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If you are in any doubt as to any aspect of this circular 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 all your shares in Sing Lee Software (Group) Limited, you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.



SING LEE SOFTWARE (GROUP) LIMITED

新利軟件(集團)股份有限公司*

(Incorporated in Bermuda with limited liability)

Stock Code: 8076

GENERAL MANDATE TO REPURCHASE SHARES AND ISSUE NEW SHARES, RE-ELECTION OF DIRECTORS AND AMENDMENTS TO THE BYE-LAWS

This circular, for which the directors of Sing Lee Software (Group) Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Sing Lee Software (Group) Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: 1. the information contained in this circular is accurate and complete in all material respects and not misleading; 2. there are no other matters the omission of which would make any statement in this circular misleading; and 3. all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of posting.

* For identification only

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “EXCHANGE”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.



SING LEE SOFTWARE (GROUP) LIMITED

新利軟件(集團)股份有限公司*

(Incorporated in Bermuda with limited liability)

Stock Code: 8076

Board of Directors

Executive Directors:

Hung Yung Lai (*Chairman*)

Cui Jian

Xu Shu Yi

Independent non-executive Directors:

Pao Ping Wing

Tam Kwok Hing

Lo King Man

Compliance Officer:

Hung Yung Lai

Head Office and Principal Place of Business

in the People's Republic of China:

32nd Floor, Morrison Plaza

5-9A Morrison Hill Road

Wanchai

Hong Kong

Registered Office:

Clarendon House, 2 Church Street

Hamilton, HM11

Bermuda

28th May, 2007

To Shareholders of the Company

Dear Sir or Madam,

**GENERAL MANDATES TO REPURCHASE SHARES
AND ISSUE NEW SHARES,
RE-ELECTION OF DIRECTORS
AND
AMENDMENTS TO THE BYE-LAWS**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed as at the annual general meeting (the "AGM") of Sing Lee Software (Group) Limited (the "Company") to be held at Unicorn & Phoenix, Basement 2, The Charterhouse, 209-219 Wanchai Road, Hong Kong on 22nd June, 2007 at 10:00 a.m.

* *For identification only*

LETTER FROM THE BOARD OF DIRECTORS

BACKGROUND

On 10th May, 2006, resolutions were passed by the shareholders of the Company granting general unconditional mandates to the directors of the Company (the “Directors”) to exercise the powers of the Company to:

- (a) allot, issue and deal with shares in the capital of the Company not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue on 10th May, 2006;
- (b) repurchase shares of the Company not exceeding 10% of the aggregate nominal amount of the shares of the Company in issue on 10th May, 2006; and
- (c) add to the general mandate for issuing shares set out in paragraph (a) above the number of shares purchased by the Company pursuant to the repurchase mandate set out in paragraph (b) above.

The above general mandates will expire at the conclusion of the forthcoming AGM and the purpose of this circular is to seek your support, at the forthcoming AGM, to approve the general mandates as referred to below.

PROPOSED GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, it will be proposed, by way of an ordinary resolution, that the Directors be given a general and unconditional mandate to exercise all powers of the Company to repurchase on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) shares in the Company up to a maximum of 10 per cent. of the shares of the Company in issue at the date of passing the ordinary resolution (the “Repurchase Mandate”).

The Repurchase Mandate, if approved, will continue in force until the conclusion of the next AGM of the Company or until revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting prior to the next annual general meeting.

An explanatory statement containing information relating to the Repurchase Mandate and as required pursuant to the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “Listing Rules”), in particular Rule 13.08, is set out in the appendix to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate.

PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES

At the AGM, it will also be proposed, by way of ordinary resolution, that the Directors be given a general and unconditional mandate to exercise all powers of the Company to issue new shares in the Company up to 20 per cent. of the aggregate nominal amount of the issued share capital of the Company on the date of the passing of the ordinary resolution (“Issue Mandate”, together with the Repurchase Mandate, the “General Mandates”). In addition, it is further proposed, by way of another

LETTER FROM THE BOARD OF DIRECTORS

ordinary resolution, that the Issue Mandate be extended so that the Directors be given a general mandate to issue further shares in the Company of an aggregate nominal amount equal to the aggregate nominal amount of the share capital of the Company repurchased under the Repurchase Mandate. Any issue of new shares in the Company is subject to approval from the Stock Exchange for the listing of and permission to deal in such new shares.

RE-ELECTION OF DIRECTORS

In accordance with bye-law 87 of the Company's Bye-Laws (the "Bye-laws"), Mr. Cui Jian and Mr. Tam Kwok Hing, will retire from office by rotation at the forthcoming annual general meeting and, being eligible, offers themselves for re-election. Mr. Hung Yung Lai, the Chairman, will also retire from office and offer himself for re-election in view of the provisions in paragraph A.4.2 of the Appendix 15 of the GEM Listing Rules.

Particulars required to be disclosed under the GEM Listing Rules of the retiring director who will offer themselves for re-election at the AGM are set out in the Appendix I of this circular.

PROPOSED AMENDMENTS TO THE BYE-LAWS

To align the Bye-laws with certain amendments to Appendix 3 of the GEM Listing Rules and the Code on Corporate Governance Practices set out in Appendix 15 of the GEM Listing Rules, the Directors propose to seek approval from shareholders at the AGM by way of special resolutions to amend the following provisions of the Bye-Laws:

- (i) to add in Bye-law 66 and 68 the circumstances required by the Stock Exchange that a poll is demanded, and to specify that the Company is required to disclose the results of the poll if disclosure is required by the Designated Stock Exchange;
- (ii) to amend Bye-law 86 requiring that all Directors appointed to fill a casual vacancy should be subject to election by Shareholders at the next follow general meeting of the Company.
- (iii) to amend Bye-law 87 requiring every Director to retire by rotation at least once every three years.

ACTION TO BE TAKEN

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 Company's principal place of business in Hong Kong at 32/F Morrison Plaza, 5-9A Morrison Hill Road, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the AGM. The completion and delivery of a form of proxy will not preclude you from attending and voting at the meeting in person.

LETTER FROM THE BOARD OF DIRECTORS

RECOMMENDATION

The Directors consider that the granting of the Repurchase Mandate, Issue Mandate, the extension of the Issue Mandate, the proposals for re-election of Directors and the amendments to the Bye-laws referred to in this circular are in the best interests of the Company and its shareholders as a whole and so recommend shareholders to vote in favour of the resolutions at the AGM.

PROCEDURES TO DEMAND POLL

A resolution put to the vote of a 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:

- (a) by the chairman of such meeting ; or
- (b) by at least three Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (d) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy and holding shares 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 shares conferring that right.

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

Yours faithfully,
For and on behalf of the Board of
Sing Lee Software (Group) Limited
Hung Yung Lai
Chairman

APPENDIX I PARTICULARS OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Mr. Hung Yung Lai, aged 62, is an executive director and the Chairman of the Company and its subsidiaries (together referred to as the “Group”). Mr. Hung, who graduated from Shanghai Conservatory of Music, is among the founders of the Group. He is also the chairman of the remuneration committee and the director of Strategic Development Committee of the Company. Mr. Hung is in possession of over 22 years’ company management and strategy programming experience and 10 years’ successful experience in managing high-tech companies, hence he is familiar with the China business management and marketing planning. He is now in charge of the Group’s macro-strategy and the enterprise’s development. Mr. Hung is also an executive director of Dawnrays Pharmaceutical (Holdings) Ltd., a company listed on the Main Board of the Stock Exchange. Save as disclosed above, Mr. Hung did not hold any directorship in any other listed companies in the last three years.

Pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as at 21st May, 2007, (being the latest practicable date (the “Latest Practicable Date”) for ascertaining certain information prior to the printing of this circular), Mr. Hung is interested in 50% of the issued capital of Goldcorp Industrial Limited, a substantial shareholder of the Company, therefore Mr. Hung is deemed to be interested in the same 306,000,000 shares of the Company held by Goldcorp Industrial Limited.

Save as disclosed above, Mr. Hung does not have any relationship with any directors, senior management, management shareholders, substantial or controlling shareholders of the Company.

Mr. Hung entered into a service contract with the Company for a term of three years which commenced on 27th August, 2001 and has been continued thereafter until terminated by either party giving not less than six months’ written notice. Mr. Hung is currently entitled to an annual emolument, including salary and pension scheme contribution, of HK\$75,600 or such other sum as the board of Directors (the “Board”) may from time to time decide and this was determined based on prevailing market practice, his duties, responsibilities, contribution to the Company and the remuneration of other directors of the Company at the time the agreement was entered into.

In relation to the appointment of Mr. Hung as an executive director of the Company, there are no information to be disclosed pursuant to any of the requirements of the provisions under the paragraphs 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules nor are there other matters that need to be brought to the attention of holders of securities of the Company.

Mr. Cui Jian, aged 53, is an Executive Director and the Vice Chairman of the Group. Mr. Cui is one of the founders of Hangzhou Singlee Software Co., Ltd., a subsidiary of the Company, and has been working for the Group since its founding in 1993. Mr. Cui is responsible for the investment programming of the Group. Save as disclosed above, Mr. Cui did not hold any directorship in any other listed companies in the last three years.

Mr. Cui does not have any relationship with any directors, senior management, management shareholders, substantial or controlling shareholders of the Company.

APPENDIX I PARTICULARS OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as at the Latest Practicable Date, Mr. Cui is interested in 3,180,000 shares of the Company, which are underlying shares to be issued upon exercise of share options granted to him by the Company under the share option scheme of the Company.

Mr. Cui entered into a service contract with the Company for a term of three years which commenced on 27th August 2001 and has been continued thereafter until terminated by either party giving not less than six months' written notice. Mr. Cui is currently entitled to an annual emolument, including salary and pension scheme contribution, of HK\$75,600 or such other sum as the Board may from time to time decide and this was determined based on prevailing market practice, his duties, responsibilities, contribution to the Company and the remuneration of other directors of the Company at the time the agreement was entered into.

In relation to the appointment of Mr. Cui as an executive director of the Company, there are no information to be disclosed pursuant to any of the requirements of the provisions under the paragraphs 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules nor are there other matters that need to be brought to the attention of holders of securities of the Company.

Mr. Tam Kwok Hing, aged 59, is an Independent Non-executive Director of the Company. He is a member of the remuneration committee and the audit committee of the Company. He joined the Company in September 2004. Mr. Tam is the fellow member of the Association of Chartered Certified Accountants (U.K.) and the Hong Kong Institute of Certified Public Accountants. He was the founding partner of Wongs & Tam, Certified Public Accountants, a public accounting firm in Hong Kong, set up in 1973 and is now a consultant of the accounting firm. Save as disclosed above, Mr. Tam did not hold any directorship in any other listed companies in the last three years.

Mr. Tam does not have any relationship with any directors, senior management, management shareholders, substantial or controlling shareholders of the Company. He also does not have any interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Tam entered into a service contract with the Company for a term of two years which commenced on 30th September, 2004 and has been continued thereafter until terminated by either party giving not less than one month's written notice. Mr. Tam is currently entitled to an annual remuneration of HK\$72,000 or such other sum as the Board may from time to time decide and this was determined based on prevailing market practice, his duties, responsibilities, contribution to the Company and the remuneration of other independent non-executive directors of the Company at the time the agreement was entered into.

In relation to the appointment of Mr. Tam as an independent non-executive director of the Company, there are no information to be disclosed pursuant to any of the requirements of the provisions under the paragraphs 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules nor are there other matters that need to be brought to the attention of holders of securities of the Company.

The following is the Explanatory Statement required to be sent to shareholders pursuant to Rule 13.08 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (“GEM Listing Rules”) in connection with the proposed Repurchase Mandate which, if approved, would authorise directors of the Company to purchase shares of HK\$0.01 each (“Shares”) in the Company.

(a) Shareholders’ approval

The Company may only purchase its Shares on GEM if:

- (i) the Shares proposed to be issued by the Company are fully-paid up;
- (ii) the Company has previously sent to its shareholders this Explanatory Statement; and
- (iii) the shareholders of the Company have in general meeting approved the Repurchase Mandate and the relevant documents in connection therewith have been delivered to the Stock Exchange.

(b) Number of shares which may be repurchased

Exercise in full of the Repurchase Mandate, on the basis of 603,000,000 shares in issue as at the Latest Practicable Date, would result in 60,300,000 shares (representing 10% of the total issued share capital of the Company) being repurchased by the Company during the period prior to the next annual general meeting of the Company following the passing of the resolution approving the Repurchase Mandate. As at the Latest Practicable Date, the Directors have no intention to exercise the Repurchase Mandate.

(c) Reasons for proposed repurchase of shares

The Directors believe that it is in the interests of the Company and its shareholders to have a general authority from shareholders to enable the Directors to repurchase shares on GEM. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets of the Company 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.

(d) Source of funds

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Bye-laws, the GEM Listing Rules and the laws of Bermuda. The Company shall not repurchase Shares on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

(e) Effect of exercising the Repurchase Mandate

There may be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the 2006 annual report of the Company) 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 impact 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 of the Company.

(f) Who may sell shares in the event the Repurchase Mandate is exercised

The GEM Listing Rules prohibit the Company from knowingly repurchasing shares from a “connected person”, that is, a director, chief executive, substantial shareholder or management shareholder of the Company or any of their associates (as defined in the GEM Listing Rules). A connected person (as defined in the GEM Listing Rules) shall not knowingly sell his shares to the Company.

As at the Latest Practicable Date, no connected person (as defined in the GEM Listing Rules) has notified the Company that he has a present intention to sell shares to the Company, or has undertaken not to sell any of the shares held by him to the Company, in the event that the Company is authorised to make repurchases of shares.

As at the Latest Practicable Date, none of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the GEM Listing Rules), has any present intention, in the event that the Repurchase Mandate is approved, to sell any Shares to the Company or its subsidiaries.

(g) Directors’ 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 GEM Listing Rules and the applicable laws of Bermuda.

(h) 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 Hong Kong Code on Takeovers and Mergers (the “Code”). As a result, a shareholder, or a group of shareholders acting in concert (within that term’s meaning under the Code), depending on the level of increase in the shareholders interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 and 32 of the Code.

As at the Latest Practicable Date, Goldcorp Industrial Limited, which is a substantial shareholder of the Company, held approximately 50.75% of the issued shares. As at the Latest Practicable Date, the Directors are not aware of any consequences for Goldcorp Industrial Limited under the Code as a result, solely, of the Directors exercising the Repurchase Mandate in full.

(i) No repurchases of shares by the Company

The Company has not repurchased any shares in the previous six months.

(j) Shares prices

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

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2006		
May	0.08	0.06
June	0.08	0.08
July	0.09	0.08
August	0.09	0.08
September	0.08	0.08
October	0.08	0.07
November	0.08	0.06
December	0.06	0.06
2007		
January	0.06	0.03
February	0.06	0.06
March	0.14	0.06
April	0.14	0.14
May (up to the Latest Practicable Date)	0.66	0.14



SING LEE SOFTWARE (GROUP) LIMITED

新利軟件(集團)股份有限公司*

(Incorporated in Bermuda with limited liability)

Stock Code: 8076

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Members of Sing Lee Software (Group) Limited (“the Company”) will be held at Unicorn & Phoenix, Basement 2, The Charterhouse, 209-219 Wanchai Road, Hong Kong on Friday, 22 June 2007 at 10:00 a.m. for the following purposes:

1. to receive and consider the audited combined financial statements and the reports of the directors of the Company (the “Directors”) and the auditors (the “Auditors”) for the financial year ended 31 December 2006;
2. to re-elect the retiring Directors and authorise the board of Directors to fix the remuneration of the Directors;
3. to re-appoint auditors and to authorise the board of Directors to fix their remuneration;
4. as special business, to consider and, if thought fit, pass the following resolutions with or without amendments as Ordinary Resolutions of the Company:

(A) **“THAT**

- (i) subject to sub-paragraph (ii) of this resolution, pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the Directors 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 (including bonds, warrants and debentures convertible into shares) which might require the exercise of such powers either during or after the Relevant Period, be and is hereby generally and unconditionally approved.
- (ii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in sub-paragraph (i) of this resolution, otherwise than pursuant to (a) a Rights Issue (as defined below), (b) the exercise of warrants to

* *for identification only*

NOTICE OF ANNUAL GENERAL MEETING

subscribe for shares of the Company or the exercise of any options granted under the share option scheme adopted by the Company, or (c) an issue of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and this approval shall be limited accordingly; and

(iii) for the purpose of this resolution:

”Relevant Period” means the period from the date of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held; and
- (c) the date on which the authority sets out in this resolution is revoked or varied by an ordinary resolution in general meeting.

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

(B) **“THAT**

- (i) subject to paragraph (ii) below, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to repurchase issued shares in the capital of the Company on the Stock Exchange or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, subject to and in connection with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the GEM or of any other stock exchange as amended from time to time, be and the same is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of shares of the Company which the Company is authorised to repurchase pursuant to the approval in sub-paragraph (i) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and this approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(iii) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held; and
 - (c) the date on which the authority sets out for this resolution is revoked or varied by an ordinary resolution in general meeting.”
- (C) “THAT conditional upon ordinary resolutions nos. 4(A) and 4(B) above being passed, the aggregate nominal amount of shares of the Company which are repurchased by the Company under the authority granted to the Directors of the Company as mentioned in ordinary resolution nos. 4(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 pursuant to ordinary resolution no. 4(A) above.”

5. As special business, to consider and, if though fit, pass the following resolutions with or without amendments as Special Resolutions of the Company:

“THAT the bye-laws of the Company be amended as follows:-

- (i) by inserting the words “voting by way of a poll is required by the rules of the Designated Stock Exchange or” after the words “a show of hands unless” in the third sentence of the Bye-law 66; and by deleting the full stop at the end of Bye-law 66(d) and replacing it with a semi-colon and inserting the word “or” after the semi-colon;
- (ii) by inserting the following wording after Bye-law 66(d):
 - “(e) if required by the rules of the Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.”;
- (iii) by deleting the second sentence of Bye-law 68 in its entirety and substituting therefor the following:

“The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”;

NOTICE OF ANNUAL GENERAL MEETING

(iv) by deleting Bye-law 86(2) in its entirety and substituting therefor the following:

“(2) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorization by the Members in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election at that meeting.”; and

(v) by substituting the existing Bye-law 87(1) with the following new Bye-law 87(1):

“(1) Notwithstanding any other provisions in the Bye-laws, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation.””

By Order of the Board

Hung Yung Lai

Chairman

Hong Kong, 28th May, 2007

Registered office:

Clarendon House
2 Church Street
Hamilton, HM11
Bermuda

Head office and principal place of business:

32nd Floor, Morrison Plaza
5-9A Morrison Hill Road
Wanchai
Hong Kong

Notes:

- (a) A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a Member of the Company.
- (b) To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Company's principal place of business in Hong Kong at 32/F, Morrison Plaza, 5-9A Morrison Hill Road, Wanchai, Hong Kong not less than 48 hours before the time for holding the Meeting.

As at the date of this notice, the Board comprises six Directors, of which three are Executive Directors, namely Mr. Hung Yung Lai, Mr. Cui Jian and Mr. Xu Shu Yi; three are Independent Non-executive Directors, namely Mr. Pao Ping Wing, Mr. Tam Kwok Hing and Mr. Lo King Man