was published by the Stock Exchange ("Announcement"), in which Mr. Kwok and the Ex-director were publicly censured for breach of the declaration and undertaking with regard to directors given by them to the Stock Exchange in the form set out in Appendix 5B to the Listing Rules. Details of the above were set out in the Announcement.

Save as the above, the Company is neither aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor information required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h)-(v) of the Listing Rules.

Mrs. Kwok Law Kwai Chun, Eleanor

Mrs. Kwok Law Kwai Chun, Eleanor ("Mrs. Kwok"), aged 54, is currently the vice-chairman, executive Director and members of executive, compensation and nomination committees of the Company. She is also directors and shareholders of Sunrise Height Incorporated and Green Ravine Limited, the corporate controlling shareholder and substantial shareholder of the Company respectively, and certain subsidiaries of the Group.

Mrs. Kwok, together with her husband, Mr. Kwok who is the chairman and executive Director, are the founders of the business of the Group. Mrs. Kwok has more than 32 years of experience in the sales and marketing of beauty products. With extensive professional knowledge and many years of experience in cosmetics retailing, she pioneered the unique operational concept of open-shelf display of products, making shopping a more enjoyable experience. Mrs. Kwok plays a leading role in the marketing, operations, human resources and staff training functions of

APPENDIX 2	PARTICULARS CONCERNING RETIRING DIRECTORS AND CONTINUOUS APPOINTMENT OF INEDS
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the Group. She is currently the Honorary President of the Cosmetic & Perfumery Association of Hong Kong, the Honorary President of The Hong Kong Federation of Women (“HKFW”) and a member of The HKFW Entrepreneurs Committee. Mrs. Kwok is actively involved in charity activities. She is a director in the Board of Directors 2006-08 for Po Leung Kuk, the Honorary Vice-President of the Hong Kong Girl Guides Association 2006-08, and a patron of 2006-07 Caritas Fund Raising Campaign. She received “World Outstanding Chinese” award from the World Outstanding Chinese Association and World Chinese Business Investment Foundation in 2005. She was conferred Honorary Doctorate of Management by Morrison University, USA, and Honorary Fellow by the Professional Validation Centre of Hong Kong Business Sector in 2008. Save as aforesaid, Mrs. Kwok does not hold any directorships in any other listed companies in the last three years or other major appointments.

There is no service contract between Mrs. Kwok and the Company and she is subject to retirement by rotation and re-election at AGM pursuant to the Articles of Association. The Director’s emoluments paid to Mrs. Kwok for the year ended 31 March 2008 was approximately HK\$3,057,000, which is determined by the Board with reference to the recommendation by the compensation committee taking into account of her duties and responsibilities, experience, industry standards and prevailing market conditions, and the Group’s performance. Details of her emoluments are set out in note 9 to the consolidated financial statement in the Annual Report.

Mrs. Kwok is also the sister of Mr. Law Kin Ming, Peter, senior vice president of category management and product development department of the Company. As at the Latest Practicable Date, Mrs. Kwok has a corporate interest of 898,506,400 Shares within the meaning of Part XV of the Securities and Futures Ordinance. The 898,506,400 Shares are held as to 696,780,000 shares by Sunrise Height Incorporated, the controlling shareholders of the Company, and as to 201,726,400 Shares by Green Ravine Limited, the substantial shareholders of the Company. Both Sunrise Height Incorporated and Green Ravine Limited are owned as to 50% each by Mr. Kwok and Mrs. Kwok. Mr. Kwok and Mrs. Kwok are also each taken to be interested in all Deferred shares of Sa Sa Cosmetic Company Limited, Sa Sa Investment Limited, Matford Trading Limited and Base Sun Investment Limited while Mrs. Kwok is interested in all Deferred Shares of Vance Trading Limited. All of these companies are wholly-owned subsidiaries of the Company. Details of the above interests are shown in the section “Report of the Directors” of the Annual Report. Save as aforesaid, she has neither interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance nor any relationship with any Directors, senior management nor substantial or controlling shareholders of the Company.

A public statement dated 5 September 2000 in respect of Mrs. Kwok, Mr. Edward Chou Fan Chen and Mr. Peter Hang Chan Tong, two Ex-directors was published by the Stock Exchange ("Statement"), in which Mrs. Kwok and the Ex-directors were criticized for breach of the declaration and undertaking with regard to directors given by them to the Stock Exchange in the form set out in Appendix 5B to the Listing Rules. Details of the above were set out in the Statement.

Save as the above, the Company is neither aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor information required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h)-(v) of the Listing Rules.

Mr. Guy Look

Mr. Guy Look ("Mr. Look"), aged 51, joined the Group as CFO in March 2002 and was then appointed an executive Director in September 2002. He is currently the executive Director and CFO, member of the executive committee, qualified accountant of the Company and director and corporate auditor of certain subsidiaries in the Group.

Mr. Look holds a Bachelor's degree in Commerce from the University of Birmingham, England and is an associate member of the Institute of Chartered Accountants in England and Wales and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Look acts as an executive committee member of the Hong Kong Retail Management Association and is a Member of the Departmental Advisory Committee for Department of Management Sciences of the City University of Hong Kong. Mr. Look is also a Member of the Statistics Advisory Board of the Hong Kong Special Administrative Region Government.

He has over twenty-six years of experience in local and overseas financial and general management, and was a deputy managing director of ONFEM Holdings Limited; a director and the chief executive officer of Tung Wing Steel Holdings Limited (renamed Shougang Concord International Enterprises Company Limited) and a Director of Santai Manufacturing Limited (renamed Shougang Concord Technology Holdings Limited); all of which are listed on the main board of the Stock Exchange. Prior to joining the Group, Mr. Look was the chief financial officer and an executive director of Tom.com Limited (renamed TOM Group Limited). Save as aforesaid, Mr. Look does not hold other directorships in listed companies in the last three years or other major appointments.

Mr. Look's appointment as the CFO is for a term of three years effective from 1 March 2006. Pursuant to his employment agreement, Mr. Look shall be paid a remuneration of HK\$3,180,000 per annum by 12 monthly installments and was granted on 26 May 2006 a share option to subscribe in cash for a maximum of 13,488,844 Shares at an exercise price of HK\$2.965 per Share, out of which 8,992,564 had already been vested whilst 2,248,140 shall be vested on 28 February 2009 and

APPENDIX 2	PARTICULARS CONCERNING RETIRING DIRECTORS AND CONTINUOUS APPOINTMENT OF INEDS
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2,248,140 shall be subject to certain performance targets being achieved by Mr. Look respectively. As at the Latest Practicable Date, Mr. Look has yet to exercise any of the vested Share option. The emoluments of Mr. Look for the year ended 31 March 2008 was approximately HK\$6,963,000, which consisted of approximately HK\$3,484,000 share-based payment. Details of his emoluments are set out in note 9 to the consolidated financial statement in the Annual Report. His remuneration was determined by the Board with reference to the recommendation by the compensation committee taking into account of his duties and responsibilities, experience, industry standards, prevailing market conditions and the Group's performance.

Pursuant to the Articles of Association, Mr. Look is subject to retirement by rotation and re-election of Directors at AGM. Mr. Look is nephew of Mrs. Lee Look Ngan Kwan, Christina, a non-executive Director of the Company. Save as aforesaid, Mr. Look has neither interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance nor any relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

Save as the above, the Company is neither aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor information required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h)-(v) of the Listing Rules.

Professor Chan Yuk Shee, J.P.

Professor Chan Yuk Shee, J.P., aged 54, was appointed as INED of the Company since November 1999 and is currently the chairman of the audit committee of the Company.

Professor Chan received his BBA from The Chinese University of Hong Kong, and his MBA, MA, and PhD from the University of California at Berkeley. He has been appointed as the president of Lingnan University of Hong Kong in September 2007. Prior to joining Lingnan University, Professor Chan has served as the vice president for Academic Affairs of the Hong Kong University of Science and Technology (HKUST) from 2001 to 2006. He is the chairman of the Advisory Committee on Social Work Training and Manpower Planning, and a member of the Public Service Commission and the Process Review Panel for the Securities and Futures Commission. Save as aforesaid, he does not hold other directorships in listed companies in the last three years or other major appointments.

There is no service contract between Professor Chan and the Company and his current three-year term of directorship shall expire on 31 October 2008. The Board approved and offered to Professor Chan, following the recommendation of the nomination committee, and Professor Chan accepted the offer for his re-appointment as INED of the Company for a further term of 3 years commencing from 1 November 2008 to 31 October 2011 which shall be subject to a separate resolution to be approved by Shareholders in AGM pursuant to the recommended

best practice A.4.3 of the CG Code. The Director's emoluments received by Professor Chan for the year ended 31 March 2008 was approximately HK\$297,000. It is determined by the Board with reference to the recommendation by the compensation committee taking into account of his duties and responsibility, experience, industry standards and prevailing market conditions. Details of his emoluments are set out in note 9 to the consolidated financial statement in the Annual Report.

Professor Chan was granted share option by the Company on 16 December 2002 to subscribe for 1,000,000 Shares at an exercise price of HK\$0.76 per Share in which the exercise period was from 16 December 2003 to 15 December 2012. As at the Latest Practicable Date, he exercised all his options and holds a total of 1,150,000 Shares in personal interest as recorded in the notice pursuant to Part XV of the Securities and Future Ordinance. Save as aforesaid, he has neither interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance nor any relationship with any Directors, senior management nor substantial nor controlling shareholders of the Company. He has met the independence guidelines set out in Rule 3.13 of the Listing Rules and the Company has received his annual written independence confirmation and considered him to be independent.

Save as the above, the Company is neither aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor information required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h)-(v) of the Listing Rules.

Dr. Leung Kwok Fai, Thomas, J.P.

Dr. Leung Kwok Fai, Thomas, J.P., aged 59, was appointed as an INED of the Company since January 2000 and is currently the chairman of the compensation committee and member of the audit and nomination committees of the Company.

Dr. Leung holds a PhD in Business Administration from the University of Illinois. He has over 25 years' experience in management consultancy and is an expert in organization and human resources development. He has been appointed to significant positions in many public organizations and committees by the Government and was formerly Chief Executive – Asia for the Hay Group, one of the world's leading management consulting firms. Save as aforesaid, he does not hold other directorships in listed companies in the last three years or other major appointments.

There is no service contract between Dr. Leung and the Company and the three-year term of Dr. Leung's directorship shall expire on 31 December 2008. The Board approved and offered to Dr. Leung, following the recommendation of the nomination committee, and Dr. Leung accepted the offer for his re-appointment as INED of the Company for a further term of 3 years commencing from 1 January 2009 to 31 December 2011 which shall be subject to a separate resolution to be approved by Shareholders in AGM pursuant to the recommended best practice A.4.3.

APPENDIX 2	PARTICULARS CONCERNING RETIRING DIRECTORS AND CONTINUOUS APPOINTMENT OF INEDS
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of the CG Code. The Director's emoluments received by Dr. Leung for the year ended 31 March 2008 was approximately HK\$264,000. It is determined by the Board with reference to the recommendation by the compensation committee taking into account of his duties and responsibilities, experience, industry standards, prevailing market conditions and the Group's performance. Details of his emoluments are set out in note 9 to the consolidated financial statement in the Annual Report.

Dr. Leung was granted share option by the Company on 16 December 2002 to subscribe for 1,000,000 Shares at an exercise price of HK\$0.76 per Share in which the exercise period was from 16 December 2003 to 15 December 2012 and he exercised all his share option. As at the Latest Practicable Date, he has neither interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance nor any relationship with any Directors, senior management nor substantial nor controlling shareholders of the Company. He has met the independence guidelines set out in Rule 3.13 of the Listing Rules and the Company has received his annual written independence confirmation and considered him to be independent.

Save as the above, the Company is neither aware of any other matters that need to be brought to the attention of the holders of securities of the Company nor information required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h)-(v) of the Listing Rules.