

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.

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.



LINMARK GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 915)

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

A notice convening the 2006 annual general meeting of Linmark Group Limited to be held on Wednesday, 23 August 2006 at 3:00 p.m. at Elbrus Room, Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, Hong Kong, is set out on pages 17 to 20 of this circular. Whether or not you are able to attend the annual general 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 registrar in Hong Kong, Standard Registrars Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, 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 annual general meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the annual general meeting or any adjournment thereof (as the case may be) if you so wish.

CONTENTS

	<i>Page</i>
Responsibility statement	1
Definitions	2
Letter from the Board	
Introduction	4
General mandates to issue and repurchase Shares	4
Amendments to the Bye-laws	5
Re-election of Directors	5
Annual General Meeting	6
Action to be taken	6
Recommendation	6
Procedure to demand for a poll at general meetings	6
Additional information	7
Appendix I — Explanatory statement on the Repurchase Mandate	8
Appendix II — Amendments to the Bye-laws	11
Appendix III — Details of Directors subject to re-election	13
Notice of the Annual General Meeting	17

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 at Elbrus Room, Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, Hong Kong, on Wednesday, 23 August 2006 at 3:00 p.m., notice of which is set out on pages 17 to 20 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
“CG Code”	the Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules
“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 2006, 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
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of US\$0.02 each in the share capital of the Company

DEFINITIONS

“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
“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 GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 915)

Executive Directors:

Mr. WANG Lu Yen (*Chairman*)
Mr. Peter Loris SOLOMON (*Chief Executive Officer*)
Mr. FU Jin Ming, Patrick
Mr. WONG Wai Ming
Mr. KHOO Kim Cheng

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

31 July 2006

To the Shareholders

Dear Sir or Madam,

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

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, a special resolution for the approval of the amendments to the Bye-laws, 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 retiring Directors.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 19 August 2005, 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.

LETTER FROM THE BOARD

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.

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.

AMENDMENTS TO THE BYE-LAWS

In November 2004, the Stock Exchange made amendments to the Listing Rules which came into effect on 1 January 2005. Amongst the various changes, the CG Code was introduced. It sets out principles of good corporate governance, and two levels of recommendations being code provisions and recommended best practices. Issuers, such as the Company, are expected to comply with, but may choose to deviate from, the code provisions whereas the recommended best practices are for guidance only. The Company has implemented the code provisions of the CG Code to the extent that it is reasonable, practicable and in the interest of the Company to do so. In order to ensure that provisions in the Bye-laws are consistent with the CG Code, it is proposed that certain provisions of the existing Bye-laws be amended to the effect that:

- (1) all Directors, if they are appointed by the Board to fill a casual vacancy, should be subject to election by the shareholders at the first general meeting after their appointment; and
- (2) all Directors should be subject to retirement by rotation at least once every three years.

In addition, in February 2006, the Stock Exchange made amendments to the Listing Rules which came into effect on 1 March 2006. Pursuant to the amendment made to Appendix 3 to the Listing Rules which states the requirements for the articles of association or equivalent document of listed issuers, a director may be removed at any time by ordinary resolution of the members in general meetings. According to the Bye-laws, the Company may by special resolution remove any Director before the expiration of his period of office.

A special resolution for the approval of the amendments to the Bye-laws will be proposed at the Annual General Meeting.

A full text of the proposed amendments to the Bye-laws is set out in Appendix II to this circular.

RE-ELECTION OF DIRECTORS

Mr. KHOO Kim Cheng and Dr. WOON Yi Teng, Eden, in accordance with Bye-law 87(1) of the Bye-laws, and Mr. Peter Loris SOLOMON in accordance with Bye-law 86(2) of the Bye-laws, will retire at the Annual General Meeting and being eligible, offer themselves for re-election. In addition, Mr. WANG Lu Yen, in accordance with the code on corporate governance practices of the Company, will retire at the Annual General Meeting and being eligible, offer himself for re-election. Details of the such Directors required to be disclosed under the Listing Rules are set out in Appendix III to this circular.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

Set out on pages 17 to 20 of this circular is a notice convening the Annual General Meeting at which, among other businesses, resolutions will be proposed to approve the amendments to the Bye-laws, the grant of the Share Issue Mandate, the Repurchase Mandate and the Extension Mandate to the Directors and the re-election of 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 registrar in Hong Kong, Standard Registrars Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, 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 (as the case may be). 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 (as the case may be) if you so wish.

RECOMMENDATION

The Directors consider that the amendments to the Bye-laws and 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 of the Bye-laws, 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
- (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.

LETTER FROM THE BOARD

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\$13,336,907 comprising 666,845,374 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 66,684,537 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 2006, 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 Latest Practicable Date were as follows:

	Trading price per Share	
	Highest HK\$	Lowest HK\$
July 2005	2.325	2.025
August 2005	2.575	2.100
September 2005	2.750	2.200
October 2005	2.550	2.100
November 2005	2.350	2.125
December 2005	2.300	2.050
January 2006	2.275	2.125
February 2006	2.200	2.050
March 2006	2.150	1.770
April 2006	1.880	1.500
May 2006	1.580	1.340
June 2006	1.510	1.220
July 2006 (up to the Latest Practicable Date)	1.240	1.120

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 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.

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO 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 (“**Mr. Wang**”), was interested in 437,720,000 Shares, 437,720,000 Shares and 438,340,000 Shares respectively, representing about 65.64%, 65.64% and 65.73% 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 35.37% 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, and if the Repurchase Mandate were exercised in full by the Company, (a) the percentage shareholding of each of RGS Holdings Limited and Roly International before and after the full exercise of the Repurchase Mandate would be approximately 65.64% and 72.93% respectively, and (b) the percentage shareholding of Mr. Wang before and after the full exercise of the Repurchase Mandate would be approximately 65.73% and 73.03% 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.

Furthermore, as the percentage shareholding of Mr. Wang after the full exercise of the Repurchase Mandate, assuming no Shares will be issued or repurchased by the Company from the Latest Practicable Date up to (and including) the date of the Annual General Meeting, would rise to approximately 73.03%, the number of Shares in the hands of the public will fall to approximately 26.97% which is close to the prescribed minimum percentage of 25%. However, the Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

6. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of the Shares in the six months immediately preceding the Latest Practicable Date.

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 amendments that are proposed to be made to the Bye-laws are set out below.

For ease of reference, the text of the relevant bye-laws of the Bye-laws which are recommended for amendments have also been reproduced.

1. Proposed amendment to paragraph (2) of Bye-law 86:

By deleting the word “annual” on the sixth line of existing paragraph (2) of Bye-law 86.

Existing paragraph (2) of 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, subject to authorisation 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 annual general meeting of the Company and shall then be eligible for re-election at that meeting.”

Proposed amended paragraph (2) of 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, subject to authorisation 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 and shall then be eligible for re-election at that meeting.”

2. Proposed amendment to paragraph (4) of Bye-law 86:

By replacing the word “special” on the second line of existing paragraph (4) of Bye-law 86 with the word “ordinary”.

Existing paragraph (4) of Bye-law 86:

“(4) Subject to any provision to the contrary in these Bye-laws the Members may, at any general meeting convened and held in accordance with these Bye-laws, by special resolution remove a Director at any time before the expiration of his period of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.”

Proposed amended paragraph (4) of Bye-law 86:

“(4) Subject to any provision to the contrary in these Bye-laws the Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but

without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.”

3. Proposed amendment to paragraph (1) of Bye-law 87:

By deleting existing paragraph (1) of Bye-law 87 in its entirety and replacing therewith the proposed new paragraph (1) of Bye-law 87.

Existing paragraph (1) of Bye-law 87:

“87. (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 greater than one-third) shall retire from office by rotation provided that notwithstanding anything herein, the chairman of the Board shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year.”

Proposed new paragraph (1) of Bye-law 87:

“87. (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 provided that every Director, including those appointed for a specific term, shall be subject to retirement at least once every three years.”

The following are the particulars of the four Directors proposed to be re-elected at the Annual General Meeting:

1. **Mr. WANG Lu Yen**, aged 52, is an executive Director and the chairman of the Company and is presently responsible for the Group's corporate and strategic planning. Mr. Wang joined the Group in 1998. Mr. Wang has been the chairman of Roly International (the ultimate holding company of the Company and listed on the Singapore Exchange Securities Trading Limited) since 2000. Mr. Wang has also been appointed the chairman of Byford International Limited, a fellow subsidiary of the Company and listed on the Growth Enterprise Market of the Stock Exchange, since 2004.

Mr. Wang has over 25 years of experience in the trading and distribution business. He was awarded Outstanding Businessman by Taiwan's Ministry of Economic Affairs in 1985. Mr. Wang is a member of the China Overseas Friendship Association, the deputy director general of the Retails and Supplies Committee of China General Chamber of Commerce, a vice-chairman of China Association for Middle and Small Commercial Enterprises, the vice-chairman of China Committee of Hong Kong General Chamber of Commerce, a member of Garment Advisory Committee of Hong Kong Trade Development Council, a member of the Hong Kong Policy Research Institute Limited, a founder and a director of the Taiwan Design Center, the chairman of the Soochow Management Academic Foundation of Soochow University and the honorary chairman of Taiwan Business Association (Hong Kong) Limited. Mr. Wang holds a Bachelor's degree in Business Administration from Soochow University, Taiwan and an EMBA from Guanghai School of Management, Peking University, China. Mr. Wang received the Directors of the Year Awards 2005 hosted by The Hong Kong Institute of Directors.

As at the Latest Practicable Date, Mr. Wang was interested in and was deemed to be interested in 438,340,000 Shares in aggregate under the SFO. Mr. Wang was also interested in 23,631,000 ordinary shares ("Roly Shares") of US\$0.10 each in Roly International and 2 preference shares of 2000 Baht each in Westman Linmark (Thailand) Ltd.. Mr. Wang was also deemed to be interested in 121,593,500 Roly Shares and 134,709,990 shares of HK\$0.01 each in Byford International Limited. Mr. Wang had a personal interest in options and warrants carrying right to subscribe for an aggregate of 6,650,000 Roly Shares and deemed interest in warrants carrying right to subscribe for an aggregate of 30,398,375 Roly Shares. Save as disclosed, Mr. Wang does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. There is a service contract between the Company with Mr. Wang for an initial term of three years commencing on 1 May 2002, and has continued thereafter until terminated by either party by giving to the other not less than six months' notice in writing. Under the service contract, the base salary of Mr. Wang shall be US\$203,846 per annum and Mr. Wang is also entitled to a profit-based bonus determined at the discretion of the Board or a committee thereof established for such purpose. The remuneration package of Mr. Wang was determined by the Board by reference to the remuneration benchmark in the industry and the prevailing market conditions.

Mr. Wang is also a director of certain subsidiaries of the Company. Save as disclosed, Mr. Wang does not hold any other position with the Company or any of its subsidiaries. In addition, save as disclosed, Mr. Wang did not hold any other directorships in listed

public companies or any other major appointment during the last three years. Mr. Wang 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.

There is no information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

2. **Mr. KHOO Kim Cheng**, aged 55, has been an executive director of the Company since 2002. He has also been an executive director and the chief financial officer of Roly International since 1995. Mr. Khoo advises the Group on corporate finance related matters. Mr. Khoo has over 10 years of experience in corporate finance and financial management industry. Mr. Khoo worked for an international accounting firm and an investment bank prior to joining the Group in 1994. Mr. Khoo holds a Master of Business Administration degree from Southern Methodist University, Dallas, Texas, the US. Mr. Khoo qualified as a Certified Public Accountant in the US and is a fellow member of the Hong Kong Institute of Certified Public Accountants.

As at the Latest Practicable Date, Mr. Khoo was interested in 420,000 Shares, 3,722,000 Roly Shares, 1 preference share of each 2,000 Baht in Westman Linmark (Thailand) Ltd.. Mr. Khoo was also interested in options carrying right to subscribe for 8,320,000 Shares and options and warrants carrying right to subscribe for an aggregate of 7,043,000 Roly Shares. Save as disclosed, Mr. Khoo does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. There is a service contract between the Company with Mr. Khoo for an initial term of three years commencing on 1 May 2002, and has continued thereafter until terminated by either party by giving to the other not less than six months' notice in writing. Under the service contract, the base salary of Mr. Khoo shall be US\$100,154 per annum and Mr. Khoo is also entitled to a profit-based bonus determined at the discretion of the Board or a committee thereof established for such purpose. The remuneration package of Mr. Khoo was determined by the Board by reference to the remuneration benchmark in the industry and the prevailing market conditions.

Mr. Khoo is also a director of certain subsidiaries of the Company. Save as disclosed, Mr. Khoo does not hold any other position with the Company or any of its subsidiaries. In addition, save as disclosed, Mr. Khoo did not hold any other directorships in listed public companies or any other major appointment during the last three years. Mr. Khoo 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.

There is no information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under the Listing Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

3. **Dr. WOON Yi Teng, Eden**, aged 59, has been an independent non-executive Director since 2003. Dr. Woon is vice-president, Greater China, for Starbucks Coffee Company, a company listed on NASDAQ, since May 2006. Dr. Woon was the chief executive officer of the Hong Kong General Chamber of Commerce from May 1997 to April 2006. He served as executive director of the Washington State China Relations Council from 1994–97. A career US Air Force officer who retired as a Colonel in 1993, Dr. Woon served as China policy advisor for the US Secretary of Defense from 1989-94, and was assigned to

the US Embassy in Beijing from 1983–85. Dr. Woon, who has a Ph.D in Mathematics, was an associate professor of Mathematics in the late 1970s at the US Air Force Academy. Dr. Woon is a member of the Council on Foreign Relations based in New York. He is on the board of Ocean Park. Dr. Woon was a member of the Hong Kong Council for Academic Accreditation and a member of the Securities and Futures Commission Advisory Committee. He was named Director of the Year in Hong Kong in the non-profit category in 2001.

As at the Latest Practicable Date, Dr. Woon was interested in options carrying right to subscribe for 250,000 Shares. Dr. Woon does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. There is no service contract between the Company and Dr. Woon. Pursuant to the appointment letter entered into between the Company and Dr. Woon, Dr. Woon has been appointed as an independent non-executive Director for a term of two years from 28 January 2003 and has been renewed for a further two years and the emoluments of Dr. Woon shall be HK\$259,200 per annum. The emoluments of Dr. Woon were determined by reference to the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed, Dr. Woon does not hold any other position with the Company or any of its subsidiaries. In addition, save as disclosed, Dr. Woon did not hold any other directorships in listed public companies or any other major appointment during the last three years. Dr. Woon 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.

There is no information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

4. **Mr. Peter Loris SOLOMON**, aged 47, was appointed an executive Director and chief executive officer of the Group in late February 2006. Mr. Solomon was appointed a director and the chief executive of Tamarind International Limited (“Tamarind”) in 1991. The Tamarind business was acquired by the Group in December 2004. Mr. Solomon is primarily responsible for the development of sales both in terms of signing new accounts and managing existing customer relationships. He was also a member of the advisory board of Roly International advising Roly International on business planning and operational issues. Prior to joining Tamarind, he was the managing director of Sussan Groups buying office in Hong Kong. Mr. Solomon was a director of Stirling Group Plc., a company listed on the London Stock Exchange, during the period 1999 to 2003. He has over 25 years of extensive experience in the full spectrum of supply chain management.

As at the Latest Practicable Date, Mr. Solomon was interested in 350,000 Shares, 1 preference share of 2,000 Baht each in Westman Linmark (Thailand) Ltd. and options carrying right to subscribe for 1,000,000 Shares and 200,000 Roly Shares. Save as disclosed, Mr. Solomon does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company.

Mr. Solomon is also a director of certain subsidiaries of the Company. Save as disclosed, Mr. Solomon does not hold any other position with the Company or any of its subsidiaries. In addition, save as disclosed, Mr. Solomon did not hold any other directorships in listed public companies or any other major appointment during the last three years.

As at the Latest Practicable Date, written service contract was yet to be entered into between the Company and Mr. Solomon. However, it had been verbally agreed by Mr. Solomon with the Company that:

- (a) from 1 May 2006 Mr. Solomon is entitled to a base salary of US\$600,000 per annum and a performance bonus subject to certain net profit after taxation targets being met; and
- (b) the term of service is for two years commencing from 1 May 2006 and terminable by either party giving the other party 12 months' notice.

Mr. Solomon 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 By-laws.

Mr. Solomon is also entitled to life and medical insurance coverage, reimbursement of club membership subscription and reimbursement of reasonable business related expenses including the running costs of a motor vehicle. The remuneration package of Mr. Solomon was determined by the Board by reference to the remuneration benchmark in the industry and the prevailing market conditions. Detailed terms of the remuneration package of Mr. Solomon are being reviewed and formalised between the Company and Mr. Solomon to reflect his new position as an executive Director and the chief executive officer of the Group.

There is no information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under the Listing Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

Save as disclosed above, there are no other matters concerning the above re-election of Directors that need to be brought to the attention of the Shareholders.



LINMARK GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 915)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Linmark Group Limited (“**Company**”) will be held on Wednesday, 23 August 2006 at 3:00 p.m. at Elbrus Room, Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, 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 2006;
- 2.1 each as a separate resolution, to re-elect the following retiring directors as directors:
 - 2.1.1 WANG Lu Yen
 - 2.1.2 KHOO Kim Cheng
 - 2.1.3 WOON Yi Teng, Eden
 - 2.1.4 Peter Loris SOLOMON
- 2.2 to authorise the directors to fix the directors’ remuneration for the year ending 30 April 2007;
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 2.9 HK cents per share of the Company for the year ended 30 April 2006;

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

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

NOTICE OF THE ANNUAL GENERAL MEETING

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;
- (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.

NOTICE OF THE ANNUAL GENERAL MEETING

“**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).”

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

NOTICE OF THE ANNUAL GENERAL MEETING

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.”

SPECIAL RESOLUTION

8. “**THAT** the bye-laws of the Company be and they are amended in the manner described in Appendix II to the circular of the Company to its shareholders dated 31 July 2006.”

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

Hong Kong, 31 July 2006

*Head office and principal place
of business in Hong Kong:*
20th Floor, Office Tower One
The Harbourfront
18 Tak Fung Street
Hungghom, 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 31 July 2006.
- (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 registrar in Hong Kong, Standard Registrars Limited of 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be).
- (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 (as the case may be) 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.