

If you are in any doubt as to any aspect about this circular or as to the action to be taken, 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 **City e-Solutions Limited**, you should at once hand this circular, together with the enclosed form of proxy, 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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City e-Solutions Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 557)

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

A letter from the board of directors of City e-Solutions Limited is set out on pages 3 to 5 of this circular.

A notice convening the annual general meeting of City e-Solutions Limited to be held on Friday, 20 April 2007 at Room 2803, 28th Floor, Great Eagle Centre, No. 23 Harbour Road, Wanchai, Hong Kong at 10:00 a.m. is set out on pages 13 to 16 of this circular.

Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the principal office of the Company at Room 2803, 28th Floor, Great Eagle Centre, No. 23 Harbour 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 shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Room 2803, 28th Floor, Great Eagle Centre, No. 23 Harbour Road, Wanchai, Hong Kong on Friday, 20 April 2007 at 10:00 a.m., notice of which is set out on pages 13 to 16 of this circular
“associate”	has the meaning ascribed to it by the Listing Rules
“Board”	the board of Directors
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	City e-Solutions Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to it by the Listing Rules
“Directors”	the directors of the Company
“General Mandates”	the Issue Mandate and the Repurchase Mandate to be sought at the AGM as set out in the Notice of AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the mandate to allot and issue Shares as set out in the Notice of AGM
“Latest Practicable Date”	22 March 2007, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notice of AGM”	the notice convening the AGM as set out at the end of this circular
“Proposals”	the proposals involving the granting of the General Mandates and the re-election of the retiring Directors

DEFINITIONS

“Repurchase Mandate”	the mandate to repurchase Shares as set out in the Notice of AGM, in respect of which an explanatory statement is set out in Appendix I to this circular
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the same meaning ascribed to such term in the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.



City e-Solutions Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 557)

Directors:

Mr. Kwek Leng Beng
(Chairman and Managing Director)
Mr. Vincent Yeo Wee Eng
(Chief Executive Officer)
Mr. Kwek Leng Joo
Mr. Kwek Leng Peck
Mr. Gan Khai Choon
Mr. Wong Hong Ren*
Hon. Chan Bernard Charnwut*
Mr. Lawrence Yip Wai Lam

Independent Directors:

Dr. Lo Ka Shui*
Mr. Lee Jackson (also known as Li Chik Sin)*
Mr. Teoh Teik Kee*

** Non-Executive Directors*

Principal Office:

Room 2803, 28th Floor
Great Eagle Centre
No. 23 Harbour Road
Wanchai
Hong Kong

Registered Office:

Maples and Calder
P.O. Box 309
Grand Cayman
Cayman Islands
British West Indies

26 March 2007

To the Shareholders

Dear Sir or Madam,

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

AND

NOTICE OF ANNUAL GENERAL MEETING

Introduction

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM relating to the granting of the General Mandates and the re-election of the retiring Directors. The Notice of AGM is set out on pages 13 to 16 of this circular for approving the same.

LETTER FROM THE BOARD

Issue Mandate

At the AGM, an ordinary resolution will be proposed to approve the granting of a fresh general mandate to the Directors to exercise the powers of the Company to allot and issue new Shares in the share capital of the Company up to 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of the resolution. As at the Latest Practicable Date, there were in issue an aggregate of 383,125,524 Shares. Assuming that no Shares are issued or repurchased by the Company prior to the date of the AGM, such 20% will represent 76,625,104 Shares.

In addition, a further ordinary resolution will be proposed at the AGM to extend the authority to issue Shares under the Issue Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

Repurchase Mandate

Furthermore, at the AGM, an ordinary resolution will be proposed to approve the granting of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the aggregate nominal amount of share capital of the Company in issue on the date of the passing of the resolution. As at the Latest Practicable Date, there were in issue an aggregate of 383,125,524 Shares. Assuming that no Shares are issued or repurchased by the Company prior to the date of the AGM, such 10% will represent 38,312,552 Shares.

An explanatory statement, as required by the Listing Rules to give all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to approve the purchase by the Company of its own Shares, is set out in Appendix I to this circular.

Re-election of Directors

To ensure full compliance with the Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules, all non-executive Directors, namely, Hon. Chan Bernard Charnwut, Dr. Lo Ka Shui and Messrs. Wong Hong Ren, Lee Jackson (also known as Li Chik Sin) and Teoh Teik Kee, will retire from office at the AGM and, being eligible, will offer themselves for re-election for a further term of three years. Their retirement also satisfies the rotation requirement set out in article 116 of the articles of association of the Company. Details of the Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

Procedure by which a poll may be demanded

Under the articles of association of the Company, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless voting by way of poll is required by the Listing Rules or a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the chairman; or
- (ii) by at least three Shareholders present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any Shareholder or Shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

LETTER FROM THE BOARD

- (iv) by any Shareholder or Shareholders present in person or by proxy and holding Shares 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; or
- (v) if required by the Listing Rules, by any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing 5% or more of the total voting rights at such meeting.

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

AGM

The Notice of AGM is set out on pages 13 to 16 of this circular. Whether or not you are able to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the principal office of the Company at Room 2803, 28th Floor, Great Eagle Centre, No. 23 Harbour 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 AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish but the authority of your proxy will be deemed to have been revoked.

Recommendation

The Directors consider that the Proposals are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of the resolutions to be proposed at the AGM in relation to the Proposals.

Yours faithfully,
For and on behalf of the Board
Kwek Leng Beng
Chairman and Managing Director

This Appendix serves as the explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to provide the Shareholders with all the information necessary for their consideration of the Repurchase Mandate.

Share capital

As at the Latest Practicable Date, the issued share capital of the Company was HK\$383,125,524 comprising 383,125,524 Shares. Exercise in full of the Repurchase Mandate, on the basis that no further Shares are issued or repurchased prior to the date of the AGM, could accordingly result in up to 38,312,552 Shares being repurchased by the Company. The Repurchase Mandate shall, unless revoked or varied by the Company in general meeting, take effect upon approval by the Shareholders until the next annual general meeting of the Company.

Reasons for repurchase

The Directors consider that the Repurchase Mandate will provide the Company with such flexibility to make repurchase of its own Shares as and when appropriate and beneficial to the Company. Such repurchases may enhance the net asset value of the Company and/or earnings per Share. The Directors consider that there would not be a material adverse impact on the working capital and on the gearing position of the Company as compared with the position disclosed in the latest published audited accounts of the Company for the year ended 31 December 2006, in the event that the proposed purchases were to be carried out in full during the proposed purchase period. No purchase would be made in circumstances that would have a material adverse impact on the working capital or gearing ratio of the Company.

Funding of repurchase

Repurchases must be funded out of funds legally available for such purchase in accordance with the applicable laws of the Cayman Islands and the memorandum and articles of association of the Company.

The Companies Law provides, *inter alia*, that shares may only be purchased out of the profits of a company or out of the proceeds of a fresh issue of shares made for the purpose of the repurchase or, in the manner provided for therein, out of capital.

Directors, their associates and connected persons

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective associates, has a present intention to sell Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

No connected person of the Company has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make repurchases of Shares.

Undertaking of the Directors

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make repurchases pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of the Cayman Islands, and in accordance with the regulations set out in the memorandum and articles of association of the Company.

Effect of the Takeovers Code

A repurchase of securities by the Company may result in an increase in the proportionate interests of a Shareholder in the voting rights of the Company, which will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder or a 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 and to the best of the knowledge and belief of the Directors based on the register kept by the Company under Section 336 of the SFO, Hong Leong Investment Holdings Pte. Ltd., together with parties acting in concert with it, held, directly or indirectly, an aggregate of 239,431,097 Shares, representing about 62.49% of the existing issued share capital of the Company. Upon full exercise of the Repurchase Mandate and assuming that no further Shares are issued or repurchased prior to the date of the AGM, their aggregate shareholding would be increased to about 69.44%. Such an increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors are not aware of any Shareholder, or a group of Shareholders acting in concert, who may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code in the event that the Directors exercise the power to repurchase Shares pursuant to the Repurchase Mandate.

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 preceding the Latest Practicable Date were as follows:

	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2006		
April	0.96	0.85
May	0.96	0.88
June	0.94	0.85
July	0.88	0.86
August	0.95	0.86
September	0.93	0.88
October	0.95	0.88
November	1.00	0.85
December	1.01	0.90
2007		
January	0.98	0.93
February	1.40	0.94
March (up to the Latest Practicable Date)	1.19	1.04

Share repurchases made by the Company

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six (6) months preceding the Latest Practicable Date.

The biographical and other details of the retiring Directors standing for re-election at the AGM as required by the Listing Rules are set out below:

Hon. Chan Bernard Charnwut, aged 42

Non-executive Director

Hon. Chan has been a Director since 1989 and was appointed a member of the audit committee of the Company on 18 January 2000. Previously an independent non-executive Director, he was re-designated as a non-executive Director with effect from 30 September 2004. In 2005, he was appointed a member of the nomination committee of the Company. Hon. Chan, graduated from Pomona College in California, U.S.A., is a member of both the Executive Council and Legislative Council of Hong Kong. He is currently the President of Asia Insurance Co Ltd. and the Deputy Chairman of the Lingnan University. He is also a member of the Insurance Advisory Committee, Greater Pearl River Delta Business Council and the Antiquities Advisory Board. In addition, he serves as the Advisor of Bangkok Bank Ltd., Hong Kong Branch, the Chairman of the Hong Kong-Thailand Business Council and the Chairperson of The Hong Kong Council of Social Service.

Hon. Chan is also an executive director and the President of Asia Financial Holdings Limited and an independent non-executive director of Peaktop International Holdings Limited, Pioneer Global Group Limited, Yau Lee Holdings Limited, Chen Hsong Holdings Limited, Kingboard Laminates Holdings Ltd., China Resources Enterprises, Ltd. and New Heritage Holdings Limited, all of which are public companies listed on the Stock Exchange. Save as disclosed above, Hon. Chan did not hold any other directorships in listed public companies in the last three years. Besides, Hon. Chan also does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Hon. Chan had a personal interest in 53,850 Shares within the meaning of Part XV of the SFO.

There is no service agreement between the Company and Hon. Chan. If re-elected, Hon. Chan will be appointed for a specific term of three years and his emoluments will be determined by the remuneration committee of the Company with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market conditions. For the year ended 31 December 2006, Hon. Chan received HK\$194,000 as director's fees which was determined with reference to his duties and responsibilities with the Company and the prevailing market conditions.

Dr. Lo Ka Shui, aged 60

Independent Non-executive Director

Dr. Lo was appointed to the Board in 1989. In 2005, he was appointed Chairman of the nomination committee of the Company. He graduated with B.Sc. from McGill University and M.D. from Cornell University, certified in Cardiology. He has more than 27 years of experience in property and hotel development, investment and management, both in Hong Kong and overseas. Dr. Lo is the Chairman and Managing Director of Great Eagle Holdings Limited, the non-executive Chairman of Eagle Asset Management (CP) Limited (Manager of Champion Real Estate Investment Trust) and a director of Shanghai Industrial Holdings Limited, Phoenix Satellite Television Holdings Limited and China Mobile Limited (formerly known as China Mobile (Hong Kong) Limited), Melco International Development Limited, TOM Online Inc., and Winsor Properties Holdings Limited, all of which are

public companies listed on the Stock Exchange. He was also a director of Hong Kong Exchanges and Clearing Limited but had retired on 26 April 2006 and a director of The HSBC China Fund Limited, which was delisted from the Stock Exchange on 22 April 2005. Besides, Dr. Lo is a Vice President of The Real Estate Developers Association of Hong Kong, a Trustee of the Hong Kong Centre for Economic Research and a Board Member of the Airport Authority. Save as disclosed above, Dr. Lo did not hold any other directorships in listed public companies in the last three years.

Dr. Lo does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Dr. Lo did not have any interest in the Shares within the meaning of Part XV of the SFO.

There is no service agreement between the Company and Dr. Lo. If re-elected, Dr. Lo will be appointed for a specific term of three years and his emoluments will be determined by the remuneration committee of the Company with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market conditions. For the year ended 31 December 2006, Dr. Lo received HK\$100,000 as director's fees which was determined with reference to his duties and responsibilities with the Company and the prevailing market conditions.

Mr. Wong Hong Ren, aged 55

Non-executive Director

Mr. Wong was appointed a Director in October 1994. Mr. Wong holds a Master degree in Business Administration from Bradford University, United Kingdom. He is the Chairman and President of Philippines-listed Grand Plaza Hotel Corporation, Chairman of M&C REIT Management Limited (as Manager of CDL Hospitality Real Estate Investment Trust), New Zealand-listed Millennium & Copthorne Hotels New Zealand Limited, New Zealand-listed CDL Investments New Zealand Limited and Singapore-listed HLG Enterprise Limited (formerly known as LKN-Primefield Limited). He is also an executive director of London-listed Millennium & Copthorne Hotels plc and a director of Singapore-listed Thakral Corporation and New York-listed China Yuchai International Limited. Save as disclosed above, Mr. Wong did not hold any other directorships in listed public companies in the last three years.

Mr. Wong joined Hong Leong Management Services Pte. Ltd. ("HLMS"), a wholly-owned subsidiary of Hong Leong Investment Holdings Pte. Ltd. (a substantial shareholder of the Company), in 1988 as Group Investment Manager and was re-designated as Executive Vice President (Group Investment) of HLMS in 2006. He is widely experienced in hospitality and industrial business overseas, investment analysis, international capital market and mergers and acquisitions transactions as well as post-acquisition management re-organisation matters. Prior to 1988, he was a director and general manager (Investment and Property) of Haw Par Brothers International Limited and a Director of Investment with Royal Trust Asset Management Pte. Ltd. and First Capital Corporation Ltd.

Save as disclosed above, Mr. Wong does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Wong had a personal interest in 1,513,112 Shares within the meaning of Part XV of the SFO.

There is no service agreement between the Company and Mr. Wong. If re-elected, Mr. Wong will be appointed for a specific term of three years and his emoluments will be determined by the remuneration committee of the Company with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market conditions. For the year ended 31 December 2006, Mr. Wong received HK\$200,000 and HK\$396,000 as director's fees and other director's remuneration respectively which were determined with reference to his duties and responsibilities with the Company and the prevailing market conditions.

Mr. Lee Jackson (also known as Li Chik Sin), aged 74

Independent Non-executive Director

Mr. Lee was appointed a non-executive Director and Chairman of the audit committee of the Company in December 1998. In 2005, he was appointed a member of the remuneration committee and the nomination committee of the Company. He also sits on the board of Metro Holdings Limited, Hong Fok Corporation Limited and Hong Leong Finance Limited, all of which are Singapore-listed public companies. He was formerly a partner of an international firm of Chartered Accountants and is a member of The Australian Institute of Chartered Accountants. Save as disclosed above, Mr. Lee did not hold any other directorships in listed public companies in the last three years.

Mr. Lee does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Lee did not have any interest in the Shares within the meaning of Part XV of the SFO.

There is no service agreement between the Company and Mr. Lee. If re-elected, Mr. Lee will be appointed for a specific term of three years and his emoluments will be determined by the remuneration committee of the Company with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market conditions. For the year ended 31 December 2006, Mr. Lee received HK\$288,000 as director's fees which was determined with reference to his duties and responsibilities with the Company and the prevailing market conditions.

Mr. Teoh Teik Kee, aged 47

Independent Non-executive Director

Mr. Teoh was appointed an independent non-executive Director and a member of the audit committee of the Company on 30 September 2004. In 2005, he was appointed Chairman of the remuneration committee and a member of the nomination committee of the Company. Mr. Teoh is an executive director of ecoWise Holdings Limited and an independent director of Luzhou Bio-Chem Technology Limited, both of which are Singapore-listed public companies. He was also a director of Singapore-listed Westcomb Financial Group Limited but had resigned on 20 November 2006. Save as disclosed above, Mr. Teoh did not hold any other directorships in listed public companies in the last three years.

Mr. Teoh is a Chartered Accountant by training, and worked from 1986 to 1990 with KPMG Peat Marwick McLintock in London and with PricewaterhouseCoopers in Singapore. Mr. Teoh has extensive experience in investment banking and corporate financial advisory services when he was with the DBS Bank Group.

Mr. Teoh graduated from Aston University, England with a B.Sc. (Hons) in Managerial and Administrative Studies. He is a member of the Institute of Chartered Accountants in England and Wales as well as a member of the Association of Corporate Treasurers in the United Kingdom.

Mr. Teoh does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Teoh did not have any interest in the Shares within the meaning of Part XV of the SFO.

There is no service agreement between the Company and Mr. Teoh. If re-elected, Mr. Teoh will be appointed for a specific term of three years and his emoluments will be determined by the remuneration committee of the Company with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market conditions. For the year ended 31 December 2006, Mr. Teoh received HK\$194,000 as director's fees which was determined with reference to his duties and responsibilities with the Company and the prevailing market conditions.

The Board confirms that save as disclosed above, there is no other information relating to any of Hon. Chan Bernard Charnwut, Dr. Lo Ka Shui or Messrs. Wong Hong Ren, Lee Jackson (also known as Li Chik Sin) or Teoh Teik Kee which needs to be disclosed pursuant to any of the requirements of paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules. Further, there are no other matters which need to be brought to the attention of the Shareholders.



City e-Solutions Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 557)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the eighteenth Annual General Meeting of the Company will be held at Room 2803, 28th Floor, Great Eagle Centre, No. 23 Harbour Road, Wanchai, Hong Kong on Friday, 20 April 2007 at 10:00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31 December 2006.
2. To declare a final dividend.
3. To re-elect the following retiring directors of the Company for a specific term of three years and to fix the directors' remuneration:
 - (a) Hon. Chan Bernard Charnwut as a non-executive director;
 - (b) Dr. Lo Ka Shui as an independent non-executive director;
 - (c) Mr. Wong Hong Ren as a non-executive director;
 - (d) Mr. Lee Jackson (also known as Li Chik Sin) as an independent non-executive director; and
 - (e) Mr. Teoh Teik Kee as an independent non-executive director.
4. To re-appoint auditors for the ensuing year and to authorise the directors to fix their remuneration.

NOTICE OF AGM

AS SPECIAL BUSINESS

To consider and, if thought fit, pass, with or without modifications, the following resolutions as ordinary resolutions of the Company:

5. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make and grant offers, agreements and options which would or might require shares to be allotted after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to shares issued as a result of a Rights Issue (as hereinafter defined) or pursuant to the exercise of options under the share option scheme of the Company or any shares allotted in lieu of the whole or part of a dividend on shares in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at 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 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 articles of association of the Company or any applicable laws of the Cayman Islands to be held; or
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company on a fixed record

NOTICE OF AGM

date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

6. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to purchase its own securities, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of securities of the Company which may be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution, and the said approval be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the 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 articles of association of the Company or any applicable laws of the Cayman Islands to be held; or
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

7. **“THAT** subject to the passing of resolutions numbered 5 and 6 set out in the notice convening this meeting, the aggregate nominal amount of shares which are purchased by the Company pursuant to the authority granted to the directors of the Company (the “Directors”) as mentioned in resolution numbered 6 set out in the notice convening this meeting shall be added to the aggregate nominal amount of share capital that may be allotted or agreed to be allotted by the Directors pursuant to resolution numbered 5 set out in the notice convening this meeting.”

By order of the Board
Kwek Leng Beng
Chairman and Managing Director

Hong Kong, 26 March 2007

NOTICE OF AGM

Principal office:

Room 2803, 28th Floor
Great Eagle Centre
No. 23 Harbour Road
Wanchai
Hong Kong

Registered office:

Maples and Calder
P.O. Box 309
Grand Cayman
Cayman Islands
British West Indies

Notes:

- (1) The register of members of the Company will be closed from 18 April 2007 to 20 April 2007, both days inclusive, during which no transfer of shares will be registered. In order to qualify for the final dividend, payable on or before 18 May 2007, to be approved at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrars, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4.00 p.m. on 17 April 2007.
- (2) Any member of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
- (3) If the appointer is a corporation, the form of proxy must be under its common seal or under the hand of an officer or attorney duly authorised on its behalf.
- (4) Where there are joint registered holders of any share of the Company, any one of such holders 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 are present at the Meeting personally or by proxy, that one of such holders so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (5) To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company's principal office at Room 2803, 28th Floor, Great Eagle Centre, No. 23 Harbour Road, Wanchai, Hong Kong 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 shall not preclude a member from attending and voting in person at the Meeting and, in such event, the instrument appointing a proxy shall be deemed to have been revoked.