
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Hang Ten Group Holdings Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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HANG TEN GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 448)

PROPOSALS INVOLVING GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES FINAL DIVIDEND RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening an annual general meeting of Hang Ten Group Holdings Limited to be held at Room Java II and III, 2nd Floor, Harbour Plaza Hotel, 665 King's Road, North Point, Hong Kong on Friday, 14 September 2007 at 2:30 p.m. is set out on pages 15 to 18 of this circular. Whether or not you are able to attend and vote at the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Standard Registrars 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 the holding of the meeting. Completion and return of the proxy form will not preclude you from subsequently attending and voting at the meeting or any adjourned meeting if you so wish.

27 July 2007

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
Introduction	4
General Mandates to Issue and Repurchase Shares	5
Final Dividend	5
Re-election of Directors	6
Annual General Meeting	6
Procedures for demanding a Poll	7
Recommendation	7
Documents available for Inspection	8
Responsibility Statement	8
General Information	8
Appendix I – Explanatory Statement on Repurchase Mandate	9
Appendix II – Details of Directors Proposed to be Re-elected	12
Notice of Annual General Meeting	15

DEFINITIONS

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

“AGM Notice”	notice of the Annual General Meeting which is set out on pages 15 to 18 of this circular
“Annual General Meeting”	the annual general meeting of the Company to be held at Room Java II and III, 2nd Floor, Harbour Plaza Hotel, 665 King’s Road, North Point, Hong Kong on Friday, 14 September 2007 at 2:30 p.m., the notice of which is set out on pages 15 to 18 of this circular, or any adjournment thereof
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“Code”	the Hong Kong Code on Takeovers and Mergers
“Company”	Hang Ten Group Holdings Limited, a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Existing Issue Mandate”	a general mandate granted to the Directors at the annual general meeting of the Company held on 15 September 2006 to allot, issue and deal with Shares of up to 20 per cent. of the aggregate nominal amount of the issued share capital of the Company as at that date
“Existing Repurchase Mandate”	a general mandate granted to the Directors at the annual general meeting of the Company held on 15 September 2006 to repurchase Shares not exceeding 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at that date
“Group”	the Company and its subsidiaries
“HK\$ and cents”	Hong Kong dollars and cents respectively, the lawful currency in Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Latest Practicable Date”	23 July 2007, 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
“Options”	options to subscribe for Shares granted or to be granted under the Share Option Scheme
“Ordinary Resolutions”	the ordinary resolutions to be proposed to be passed at the Annual General Meeting set out in the AGM Notice
“Proposed Issue Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and deal with Shares not exceeding 20 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such proposed issue mandate
“Proposed Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such proposed repurchase mandate
“Repurchase Period”	the period starting the date of passing of the relevant resolution granting the Proposal Repurchase Mandate and ending on the earliest of the date of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held, or the date upon which the Proposed Repurchase Mandate is revoked or varied
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Option Scheme”	the share option scheme adopted by the Company on 24 October 2002
“Shares”	ordinary shares of HK\$0.10 each in the capital of the Company

DEFINITIONS

“Shareholders”	registered holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a subsidiary for the time being of the Company (within the meaning of Section 2 of the Companies Ordinance, whether incorporated in Hong Kong or elsewhere)
“%”	per cent.

LETTER FROM THE BOARD



HANG TEN GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 448)

Executive Directors:

Chan Wing Sun
Kenneth Hung
Kao Yu Chu
Wang Li Wen

Registered Office:

Clarendon House
2 Church Street
Hamilton, HM11
Bermuda

Independent non-executive Directors:

Cheung Yat Hung Alton
Kwong Chi Keung
So Hon Cheung Stephen

Principal Office in Hong Kong:

Room 912, 9th Floor
Stanhope House
734 King's Road
Quarry Bay
Hong Kong

27 July 2007

To the Shareholders

Dear Sir or Madam,

**PROPOSALS INVOLVING
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
FINAL DIVIDEND
AND
RE-ELECTION OF DIRECTORS**

INTRODUCTION

The purpose of this circular is to provide you with information in respect of the Ordinary Resolutions to be proposed at the Annual General Meeting for the approval of (a) the granting to the Directors of the Proposed Issue Mandate; (b) the granting to the Directors of the Proposed Repurchase Mandate; (c) the extension of the Proposed Issue Mandate by adding to it the aggregate number of Shares repurchased under the Proposed Repurchase Mandate; (d) the payment of final dividend; and (e) the proposed re-election of Directors.

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 15 September 2006, ordinary resolutions were passed granting to the Directors the Existing Issue Mandate and the Existing Repurchase Mandate.

In accordance with the Listing Rules and the terms of the Existing Issue Mandate and the Existing Repurchase Mandate, the Existing Issue Mandate and the Existing Repurchase Mandate will lapse on the conclusion of the Annual General Meeting.

Ordinary Resolutions set out as resolutions 5(1)(d) and 5(2)(c) in the AGM Notice will be proposed at the Annual General Meeting to revoke the Existing Issue Mandate and the Existing Repurchase Mandate respectively. Resolutions to consider, and if thought fit, to approve the Proposed Issue Mandate and the Proposed Repurchase Mandate as set out in resolutions 5(1)(a), (b), (c) and (e) and resolutions 5(2)(a), (b) and (d) in the AGM Notice respectively will also be proposed at the Annual General Meeting. With reference to the Proposed Issue Mandate and the Proposed Repurchase Mandates, the Directors wish to state that they have no immediate plans to issue or repurchase any Shares pursuant thereto. As at the Latest Practicable Date, the number of shares in issue of the Company is 982,250,000 Shares. Subject to the passing of the resolution granting the Proposed Issue Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to issue a maximum of 98,225,000 Shares upon exercise of the Proposed Issue Mandate in full.

In accordance with the Listing Rules, the Company is required to be sent to the Shareholders an explanatory statement contains all information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution to approve the Repurchase Mandate at the Annual General Meeting. This explanatory statement is set out in Appendix I to this circular.

FINAL DIVIDEND

On 19 July 2007, the Board recommended that subject to Shareholders' approval in the Annual General Meeting, the Company shall declare and distribute a final dividend of HK\$0.05 per Share for the financial year ended 31 March 2007 to those Shareholders whose names appear on the register of members of the Company at the close of business on 14 September 2007.

The Board further resolved that the register of members of the Company shall be closed from 12 September 2007 to 14 September 2007, both days inclusive, during which period no transfer of Shares will be registered for the purpose of ascertaining the Shareholders entitled to vote in the AGM and to the final dividend to be approved at the Annual General Meeting.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Pursuant to article 87 of the Bye-laws, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation. In addition, there shall also be required to retire by rotation any Director who at an annual general meeting of the Company (the “Forthcoming AGM”) shall have been a Director at each of the two preceding annual general meetings of the Company (the “Preceding AGMs”) and who was not subject to retirement at any of the Preceding AGMs or any other general meeting of the Company before the Forthcoming AGM and who has not otherwise ceased to be a Director (either by resignation, retirement, removal or otherwise).

Accordingly, pursuant to article 87 of the Bye-laws, Mr. Cheung Yat Hung Alton, independent non-executive Director of the Company, and Mr. Kenneth Hung and Ms. Wang Li Wen, executive Directors of the Company, shall all retire from office of Director by rotation.

Mr. Cheung Yat Hung Alton, Mr. Kenneth Hung and Ms. Wang Li Wen, being eligible, will offer themselves for re-election at the Annual General Meeting.

Mr. Kenneth Hung is also the managing director of ILC International Corporation, a wholly-owned subsidiary of the Company. Ms. Wang Li Wen is also a director of Hang Ten Enterprises Limited, a wholly-owned subsidiary of the Company and the Assistant General Manager (Administration & Finance) of Hang Ten Enterprises Limited, Taiwan Branch. Biographies of each of these Directors are set out in Appendix II to this circular.

Save as disclosed in this circular, there is no other matters in relation to the proposed re-election of Directors that need to be brought to the attention of the Shareholders.

ANNUAL GENERAL MEETING

The AGM Notice convening the Annual General Meeting to be held at Room Java II and III, 2nd Floor, Harbour Plaza Hotel, 665 King’s Road, North Point, Hong Kong on Friday, 14 September 2007 at 2:30 p.m. is set out on pages 15 to 18 of this circular.

A proxy form for use at the Annual General Meeting is enclosed. Whether or not Shareholders are able to attend and vote at the Annual General Meeting, they are requested to complete the proxy form and return it to the branch share registrar office of the Company in Hong Kong, Standard Registrars Limited, 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not prevent Shareholders from attending and voting at the Annual General Meeting or any adjourned meeting if they so wish.

LETTER FROM THE BOARD

PROCEDURES FOR DEMANDING A POLL

Pursuant to Bye-laws 66 and 67, a resolution put to the vote of a general meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (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 authorized representative) or by proxy for the time being entitled to vote at the general meeting; or
- (c) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the general meeting; or
- (d) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy and holding shares in the Company conferring a right to vote at the general 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; or
- (e) if required by the Listing Rules, by any Director(s), who individually or collectively, hold proxies in respect of shares in the Company representing 5% or more of the total voting rights of all Shareholdings having the right to vote at a general meeting.

Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman of the general meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.

RECOMMENDATION

The Directors consider that the proposed resolutions for (a) the granting of the Proposed Issue Mandate; (b) the granting of the Proposed Repurchase Mandate; (c) the extension of the Proposed Issue Mandate by adding to it the aggregate number of Shares repurchased under the Proposed Repurchase Mandate; (d) the payment of final dividend; and (e) the re-election of Directors are in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend Shareholders to vote in favour of all the resolutions set out in the notice of the Annual General Meeting.

LETTER FROM THE BOARD

DOCUMENTS AVAILABLE FOR INSPECTION

Copy of the Bye-laws is available for inspection at the head office and principal place of business in Hong Kong of the Company at Room 912, 9th Floor, Stanhope House, 734 King's Road, Quarry Bay, Hong Kong during normal business hours for a 14-day period immediately preceding the Annual General Meeting.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. 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.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix to this circular.

Yours faithfully,
By order of the Board
Chan Wing Sun
Chairman

This Appendix contains the particulars required by the Listing Rules to be included in an explanatory statement to enable Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the Annual General Meeting in relation to the Proposed Repurchase Mandate.

(1) SHARE CAPITAL

As at the Latest Practicable Date, the issued ordinary share capital of the Company comprised 982,250,000 Shares. Subject to the passing of the resolution granting the Proposed Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company would be allowed to repurchase a maximum of 98,225,000 Shares during the period ending on the earlier of the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required to be held by law or the Bye-laws, or the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

(2) SOURCE OF FUNDS

Repurchases must be funded out of funds legally available for the purpose and in accordance with the Company's constitutive documents and the laws of the jurisdiction in which the Company is incorporated or otherwise established. Bermuda laws provide that funds used for a share repurchase may only be paid out of the capital paid up on the relevant shares, or the funds of the Company that would otherwise be available for dividend or distribution, or the proceeds of a fresh issue of shares made for the purpose. The amount of premium, if any, payable on a repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the share premium account of the Company before the shares are repurchased.

(3) REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from 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 of the Company and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that 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 consolidated financial position of the Company as at 31 March 2007, being the date to which the latest published audited financial statements of the Company have been made up) in the event that the Proposed Repurchase Mandate is exercised in full. The Directors do not propose to exercise the Proposed Repurchase Mandate

to such an extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

(4) SHARE PRICES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the last twelve months before the Latest Practicable Date.

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2006		
July	0.81	0.69
August	0.81	0.73
September	0.83	0.64
October	0.91	0.67
November	0.82	0.72
December	0.76	0.63
2007		
January	0.67	0.60
February	0.79	0.64
March	0.73	0.63
April	0.75	0.68
May	0.79	0.69
June	0.88	0.73
July (up to the Latest Practicable Date)	0.92	0.73

TAKEOVERS CODE

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

As at the Latest Practicable Date, Asian Wide Services Limited, Kenneth Hung, Dennis Kung, Hung Pui Kee Peggy and Hung Chung Yee Pamela, who were acting in concert together held 460,386,000 Shares, representing approximately 46.87% of the issued share capital of the Company. In the event that the Proposed Repurchase Mandate is exercised in full and no further Shares are issued during the Repurchase Period, their percentage of shareholding would be increased to approximately 52.08% of the issued share capital of the Company, and such an increase will give rise to an obligation to make a mandatory offer under Rule 26 of the Code.

As at the Latest Practicable Date, YGM Trading Limited held 201,200,000 Shares, representing approximately 20.48% of the issued share capital of the Company. In the event that the Proposed Repurchase Mandate is exercised in full and no further Shares are issued during the Repurchase Period, its percentage of shareholding would be increased to approximately 22.76% of the issued share capital of the Company.

As at the Latest Practicable Date, Value Partners Limited and Mr. Cheah Cheng Hye, through his control over Value Partners Limited, held 78,198,000 Shares, representing approximately 7.96% of the issued share capital of the Company. In the event that the Proposed Repurchase Mandate is exercised in full and no further Shares are issued during the Repurchase Period, their percentage of shareholding would be increased to approximately 8.85% of the issued share capital of the Company.

Save as disclosed in above, the Directors are not aware of any other consequences which may arise under Rules 26 and 32 of the Code. The Directors do not intend to exercise the Repurchase Mandate to an extent which would, in the circumstances, trigger any potential consequences under the Code.

GENERAL

To the best of the knowledge of the Directors, having made all reasonable enquiries, none of the Directors nor any of their respective associates (as defined in the Listing Rules) has any present intention to sell any Shares to the Company in the event that the Proposed Repurchase Mandate is approved.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Proposed Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

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

The Company has not repurchased any Shares, whether on the Stock Exchange or otherwise, in the six months preceding the Latest Practicable Date.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

The following are biographical details of Mr. Cheung Yat Hung Alton, Mr. Kenneth Hung and Ms. Wang Li Wen, who shall retire from office by rotation at the Annual General Meeting in accordance with article 87 of the By-laws of the Company and, being eligible, has offered themselves for re-election at the Annual General Meeting.

- (i) **Mr. Cheung Yat Hung Alton**, aged 44, an independent non-executive Director, graduated from the California College of Arts and Crafts, Berkeley with a bachelor degree in fine arts. Mr. Cheung has over 10 years' experience in trading and distribution business in China. Mr. Cheung currently holds directorships in a number of private companies engaging in automobile distribution in China. He is also an independent non-executive of Massive Resources International Corporation Limited, a company listed on the Stock Exchange. Saved as disclosed, Mr. Cheung has not held any directorship in any listed public companies in the past three years and does not hold any other position with the Company or other members of the Group.

Mr. Cheung Yat Hung Alton has entered into a service agreement with the Company for an initial term of one year commencing from 28 September 2004 which will continue thereafter for further successive periods of one year, provided that the Company may terminate the service agreement at any time by not less than one month's notice in writing. Pursuant to his service agreement, Mr. Cheung is entitled to a fixed remuneration of HK\$10,000 per month which was determined with reference to his experience and responsibilities and prevailing market standards.

As at the Latest Practicable Date, Mr. Cheung is not interested in and does not hold any short positions in any shares or underlying shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO. Mr. Cheung is not related to any directors, senior management or substantial or controlling shareholders of the Company. The Board is not aware of any matter in relation to Mr. Cheung that is required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules or any other matter that needs to be brought to the attention of Shareholders in relation to his re-election.

- (ii) **Mr. Kenneth Hung**, aged 40, an executive Director, is the Chief Executive Officer of the Group. Mr. Hung has overall responsibility for the Group's global operations. He graduated from the University of Minnesota in United States and has over 10 years experience in the apparel retailing industry. He joined the Group in 1992. Mr. Hung is a director of Asian Wide Services Limited, a substantial shareholder of the Company. Mr. Hung is the son of Mr. Kung Ging Kong Dennis, the general manager of the Taiwan operations of the Group. Mr. Hung has not held any directorship in any other listed public companies in the past three years.

Mr. Kenneth Hung has entered into a service agreement with the Company commencing from 1 January 2003 subject to termination by either party by serving not less than three month's notice in writing on the other party. Pursuant to this service agreement, Mr. Hung is entitled to a fixed remuneration of HK\$10,000 per year which was determined with reference to his experience and responsibilities and prevailing market standards.

Mr. Kenneth Hung has also entered into a service agreement with ILC International Corporation, a subsidiary of the Company, for a term of three years commencing from 1 January 2007. Pursuant to the service agreement, Mr. Hung is entitled to a remuneration of US\$21,780 (equivalent to approximately HK\$170,000) per month for the period from 1 January 2007 to 31 March 2007 and US\$19,800 (equivalent to a HK\$154,000) per month thereafter. Mr. Kenneth Hung is also entitled to a bonus equivalent to 3% of the net profit after tax of ILC International Corporation and its subsidiaries.

As at the Latest Practicable Date, Mr. Hung is interested in 36,200,000 Shares. Save as disclosed, Mr. Hung did not have any interest in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

The Board is not aware of any matter in relation to Mr. Hung that is required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules or any other matter that needs to be brought to the attention of Shareholders in relation to his re-election.

- (iii) **Ms. Wang Li Wen**, aged 54, is an executive Director. She joined the Group in 1993. She is the Chief Financial Officer of the Group's operation in Taiwan and has overall responsibility in the area of administration, finance, personnel and EDP development in Taiwan. She is also assistant general manager of finance and administration of Hang Ten Enterprises Limited Taiwan Branch, which is a subsidiary of the Company. She graduated from Tam Kang University in Taiwan with a bachelor degree in economics and has over 26 years of experience in the apparel retailing industry. Ms. Wang has not held any directorship in any other listed public companies in the past three years.

Ms. Wang Li Wen has entered into a service agreement with the Company commencing from 1 January 2003 subject to termination by either party by serving not less than three month's notice in writing on the other party. Pursuant to this service agreement, Ms. Wang is entitled to a fixed remuneration of HK\$10,000 per year which was determined with reference to her experience and responsibilities and prevailing market standards.

Ms. Wang Li Wen has also entered into a service agreement with Hang Ten Enterprises Limited, a subsidiary of the Company, for a term of three years commencing from 1 April 2007. Pursuant to the service agreement with Hang Ten Enterprises Limited, Ms. Wang is entitled to a fixed remuneration at US\$8,500 (equivalent to approximately HK\$66,300) per month from 1 April 2007 to 31 March 2008, US\$9,000 (equivalent to approximately HK\$70,200) per month from 1 April 2008 to 31 March 2009 and US\$9,500 (equivalent to approximately HK\$74,100) per month from 1 April 2009 to 31 March 2010.

In addition, Ms. Wang Li Wen has entered into a service agreement with Hang Ten Enterprises Limited, Taiwan Branch to serve as assistant general manager of finance and administration for a term of three years commencing from 1 April 2007. Pursuant to the service agreement with Hang Ten Enterprises Limited Taiwan Branch, Ms. Wang is entitled to a fixed remuneration at NT\$2,940,000 (equivalent to approximately HK\$700,000) per annum, subject to yearly review and a bonus may be given on an annual basis subject to the discretion of the board of directors.

As at the Latest Practicable Date, Ms. Wang is interested in 9,000,000 Shares. Save as disclosed, Ms. Wang did not have any interest in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date. Ms. Wang is not related to any directors, senior management or substantial or controlling shareholders of the Company.

The Board is not aware of any matter in relation to Ms. Wang that is required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules or any other matter that needs to be brought to the attention of Shareholders in relation to her re-election.

NOTICE OF ANNUAL GENERAL MEETING



HANG TEN GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 448)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of the Company will be held at Room Java II and III, 2nd Floor, Harbour Plaza Hotel, 665 King's Road, North Point, Hong Kong on Friday, 14 September 2007 at 2:30 p.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors ("**Directors**") and auditors of the Company for the financial year ended 31 March 2007.
2. To re-elect Directors and to authorise the board of Directors to fix the remuneration of the Directors.
3. To re-appoint auditors of the Company and to authorise the board of Directors to fix their remuneration.
4. To consider and declare a final dividend for the financial year ended 31 March 2007.
5. As special business, to consider and, if thought fit, pass, with or without modifications, the following resolution as an ordinary resolution of the Company:

(1) "**THAT:**

- (a) subject to paragraph (c) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and otherwise deal with additional ordinary shares of HK\$0.10 each of the Company ("**Shares**") or securities convertible into Shares, or options, warrants or similar rights to subscribe for Shares or such convertible securities, and to make or grant offers, agreements and options which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants, debentures and other securities convertible into Shares) which would or might require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into Shares;
 - (iii) the exercise of any option granted under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or right to acquire Shares; or
 - (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on the Shares in accordance with the bye-laws of the Company from time to time;

shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly;

- (d) subject to the passing of each of paragraphs (a), (b) and (c) of this Resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (e) for the purpose 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 law or the bye-laws of the Company to be held; or
- (iii) the date on which the authority given under this Resolution is revoked or varied by ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means the allotment, issue or grant of Shares or securities convertible into Shares pursuant to an offer open for a period fixed by the

NOTICE OF ANNUAL GENERAL MEETING

Directors to holders of Shares or of such securities or any class thereof on the register on a fixed record date in proportion to their then holdings of Shares or of such securities or class thereof (subject to such exclusion 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 recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

(2) **“THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on 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 this purpose, and subject to and in accordance with all applicable laws and regulations (including but not limited to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Code on Takeovers and Mergers), be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be repurchased pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly;
- (c) subject to the passing of each of paragraphs (a) and (b) of this Resolution, any prior approvals of the kind referred to in paragraphs (a) and (b) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (d) for the purpose 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 law or the bye-laws of the Company to be held; or
 - (iii) the date on which the authority given under this Resolution is revoked or varied by ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

- (3) “**THAT**, subject to the passing of Resolutions numbered 5(1) and 5(2) as set out in above, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with Shares pursuant to the Resolution numbered 5(1) 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 by the Directors pursuant to such general mandate, an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the Resolution numbered 5(2) above, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution.”

By order of the Board
Lee Kin Keung Lawrence
Company Secretary

Hong Kong, 27 July 2007

As at the date of this notice, the executive Directors are Mr. Chan Wing Sun, Mr. Kenneth Hung, Ms. Kao Yu Chu and Ms. Wang Li Wen and the independent non-executive Directors are Mr. Cheung Yat Hung Alton, Mr. Kwong Chi Keung and Mr. So Hon Cheung Stephen.

Notes:

1. A shareholder of the Company (“**Shareholder**”) entitled to attend and vote at the above meeting (or any adjournment thereof) (the “**Meeting**”) may appoint one or more than one proxy to attend and to vote in his stead in accordance with the Bye-laws of the Company. A proxy need not be a Shareholder.
2. Where there are joint registered holders of any Share, any one such persons may vote at the Meeting, either personally or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said holders so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof must be deposited with the branch share registrar of the Company in Hong Kong, Standard Registrars Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the Meeting.
4. For the purpose of ascertaining entitlement to the final dividend, the register of members of the Company will be closed from 12 September 2007 to 14 September 2007, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for voting at the Meeting and the final dividend to be approved at the Meeting, all transfers accompanied by the relevant share certificates must be lodged with the branch share registrars of the Company in Hong Kong, Standard Registrars Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong for registration not later than 4:00 p.m. on 11 September 2007.