
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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, 18 April 2008 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.

26 March 2008

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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, 18 April 2008 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”	19 March 2008, 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
“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

DEFINITIONS

“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.

LETTER FROM THE BOARD



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

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

Independent Directors:

Dr. Lo Ka Shui*

Mr. Lee Jackson (also known as Li Chik Sin)*

Mr. Teoh Teik Kee*

**Non-Executive Directors*

26 March 2008

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, executive Directors, namely, Mr. Kwek Leng Beng, Mr. Kwek Leng Peck, Mr. Gan Khai Choon and Mr. Lawrence Yip Wai Lam, 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

LETTER FROM THE BOARD

- (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
- (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 2007, 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 230,866,817 Shares, representing about 60.26% 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 66.95%. 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	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2007		
April	1.20	1.04
May	1.40	1.06
June	1.60	1.27
July	1.88	1.47
August	1.65	0.60
September	1.33	1.20
October	1.36	1.25
November	1.35	1.10
December	1.40	1.25
2008		
January	1.27	1.14
February	1.22	1.14
March (up to the Latest Practicable Date)	1.14	1.00

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.

APPENDIX II PARTICULARS OF DIRECTORS SUBJECT TO RE-ELECTION

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:

Mr. Kwek Leng Beng, aged 67
Chairman and Managing Director

Mr. Kwek has been the Chairman and Managing Director of the Company since 1989.

He is the Executive Chairman of the Hong Leong Group of Companies Singapore, and also Singapore-listed City Developments Limited. He is also Chairman and Managing Director of Singapore-listed Hong Leong Finance Limited. He is the Chairman of London-listed Millennium & Cophorne Hotels plc and Singapore-listed Hong Leong Asia Ltd. Save as disclosed above, Mr. Kwek did not hold any other directorships in listed public companies in the last three years.

Mr. Kwek's achievements have also captured the attention of the academic institutions. He was conferred Honorary Doctorate of Business Administration in Hospitality from Johnson & Wales University (Rhode Island, US), where students have an opportunity to pursue career education in business, hospitality, culinary arts or technology; and Honorary Doctorate from Oxford Brookes University (UK) whose citation traced how Mr. Kwek, who joined the family business in the early 1960s, had gone on to establish an international reputation for his leadership of the Hong Leong Group, as well as an active supporter of higher education in Singapore.

Mr. Kwek also serves as a member of the INSEAD East Asia Council. France-based INSEAD is one of the world's leading and largest graduate business schools which brings together people, cultures and ideas from around the world.

Mr. Kwek is also a member of the Action Community for Entrepreneurship (ACE), which involves both the private and public sectors to create a more entrepreneurial environment of Singapore small and medium enterprises. Mr. Kwek holds a law degree, LL.B. (London) and is also a fellow of The Institute of Chartered Secretaries and Administrators.

Mr. Kwek is the brother of Mr. Kwek Leng Joo, brother-in-law of Mr. Gan Khai Choon, cousin of Mr. Kwek Leng Peck and uncle of Mr. Vincent Yeo Wee Eng, all of them are directors of the Company. Besides, Mr. Kwek is also the cousin of Mr. Kwek Leng Kee, a substantial shareholder of the Company. He is a director and shareholder of Kwek Holdings Pte Ltd, Hong Leong Investment Holdings Pte. Ltd., Hong Leong Holdings Limited and City Developments Limited, all being substantial shareholders of the Company. Save as disclosed above, Mr. Kwek does not have any other relationships with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Kwek had personal interests in 3,286,980 Shares within the meaning of Part XV of the SFO.

There is no service agreement between the Company and Mr. Kwek, and he has no fixed term of service with the Company but is subject to retirement by rotation and re-election in accordance with the articles of association of the Company. His emoluments will be determined by the remuneration committee with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market conditions. The director's fee received by Mr. Kwek for the

APPENDIX II PARTICULARS OF DIRECTORS SUBJECT TO RE-ELECTION

year ended 31 December 2007 was HK\$750,000 which was determined with reference to his duties and responsibilities with the Company and the prevailing market conditions. Save as disclosed above, Mr. Kwek did not receive any other emoluments from the Company for the year ended 31 December 2007.

Mr. Kwek Leng Peck, aged 51

Executive Director

Mr. Kwek has been an Executive Director of the Company since 1989. Apart from being an Executive Director of the Company, Mr. Kwek also holds a number of directorships in other members of the Group. He also sits on the boards of several public companies, including Singapore-listed City Developments Limited, Singapore-listed Hong Leong Asia Ltd., Singapore-listed Hong Leong Finance Limited, New York-listed China Yuchai International Limited, London-listed Millennium & Copthorne Hotels plc and Malaysia-listed Tasek Corporation Berhad. Save as disclosed above, Mr. Kwek did not hold any other directorships in listed public companies in the last three years.

Mr. Kwek has over 25 years of experience in trading, manufacturing, property investment and development, hotel operations, corporate finance and management. Mr. Kwek holds a Diploma in Accountancy.

Mr. Kwek is the cousin of Messrs. Kwek Leng Beng and Kwek Leng Joo and uncle of Mr. Vincent Yeo Wee Eng, all being directors of the Company. Besides, Mr. Kwek is also the cousin of Mr. Kwek Leng Kee, a substantial shareholder of the Company. He is a director and shareholder of Kwek Holdings Pte Ltd, Hong Leong Investment Holdings Pte. Ltd., Hong Leong Holdings Limited and City Developments Limited, all being substantial shareholders of the Company. Save as disclosed above, Mr. Kwek does not have any other relationships with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Kwek had a personal interest in 2,082,200 Shares within the meaning of Part XV of the SFO.

There is no service agreement between the Company and Mr. Kwek, and he has no fixed term of service with the Company but is subject to retirement by rotation and re-election in accordance with the articles of association of the Company. His emoluments will be determined by the remuneration committee with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market conditions. The director's fee received by Mr. Kwek for the year ended 31 December 2007 was HK\$200,000 which was determined with reference to his duties and responsibilities with the Company and the prevailing market conditions. Save as disclosed above, Mr. Kwek did not receive any other emoluments from the Company for the year ended 31 December 2007.

Mr. Gan Khai Choon, aged 61

Executive Director

Mr. Gan was appointed an Executive Director of the Company in 1989 and is also Managing Director of Hong Leong International (Hong Kong) Limited. Apart from being an Executive Director of the Company, Mr. Gan also holds a number of directorships in other members of the Group. He is a director of New York-listed China Yuchai International Limited. He is also an independent non-executive Director of Hong Kong-listed Safety Godown Company Limited and Chairman of its Audit Committee. Mr. Gan was appointed Chairman of Singapore-listed HLG Enterprise Limited in

APPENDIX II PARTICULARS OF DIRECTORS SUBJECT TO RE-ELECTION

September 2007. He has more than 33 years of experience in banking, real estate investment and development. He has been responsible for overseeing the development of the Grand Hyatt Taipei and other international projects for the Hong Leong Group of companies. Mr. Gan has a Bachelor of Arts degree (Honours) in Economics from the University of Malaya. Save as disclosed above, Mr. Gan did not hold any other directorships in listed public companies in the last three years.

Mr. Gan is the brother-in-law of Messrs. Kwek Leng Beng and Kwek Leng Joo, cousin-in-law of Mr. Kwek Leng Peck and uncle of Mr. Vincent Yeo Wee Eng, all being directors of the Company. Besides, Mr. Gan is also the cousin-in-law of Mr. Kwek Leng Kee, a shareholder of City Developments Limited and a director of eMpire Investments Limited, all being substantial shareholders of the Company. Save as disclosed above, Mr. Gan does not have any other relationships with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Gan had a personal interest in 1,041,100 Shares within the meaning of Part XV of the SFO.

There is no service agreement between the Company and Mr. Gan, and he has no fixed term of service with the Company but is subject to retirement by rotation and re-election in accordance with the articles of association of the Company. His emoluments will be determined by the remuneration committee with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market conditions. The director's fee received by Mr. Gan for the year ended 31 December 2007 was HK\$200,000 which was determined with reference to his duties and responsibilities with the Company and the prevailing market conditions. Save as disclosed above, Mr. Gan did not receive any other emoluments from the Company for the year ended 31 December 2007.

Mr. Lawrence Yip Wai Lam, aged 52
Executive Director

Mr. Yip was appointed an Executive Director of the Company in December 1998. Apart from being an Executive Director of the Company, Mr. Yip also holds a number of directorships in other members of the Group. He was formerly the General Manager (Finance & Administration) of the Company. He has over 10 years of experience in the Treasury Division of several banks. Prior to joining the Group in April 1990, Mr. Yip held the position of Regional Treasurer with a bank in Singapore. Save as being an Executive Director of the Company, Mr. Yip did not hold directorship in other listed public companies in the last three years.

Mr. Yip is a director of eMpire Investments Limited, being a substantial shareholder of the Company. Save as disclosed above, Mr. Yip 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. Yip had personal interests in 520,550 Shares within the meaning of Part XV of the SFO.

There is no service agreement between the Company and Mr. Yip, and he has no fixed term of service with the Company but is subject to retirement by rotation and re-election in accordance with the articles of association of the Company. His emoluments will be determined by the remuneration committee with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market conditions. The director's fee and salaries, allowances and

APPENDIX II PARTICULARS OF DIRECTORS SUBJECT TO RE-ELECTION

benefits in kind received by Mr. Yip for the year ended 31 December 2007 were HK\$100,000 and HK\$113,000 respectively which were determined with reference to his duties and responsibilities with the Company and the prevailing market conditions. Save as disclosed above, Mr. Yip did not receive any other emoluments from the Company for the year ended 31 December 2007.

The Board confirms that save as disclosed above, there is no other information relating to any of Messrs. Kwek Leng Beng, Kwek Leng Peck, Gan Khai Choon or Lawrence Yip Wai Lam 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.

NOTICE OF AGM



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 Nineteenth 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, 18 April 2008 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 2007.
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) Mr. Kwek Leng Beng as an executive director;
 - (b) Mr. Kwek Leng Peck as an executive director;
 - (c) Mr. Gan Khai Choon as an executive director; and
 - (d) Mr. Lawrence Yip Wai Lam as an executive director.
4. To appoint auditors for the ensuing year and 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 shares, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of share capital 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 2008

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 16 April 2008 to 18 April 2008, both days inclusive, during which no transfer of shares will be registered. In order to qualify for the final dividend, payable on or before 16 May 2008, 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 15 April 2008.
- (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.