

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 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 Linmark Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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LINMARK

LINMARK GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 915)

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES AND RE-ELECTION OF DIRECTORS

A notice convening the 2005 annual general meeting of Linmark Group Limited to be held on Friday, 19 August 2005 at 3:00 p.m. at 20th Floor, Office Tower One, The Harbourfront, 18 Tak Fung Street, Hung Hom, Kowloon, Hong Kong is set out on pages 11 to 14 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrars in Hong Kong, Standard Registrars Limited of Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof if you so wish.

CONTENTS

	<i>Page</i>
Responsibility statement	ii
Definitions	1
Letter from the Board	
Introduction	3
General mandates to issue and repurchase Shares	3
Re-election of Directors	4
Annual General Meeting	4
Action to be taken	4
Recommendation	4
Procedure to demand for a poll at general meetings	4
Additional information	5
Appendix I — Explanatory statement on the Repurchase Mandate	6
Appendix II — Details of Directors subject to re-election	9
Notice of Annual General Meeting	11

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

DEFINITIONS

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

“Annual General Meeting”	the forthcoming annual general meeting of the Company to be held on Friday, 19 August 2005, notice of which is set out on pages 11 to 14 of this circular
“associate(s)”	has the same meaning as defined in the Listing Rules
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company adopted pursuant to the written resolution of the sole Shareholder passed on 22 April 2002 and amended pursuant to a resolution passed at the Company’s annual general meeting held on 16 August 2004
“Companies Act”	the Companies Act 1981 of Bermuda
“Company”	Linmark Group 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”	directors of the Company
“Extension Mandate”	an authorisation to extend the Share Issue Mandate by an amount representing the aggregate nominal amount of the Shares repurchased under the Repurchase Mandate
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	21 July 2005, 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
“Repurchase Mandate”	a general and unconditional mandate to the Directors to enable them to purchase Shares of an aggregate nominal amount of up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution
“Share(s)”	share(s) of US\$0.02 each in the share capital of the Company
“Shareholder(s)”	holder(s) for the time being of the Share(s)
“Share Issue Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue or otherwise deal with new Shares of an aggregate nominal amount of up to 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$” and “cents”	Hong Kong dollars and cents respectively
“US\$”	United States dollars
“%”	per cent.

LINMARK

LINMARK GROUP LIMITED

(Incorporated in Bermuda with limited liability)

Executive Directors:

Mr. WANG Lu Yen (*Chairman*)
Mr. Steven Julien FENIGER (*Chief Executive Officer*)
Mr. FU Jin Ming, Patrick
Mr. WONG Wai Ming
Mr. KHOO Kim Cheng
Mr. KWOK Chi Kueng

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent non-executive Directors:

Mr. WANG Arthur Minshiang
Dr. WOON Yi Teng, Eden
Mr. TSE Hau Yin, Aloysius

*Head office and principal place of
business in Hong Kong:*

20th Floor, Office Tower One
The Harbourfront
18 Tak Fung Street
Hunghom, Kowloon
Hong Kong

27 July 2005

To the Shareholders

Dear Sir or Madam,

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES AND RE-ELECTION OF DIRECTORS

INTRODUCTION

The primary purposes of this circular are to provide you information regarding the resolutions to be proposed at the Annual General Meeting and to give you notice of the Annual General Meeting. Resolutions to be proposed at the Annual General Meeting include, among other businesses, ordinary resolutions for the approval of the grant of the Share Issue Mandate, the Repurchase Mandate and the Extension Mandate to the Directors and the re-election of Directors.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 16 August 2004, the Directors were granted a general mandate to allot, issue and deal with Shares and a general mandate to purchase Shares on the Stock Exchange. These mandates will expire at the conclusion of the Annual General Meeting. At the Annual General Meeting, among other businesses, resolutions will be proposed to grant the Share Issue Mandate, the Repurchase Mandate and the Extension Mandate to the Directors.

Each of the Share Issue Mandate, the Repurchase Mandate and the Extension Mandate will continue in force until the conclusion of the annual general meeting of the Company next following the Annual General Meeting or any earlier date as referred to in resolutions numbered 5 and 6 set out in the notice of the Annual General Meeting.

LETTER FROM THE BOARD

Under the Listing Rules, the Company is required to give to its Shareholders an explanatory statement containing all information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate. The explanatory statement required by the Listing Rules is set out in Appendix I to this circular.

RE-ELECTION OF DIRECTORS

Mr. WONG Wai Ming and Mr. KWOK Chi Kueng, in accordance with Bye-law 87(1) and Mr. TSE Hau Yin, Aloysius in accordance with Bye-law 86(2), will retire at the Annual General Meeting and being eligible, offer themselves for re-election. Details of such Directors required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

Set out on pages 11 to 14 of this circular is a notice convening the Annual General Meeting at which, among other businesses, ordinary resolutions will be proposed to grant the Share Issue Mandate, the Repurchase Mandate and the Extension Mandate to the Directors and to re-elect the retiring Directors. A form of proxy for use at the Annual General Meeting is enclosed with this circular.

ACTION TO BE TAKEN

Whether or not you intend to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrars in Hong Kong, Standard Registrars Limited of Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof if you so wish.

RECOMMENDATION

The Directors consider that the grant of the Share Issue Mandate, the Repurchase Mandate and the Extension Mandate to the Directors are in the best interests of the Company and its Shareholders and recommend Shareholders to vote in favour of the resolutions set out in the notice of the Annual General Meeting.

PROCEDURE TO DEMAND FOR A POLL AT GENERAL MEETINGS

Pursuant to Bye-law 66, a resolution put to the vote of any 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:

- (a) by the chairman of the meeting; or
- (b) by at least three Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or

LETTER FROM THE BOARD

- (c) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (d) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy and holding Shares in the Company conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular and the notice of the Annual General Meeting.

Yours faithfully
For and on behalf of the Board
WANG Lu Yen
Chairman

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you to make an informed decision whether to vote for or against the resolution to approve the grant of the Repurchase Mandate to the Directors at the Annual General Meeting.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was US\$13,112,680 comprising 655,634,000 Shares.

Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no Shares are issued or repurchased by the Company during the period between the Latest Practicable Date and the date of the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase up to a maximum of 65,563,400 Shares, being 10% of the issued share capital of the Company as at the Latest Practicable Date.

2. REASONS FOR THE REPURCHASE

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

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Bye-laws, the Listing Rules and the applicable laws of Bermuda.

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position as at 30 April 2005, being the date of its latest audited consolidated financial statement was made up to. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous 12 months before the printing of this circular were as follows:

	Trading price per Share	
	Highest HK\$	Lowest HK\$
July 2004	3.200	2.750
August 2004	2.850	2.325
September 2004	2.725	2.175
October 2004	2.750	2.350
November 2004	2.625	2.425
December 2004	2.900	2.575
January 2005	3.000	2.675
February 2005	3.000	2.850
March 2005	3.200	2.900
April 2005	3.000	2.625
May 2005	2.775	2.600
June 2005	2.700	2.200
July 2005 (up to the Latest Practicable Date)	2.325	2.025

5. TAKEOVERS CODE

If a shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of the Code on Takeovers and Mergers ("**Takeovers Code**"). As a result, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of the Company and becomes obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the Securities and Futures Ordinance and so far as is known to, or can be ascertained after reasonable enquiry by, the Directors, each of RGS Holdings Limited, Roly International Holdings Ltd. ("Roly International") and Mr. WANG Lu Yen, was interested in 437,340,000 Shares, 437,340,000 Shares and 437,960,000 Shares respectively, representing about 66.70%, 66.70% and 66.80% of the entire issued capital of the Company respectively. As at the Latest Practicable Date, RGS Holdings Limited was a wholly owned subsidiary of Roly International and Mr. WANG Lu Yen, together with his associates, controlled about 34.58% of the issued share capital of Roly International.

Assuming that RGS Holdings Limited (being the controlling shareholder of the Company as at the Latest Practicable Date) does not dispose of its Shares nor acquire any additional Shares, if the Repurchase Mandate were exercised in full by the Company, the percentage shareholding of RGS Holdings Limited before and after the full exercise of the Repurchase Mandate would be approximately 66.70% and 74.12% respectively. In such circumstances, RGS Holdings Limited will not be obligated to make a mandatory offer under Rule 26 of the Takeovers Code if the Repurchase Mandate were exercised in full.

6. SHARE REPURCHASE MADE BY THE COMPANY

The Company has purchased a total of 650,000 Shares on the Stock Exchange during the six months immediately preceding the Latest Practicable Date (i.e. from 21 January 2005 to 20 July 2005) and details of which are as follows:

Date of repurchases	Number of Shares purchased	Share price paid per Share	
		Highest HK\$	Lowest HK\$
21 January 2005	124,000	2.800	2.800
2 February 2005	100,000	2.925	2.925
24 March 2005	100,000	2.950	2.950
30 March 2005	50,000	2.950	2.950
11 April 2005	20,000	2.975	2.975
13 April 2005	80,000	2.925	2.925
18 April 2005	4,000	2.775	2.775
20 April 2005	60,000	2.800	2.775
21 April 2005	20,000	2.700	2.700
25 April 2005	42,000	2.750	2.725
26 April 2005	<u>50,000</u>	2.725	2.725
Total:	<u><u>650,000</u></u>		

7. GENERAL

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

No connected person of the Company has notified the Company that he has a present intention to sell to the Company or its subsidiaries any Shares nor has any such connected person undertaken not to do so in the event that the Repurchase Mandate is granted.

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 repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

The following are the particulars of the three Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting:

1. **Mr. WONG Wai Ming**, aged 47, is an executive director of the Company following his redesignation from an independent non-executive director of the Company on 18 May 2005. Mr. Wong first joined the Group as an independent non-executive director of the Company in 2002. He was also appointed an executive director and the chief executive officer of Roly International (the ultimate holding company of the Company and with its shares listed in Singapore) on 18 May 2005. Mr. Wong is also an independent non-executive director of Lenovo Group Limited, I.T Limited and China Glass Holdings Limited, all listed on the Main Board of the Stock Exchange. Mr. Wong has more than 15 years of experience in investment banking business in Greater China and was a director and the chief executive officer of Sing Tao News Corporation Limited (formerly known as Global China Group Holdings Limited), a company listed on the Main Board of the Stock Exchange, prior to joining Roly International. Mr. Wong is a chartered accountant and holds a Bachelor of Science degree (with Honours) in Management Sciences from The Victoria University of Manchester, the United Kingdom. Save as disclosed above, Mr. Wong did not hold any directorship in any other listed companies in the last three years and does not have any other major appointments and qualifications.

As at the Latest Practicable Date, Mr. Wong did not have any interests in the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Save as disclosed above, Mr. Wong does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. There is no service contract entered into between the Company and Mr. Wong. Pursuant to the letter of appointment entered into between the Company and Mr. Wong, as amended, Mr. Wong has been appointed as an independent non-executive director of the Company for a term of two years commencing on 1 May 2002 and the term of Mr. Wong has been renewed for a further two years. With effect from 18 May 2005, the letter of appointment has been amended to redesignate Mr. Wong from an independent non-executive director to an executive director of the Company. Mr. Wong is subject to retirement and re-election at the annual general meeting in accordance with the code on corporate governance practices of the Company and the Bye-laws. The emolument of Mr. Wong shall be HK\$259,200 per annum which was determined by reference to the prevailing market rate.

2. **Mr. KWOK Chi Kueng**, aged 47, is an executive director and the finance director of the Company responsible for the finance function of the Group. Mr. Kwok joined the Group in 1993. He is also the qualified accountant of the Company. Mr. Kwok has over 20 years of accounting and financial management experience gained in Hong Kong and Canada in the trading and manufacturing industries. Mr. Kwok holds a Higher Diploma in Accountancy from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University). Mr. Kwok is an associate member of The Chartered Institute of Management Accountants (UK) and a fellow member of the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”, formerly known as the Hong Kong Society of Accountants). Save as disclosed above, Mr. Kwok did not hold any directorship in any other listed companies in the last three years and does not have any other major appointments and qualifications.

As at the Latest Practicable Date, Mr. Kwok was the beneficial owner of 482,000 shares (“**Roly International Shares**”) of US\$0.10 each in the share capital of Roly International and one preference share of Baht2,000 in Westman Linmark (Thailand) Ltd.. Mr. Kwok also had a personal interest in options carrying right to subscribe for 5,910,000 Shares and warrants carrying right to subscribe for 161,250 Roly International Shares as at the Latest Practicable Date. Mr. Kwok does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

There is a service contract entered into between the Company and Mr. Kwok for an initial term of three years commencing on 1 May 2002, and will continue thereafter until terminated by either party by giving to the other not less than six months’ notice in writing. Mr. Kwok is subject to retirement and re-election at the annual general meeting in accordance with the code on corporate governance practices of the Company and the Bye-laws. Under the service contract, as amended, the emoluments of Mr. Kwok shall be US\$200,231 per annum which was determined by reference to the scope of responsibilities and prevailing market rate. Mr. Kwok is also entitled to a profit-based bonus determined at the discretion of the Board or a committee thereof established for such purpose.

3. **Mr. TSE Hau Yin, Aloysius**, aged 57, was appointed an independent non-executive director of the Company on 18 May 2005. Mr. Tse is a fellow member of The Institute of Chartered Accountants in England and Wales, and the HKICPA. Mr. Tse is a past president of the HKICPA. He joined KPMG in 1976 and became a partner in 1984 and retired in March 2003. Mr. Tse was a non-executive chairman of KPMG’s operations in the PRC and a member of the KPMG China advisory board from 1997 to 2000. Mr. Tse is currently an independent non-executive director of Wing Hang Bank, Limited and CNOOC Limited, both listed on the Main Board of the Stock Exchange. Mr. Tse holds a Bachelor of Social Sciences degree from The University of Hong Kong. Save as disclosed above, Mr. Tse did not hold any directorship in any other listed companies in the last three years and does not have any other major appointments and qualifications.

There is no service contract entered into between the Company and Mr. Tse. Pursuant to the letter of appointment entered into between the Company and Mr. Tse, Mr. Tse has been appointed as an independent non-executive director of the Company for a term of two years commencing on 18 May 2005 and will continue thereafter until terminated by either party by giving to the other not less than one month’s notice in writing. Mr. Tse is subject to retirement and re-election at the annual general meeting in accordance with the code on corporate governance practices of the Company and the Bye-laws. The emolument of Mr. Tse shall be HK\$259,200 per annum which was determined by reference to the prevailing market rate. As at the Latest Practicable Date, Mr. Tse did not have any interests in the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Mr. Tse does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

LINMARK

LINMARK GROUP LIMITED

(Incorporated in Bermuda with limited liability)

NOTICE IS HEREBY GIVEN that the annual general meeting of Linmark Group Limited (“**Company**”) will be held on Friday, 19 August 2005 at 3:00 p.m. at 20th Floor, Office Tower One, The Harbourfront, 18 Tak Fung Street, Hunghom, Kowloon, Hong Kong to transact the following ordinary businesses:

1. to receive and approve the audited consolidated financial statements and the reports of the directors and auditors for the year ended 30 April 2005;
- 2.1 each as a separate resolution, to re-elect the following retiring directors as directors:
 - 2.1.1 WONG Wai Ming
 - 2.1.2 KWOK Chi Kueng
 - 2.1.3 TSE Hau Yin, Aloysius
- 2.2 to authorise the directors to fix the directors’ remuneration;
3. to re-appoint PricewaterhouseCoopers as the auditors of the Company to hold office until conclusion of the next annual general meeting at a fee to be agreed with the directors;
4. to approve the payment of the final dividend of 4.8 HK cents per share of the Company for the year ended 30 April 2005;

and, as special businesses, to consider and, if thought fit, pass the following resolutions, with or without modifications, as ordinary resolutions:

ORDINARY RESOLUTIONS

5. “**THAT:**
 - (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”), the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with the additional shares in the share capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for shares, which may require the exercise of such powers be and are hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period (as defined below) to make or grant offers, agreements and options which may require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under all share option schemes of the Company adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of shares in lieu of the whole or part of a dividend on shares in accordance with the bye-laws of the Company in force from time to time; or (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares in the Company, shall not exceed the aggregate of:

(aa) 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and

(bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any share capital of the Company purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution),

and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

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

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda or any other applicable law of Bermuda to be held; and

(iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.

“Rights Issue” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares in the Company open for a period fixed by the directors of the Company to the shareholders of the Company whose names appear on the Company’s register of members on a fixed record date in proportion to their then holdings of shares in the Company (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

6. **“THAT:**
- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all powers of the Company to purchase shares (each a **“Share”**) of US\$0.02 each in the capital of the Company on the Main Board of the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Act 1981 of Bermuda and all other applicable laws in this regard, be and is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of Shares which may be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the 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 date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda or any other applicable law of Bermuda to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”
7. **“THAT** conditional on the passing of resolutions set out in the notice convening this meeting as resolutions numbered 5 and 6, the general mandate granted to the directors of the Company pursuant to the approval granted under the resolution set out in the notice convening this meeting as resolution numbered 5 above be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to or in accordance with such general mandate an amount representing the aggregate nominal amount of the share capital of the Company which has been purchased by the Company since the granting of such general mandate pursuant to the exercise by the directors of the Company of the powers of the Company to purchase such shares pursuant to or in accordance with the authority granted under the resolution set out in the notice convening this meeting as resolution numbered 6, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

By Order of the Board
CHEUNG Hoi Yin, Brenda
Company Secretary

Hong Kong, 27 July 2005

NOTICE OF ANNUAL GENERAL MEETING

*Head office and principal place
of business in Hong Kong:*
20th Floor, Office Tower One
The Harbourfront
18 Tak Fung Street
Hunghom, Kowloon
Hong Kong

Notes:

- (1) A member entitled to attend and vote at the above meeting may appoint one or, if he is the holder of two or more shares, more than one proxy to attend and vote on his behalf and such proxy need not be a member of the Company. A form of proxy for use at the meeting is enclosed with a circular of the Company dated 27 July 2005.
- (2) In order to be valid, the form of proxy, together with any power of attorney or authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company's branch registrars in Hong Kong, Standard Registrars Limited of Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
- (3) Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the meeting convened or any adjournment thereof and in such event, the authority of the proxy shall be deemed to be revoked.
- (4) In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if he/she were solely entitled thereto but if more than one of such joint holders are present at the 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. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.