
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer 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 Wai Kee Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



WAI KEE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 610)

PROPOSED RE-ELECTION OF DIRECTORS

PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

AND

NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of Wai Kee Holdings Limited to be held at Academy Room I-II, 1st Floor, InterContinental Grand Stanford Hotel, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Tuesday, 15th May, 2007 at 10:00 a.m. is set out in Appendix III to this circular. Whether or not you intend to attend such meeting, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding such meeting. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting or any adjourned meeting if they so wish.

20th April, 2007

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Appendix I – Details of Directors Standing for Re-election	6
Appendix II – Explanatory Statement	10
Appendix III – Notice of Annual General Meeting	13
Appendix IV – Right to Demand Poll	17

DEFINITIONS

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

“2006 Annual Report”	the annual report of the Company for the year ended 31st December, 2006;
“AGM”	the annual general meeting of the Company to be convened and held at Academy Room I-II, 1st Floor, InterContinental Grand Stanford Hotel, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Tuesday, 15th May, 2007 at 10:00 a.m.;
“Associates”	the same definition as described under the Listing Rules;
“Build King”	Build King Holdings Limited, a subsidiary of the Company, and the shares of which are listed on the Main Board of the Stock Exchange;
“Board”	the board of directors of the Company;
“Bye-laws”	the bye-laws of the Company;
“Company”	Wai Kee Holdings Limited, a company incorporated in Bermuda with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange;
“Directors”	the directors of the Company;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	18th April, 2007, being the latest practicable date prior to the printing of this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“New Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to issue new Shares on the terms set out in the Notice;
“Notice”	the notice convening the AGM;

DEFINITIONS

“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase the Shares on the terms set out in the Notice;
“Road King”	Road King Infrastructure Limited, an associate of the Company, and the shares of which are listed on the Main Board of the Stock Exchange;
“SFO”	The Securities and Futures Ordinance, Chapter 571 of the Law of Hong Kong;
“Share(s)”	share(s) of par value of HK\$0.10 each in the capital of the Company;
“Shareholder(s)”	the shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers; and
“%”	per cent.

LETTER FROM THE BOARD



WAI KEE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 610)

Directors:

William Zen Wei Pao (*Chairman*)
Derek Zen Wei Peu (*Vice Chairman*)
Anriena Chiu Wai Yee
Patrick Lam Wai Hon*
Chu Tat Chi*
Leslie Cheng Chi Pang*
Steve Wong Che Ming**
Samuel Wan Siu Kau**
Francis Wong Man Chung**

Registered Office:

Clarendon House
Church Street
Hamilton HM 11
Bermuda

Principal Place of Business:

Unit 702B, 7th Floor
East Ocean Centre
98 Granville Road
Tsimshatsui
Kowloon
Hong Kong

* *Non-Executive Director*

** *Independent Non-Executive Director*

20th April, 2007

To the Shareholders

Dear Sir and Madam,

PROPOSED RE-ELECTION OF DIRECTORS

PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

AND

NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

At the AGM, resolutions will be proposed:

- (a) to re-elect Directors;

LETTER FROM THE BOARD

- (b) to allot, issue and deal with additional Shares and to make or grant offers, agreements, options and warrants not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of passing such resolution;
- (c) to repurchase Shares not exceeding 10% of the aggregate nominal value of the issued share capital of the Company as at the date of passing such resolution; and
- (d) to add to the general mandate for issuing Shares set out in (b) above the number of Shares repurchased by the Company pursuant to the Repurchase Mandate set out in (c) above.

PROPOSED RE-ELECTION OF DIRECTORS

Pursuant to Bye-law 86(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 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 Shareholders in general meeting. Any Director so appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting (but shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation at such meeting). Accordingly, Mr. Chu Tat Chi, who was appointed as a Director on 12th May, 2006, will retire from office.

Furthermore, pursuant to Bye-law 87, 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. Accordingly, Dr. Leslie Cheng Chi Pang, Mr. Samuel Wan Siu Kau and Mr. Francis Wong Man Chung will retire from office.

Mr. Chu Tat Chi, Dr. Leslie Cheng Chi Pang, Mr. Samuel Wan Siu Kau and Mr. Francis Wong Man Chung, being eligible, offer themselves for re-election at the AGM. Details of such Directors are set out in Appendix I to this circular.

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 Shares on the Stock Exchange up to a maximum of 10% of the Shares in issue at the date of passing the ordinary resolution.

An explanatory statement containing information relating to the Repurchase Mandate as required pursuant to the Listing Rules is set out in Appendix II to this circular.

LETTER FROM THE BOARD

PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES

At the AGM, it will also 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 issue new Shares up to 20% of the aggregate nominal value of the issued share capital of the Company at the date of the passing the ordinary resolution. In addition, it is further proposed, by way of a separate ordinary resolution, that the New Issue Mandate be extended so that the Directors be given a general mandate to issue further Shares of an aggregate nominal value equal to the aggregate nominal value of the Shares repurchased by the Company under the Repurchase Mandate.

AGM

Set out in Appendix III to this circular is the Notice. A form of proxy for use in connection with the AGM is enclosed with 2006 Annual Report. Whether or not the Shareholders are able to attend the AGM, they are requested to complete the enclosed form of proxy and return it to the Company's branch share registrar in Hong Kong, Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting at the AGM should they wish to do so.

RECOMMENDATION

The Directors are of the opinion that the re-election of Directors, the grant of the Repurchase Mandate and the New Issue Mandate are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

GENERAL

Your attention is drawn to the additional information set out in the Appendix I (Details of Directors Standing for Re-election), Appendix II (Explanatory Statement), Appendix III (Notice of Annual General Meeting) and Appendix IV (Right to Demand Poll) to this circular.

Yours faithfully,
For and on behalf of the Board
William Zen Wei Pao
Chairman

APPENDIX I DETAILS OF DIRECTORS STANDING FOR RE-ELECTION

The following are the particulars of the Directors who will retire and, being eligible, offer themselves for re-election at the AGM:

Mr. Chu Tat Chi, age 50, was appointed as a Non-executive Director in May 2006. He graduated from the Hong Kong Polytechnic in 1978 with a Diploma in Building Studies. He has over 25 years of experience in the civil engineering and construction industries. Mr. Chu joined Hip Hing Construction Company Limited (“Hip Hing”) in 1979 and is presently an Executive Director of Hip Hing. He is also a Director of NWS Service Management Limited, a substantial shareholder of the Company, Quon Hing Concrete Company Limited and Ngo Kee (Macau) Limited. Prior to joining Hip Hing, he had worked in the Public Works Department of Hong Kong Government.

Mr. Chu did not hold any directorship in other listed public companies in the last three years. Save for his directorship in the Company and NWS Service Management Limited, Mr. Chu does not have any relationship with any director, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Chu does not have, and is not deemed to have, any interests and short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO).

Mr. Chu did not enter into any service agreement with the Company. There is no fixed term or proposed length of service except that he is subject to retirement by rotation and re-election in accordance with the Bye-laws. Mr. Chu is entitled to an emolument of HK\$152,000 per annum for acting as a Non-executive Director. His director’s fee will be reviewed and determined by the Board annually with authorization granted by the Shareholders at an annual general meeting of the Company and taking reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market situation.

Mr. Chu has not been involved in any of the matters as mentioned under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters in relation to Mr. Chu that need to be brought to the attention of the Shareholders.

APPENDIX I DETAILS OF DIRECTORS STANDING FOR RE-ELECTION

Dr. Leslie Cheng Chi Pang, age 49, was appointed as a Non-executive Director in September 2000. He is also a Non-executive Director of Build King. Dr. Cheng holds a Bachelor Degree in Business, a Master Degree in Business Administration and a Doctorate Degree of Philosophy in Business Management. Dr. Cheng is an associate member of the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Accountants in England and Wales, CPA Australia and the Taxation Institute of Hong Kong, and a fellow member of Hong Kong Institute of Directors. He is a Certified Public Accountant practising in Hong Kong and has over 25 years of experience in auditing, business advisory and financial management. Dr. Cheng joined the New World Group in 1992 and was Group Financial Controller and Chief Executive of NWS Holdings Limited. He is now the Chairman of the Supervisory Board of the Macao Water Supply Company Limited, the Senior Partner of Leslie Cheng & Co. and Chief Executive Officer of L & E Consultants Limited. Dr. Cheng is currently an Independent Non-executive Director and an audit committee chairman of China Ting Group Holdings Limited, Fortune Sun (China) Holdings Limited, Nine Dragons Paper (Holdings) Limited and Tianjin Port Development Holdings Limited, all of whose shares are listed on the Main Board of the Stock Exchange. Prior to joining the New World Group, he was a senior manager of an international accounting firm.

Save as disclosed above, Dr. Cheng did not hold any directorship in other listed public companies in the last three years. Save for his directorship in the Company and Build King, Dr. Cheng does not have any relationship with any director, senior management, substantial shareholders or controlling shareholders of the Company.

Except holding 500,000 Shares and 1,170,000 shares in Build King, as at the Latest Practicable Date, Dr. Cheng does not have, and is not deemed to have, other interests and short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO).

Dr. Cheng did not enter into any service agreement with the Company. There is no fixed term or proposed length of service except that he is subject to retirement by rotation and re-election in accordance with the Bye-laws. Dr. Cheng is entitled to an emolument of HK\$152,000 per annum for acting as a Non-executive Director. His director's fee will be reviewed and determined by the Board annually with authorization granted by the Shareholders at an annual general meeting of the Company and taking reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation.

Dr. Cheng has not been involved in any of the matters as mentioned under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters in relation to Dr. Cheng that need to be brought to the attention of the Shareholders.

APPENDIX I DETAILS OF DIRECTORS STANDING FOR RE-ELECTION

Mr. Samuel Wan Siu Kau, age 55, was appointed as an Independent Non-executive Director and a member of the Audit Committee of the Company in September 2001. He was appointed as the Chairman of the Remuneration Committee of the Company in April 2005. He holds a Master Degree of Business Administration from The Chinese University of Hong Kong and a Bachelor Degree in Business Administration and Accounting from The University of Hong Kong. He started his executive search career in 1988 and is presently the Managing Partner of Amrop Hever, a global executive search firm. Prior to this, he was the Managing Director of Norman Broadbent's Hong Kong and China offices and was among the first generation of recruiters to establish a search practice in China. Earlier, he worked for Bank of America and Banque Nationale de Paris on both the human resources and business side. Mr. Wan is currently a Non-executive Director of Recruit Holdings Limited whose shares are listed on the GEM Board of the Stock Exchange.

Save as disclosed above, Mr. Wan did not hold any directorship in other listed public companies in the last three years. Save for his directorship in the Company, Mr. Wan does not have any relationship with any director, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Wan does not have, and is not deemed to have, any interests and short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO).

Mr. Wan did not enter into any service agreement with the Company. There is no fixed term or proposed length of service except that he is subject to retirement by rotation and re-election in accordance with the Bye-laws. Mr. Wan is entitled to an emolument of HK\$152,000 per annum for acting as an Independent Non-executive Director and additional fees of HK\$42,000 and HK\$11,000 per annum for acting as a member of the Audit Committee and the Remuneration Committee of the Company respectively. His director's fee will be reviewed and determined by the Board annually with authorization granted by the Shareholders at an annual general meeting of the Company and taking reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation.

Mr. Wan has not been involved in any of the matters as mentioned under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters in relation to Mr. Wan that need to be brought to the attention of the Shareholders.

APPENDIX I DETAILS OF DIRECTORS STANDING FOR RE-ELECTION

Mr. Francis Wong Man Chung, age 42, was appointed as an Independent Non-executive Director and a member of the Audit Committee of the Company in August 2004. He was appointed as the Chairman of the Audit Committee and a member of the Remuneration Committee of the Company in April 2005. Mr. Wong holds a Master Degree in Management conferred by Guangzhou Jinan University of China. He is a Certified Public Accountant (Practising) and has over 15 years of experience in profession of accounting. He is a fellow member of the Association of Chartered Certified Accountants of the United Kingdom, the Hong Kong Institute of Certified Public Accountants and the Taxation Institute of Hong Kong, an associate member of the Institute of Chartered Accountants in England and Wales, and a member of the Society of Chinese Accountants and Auditors, Hong Kong. Mr. Wong is a Director of Union Alpha CPA Limited (which incorporated Francis Wong CPA Co. Limited), a professional accounting firm. Prior to that, he worked for an international accounting firm for 6 years and The Hong Kong Securities Clearing Company Limited for 2 years. Mr. Wong is currently an Independent Non-executive Director and an audit committee chairman/member of Yardway Group Limited, China Oriental Group Company Limited and Digital China Holdings Limited, all of whose shares are listed on the Main Board of the Stock Exchange. He was once Independent Non-executive Director of Sys Solutions Holdings Limited whose shares are listed on the GEM Board of the Stock Exchange.

Save as disclosed above, Mr. Wong did not hold any directorship in other listed public companies in the last three years. Save for his directorship in the Company, Mr. Wong does not have any relationship with any director, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Wong does not have, and is not deemed to have, any interests and short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO).

Mr. Wong did not enter into any service agreement with the Company. There is no fixed term or proposed length of service except that he is subject to retirement by rotation and re-election in accordance with the Bye-laws. Mr. Wong is entitled to an emolument of HK\$152,000 per annum for acting as an Independent Non-executive Director and additional fees of HK\$42,000 and HK\$11,000 per annum for acting as a member of the Audit Committee and the Remuneration Committee of the Company respectively. His director's fee will be reviewed and determined by the Board annually with authorization granted by the Shareholders at an annual general meeting of the Company and taking reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation.

Mr. Wong has not been involved in any of the matters as mentioned under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters in relation to Mr. Wong that need to be brought to the attention of the Shareholders.

SHARE CAPITAL

As at the Latest Practicable Date, there were 793,124,034 Shares in issue. Subject to the passing of the relevant ordinary resolution and on the basis that no further Shares are issued or repurchased prior to the date of the AGM, the Company would be authorized to repurchase up to a maximum of 79,312,403 Shares.

REASONS FOR THE REPURCHASES

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

FUNDING OF THE REPURCHASES

It is proposed that repurchases of securities under the Repurchase Mandate would be financed from available cash flow or working capital facilities of the Company and its subsidiaries. In repurchasing the securities, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws and the laws of Bermuda. The laws of Bermuda provide that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant Shares, or funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a new issue of Shares made for the purpose of the repurchase. The amount of premium payable on the repurchase may only be paid out of either funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account before the Shares are repurchased.

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 of the Company for the year ended 31st December, 2006), in the event that the proposed Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

SHARE PRICES

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

	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2006		
April	2.625	2.000
May	2.300	1.960
June	2.425	2.125
July	2.700	2.325
August	2.590	2.300
September	2.810	2.360
October	2.700	2.400
November	2.910	2.490
December	2.890	2.730
2007		
January	3.170	2.750
February	3.200	2.910
March	3.050	2.760

DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their associates has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell any of the Shares to the Company.

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

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchase pursuant to the proposed resolution in accordance with the Listing Rules and the laws of Bermuda.

EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the powers of the Company to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date and for the purpose of the SFO, Mr. William Zen Wei Pao, Mr. Derek Zen Wei Peu and Vast Earn Group Limited ("Vast Earn") were interested in 10% or more of the issued share capital of the Company:

Name	Number of Shares held	Approximate percentage of the issued ordinary share capital of the Company as at the Latest Practicable Date
William Zen Wei Pao (<i>Note</i>)	192,381,843	24.26%
Derek Zen Wei Peu (<i>Note</i>)	185,057,078	23.33%
Vast Earn	213,868,000	26.97%

Note: Mr. William Zen Wei Pao and Mr. Derek Zen Wei Peu are brothers and are presumed to be acting in concert with each other by reason that they are close relatives. As at the Latest Practicable Date, the aggregate number of Shares held by them was 377,438,921 Shares, amounting to approximately 47.59% of the issued share capital of the Company.

In the event that the Directors exercise in full the power to repurchase the Shares pursuant to the Repurchase Mandate and assuming that there are no alteration to the existing shareholdings of Mr. William Zen Wei Pao, Mr. Derek Zen Wei Peu and Vast Earn, the combined shareholding of Mr. William Zen Wei Pao and Mr. Derek Zen Wei Peu will be increased to approximately 52.88% and the shareholding of Vast Earn will be increased to 29.96%. Accordingly, Mr. William Zen Wei Pao and Mr. Derek Zen Wei Peu will incur an obligation to make a mandatory offer under Rule 26 of the Takeovers Code as the aggregate percentage shareholding of Mr. William Zen Wei Pao and Mr. Derek Zen Wei Peu has increased by more than 2% of the voting rights of the Company. In addition, the public float requirement under Rule 8.08 of the Listing Rules may be breached. However, the Directors do not have any intention for the Company to exercise its power to repurchase the Shares to the extent that would trigger a mandatory offer by Mr. William Zen Wei Pao and Mr. Derek Zen Wei Peu under Rule 26 of the Takeovers Code or will result in the public float of the Company falling below 25%.

SHARE REPURCHASES MADE BY THE COMPANY

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

NOTICE IS HEREBY GIVEN the Annual General Meeting of the Company will be held at Academy Room I-II, 1st Floor, InterContinental Grand Stanford Hotel, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Tuesday, 15th May, 2007 at 10:00 a.m. to transact the following businesses:

1. To receive and consider the Audited Financial Statements and the Reports of the Directors and Auditors for the year ended 31st December, 2006.
2. To declare a final dividend for the year ended 31st December, 2006.
3. To re-elect Directors and to authorize the Board of Directors to fix their remuneration.
4. To re-appoint Auditors and to authorize the Board of Directors to fix their remuneration.

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

ORDINARY RESOLUTIONS

5(A). **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (“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 of the Company, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options, including bonds, warrants and debentures convertible into shares of the Company, which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to Directors and/or employees of the Company and/or any of its subsidiaries of options or rights to subscribe for shares in the Company; or (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in the Company in lieu of the

whole or part of a dividend pursuant to the Bye-laws of the Company from time to time, shall not exceed 20 per cent. of the aggregate nominal amount of the issued share capital of the Company 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 passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next Annual General Meeting of the Company;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held; or
- (iii) the revocation or variation of the Resolution by an ordinary resolution in general meeting of the Company.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares whose names appear on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside the Hong Kong Special Administrative Region of the People’s Republic of China).”

5(B). **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own shares, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time, be and is hereby generally and unconditionally approved;

(b) the aggregate nominal amount of the shares to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this Resolution and the said approval shall be limited accordingly; and

(c) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

(i) the conclusion of the next Annual General Meeting of the Company;

(ii) the expiration of the period within which the next Annual General Meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held; or

(iii) the revocation or variation of this Resolution by an ordinary resolution in general meeting of the Company.”

5(C). “**THAT** conditional upon Ordinary Resolutions Nos. 5(A) and 5(B) set out in the notice convening this Meeting being passed, the general mandate granted to the Directors to allot, issue and deal with additional shares pursuant to Ordinary Resolution No. 5(A) above be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the shares of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution No. 5(B) above provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this Resolution.”

By Order of the Board
Anriena Chiu Wai Yee
Company Secretary

Hong Kong, 20th April, 2007

Notes:

1. The Register of Members of the Company will be closed from Thursday, 10th May, 2007 to Tuesday, 15th May, 2007, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:00 p.m. on Wednesday, 9th May, 2007.
2. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A proxy need not be a member of the Company.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorized to sign the same.
4. The instrument appointing a proxy and (if required by the board of Directors) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be delivered to the office of Secretaries Limited, the Company's branch share registrar in Hong Kong, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong or by way of note to or in any document accompanying the notice convening the meeting not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote and in default the instrument of proxy shall not be treated as valid.
5. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. In the case of joint holders of any share, if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.
7. In relation to agenda 3 in the Notice regarding re-election of Directors, Mr. Chu Tat Chi, Dr. Leslie Cheng Chi Pang, Mr. Samuel Wan Siu Kau and Mr. Francis Wong Man Chung shall retire by rotation and, being eligible, offer themselves for re-election at the Annual General Meeting pursuant to the Company's Bye-laws.
8. A circular containing further details regarding Ordinary Resolutions Nos. 3 and 5 above has been sent to the shareholders of the Company together with the 2006 Annual Report.

Pursuant to Bye-law 66, a resolution put to the vote at the annual 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 of a poll) a poll is demanded:

- (a) by the chairman of the annual general meeting; or
- (b) by at least three Shareholders present in person or by proxy 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 by proxy 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 Shareholders having the right to vote at the meeting; or
- (d) by a Shareholder or Shareholders present in person or by proxy 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 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 authorised representative or by proxy shall be deemed to be the same as a demand by a Shareholder.