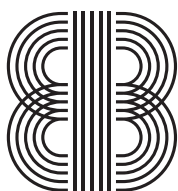


THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in E. Bon Holdings Limited, you should at once hand this circular with the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



E. BON HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

怡邦行控股有限公司

(Stock Code: 599)

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

A notice convening the Annual General Meeting of E. Bon Holdings Limited to be held at Falcon Room, Luk Kwok Hotel, 72 Gloucester Road, Wanchai, Hong Kong on Thursday, 13 September 2007 at 10:00 a.m. is set out on pages 13 to 16 of this circular. A proxy form for your use at the Annual General Meeting is enclosed with this circular. Whether or not you propose to attend the Annual General Meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's branch registrar in Hong Kong, Abacus Share Registrars Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting should you so desire.

Hong Kong, 27 June 2007

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DEFINITIONS

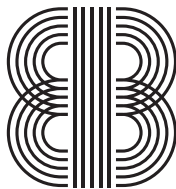
In this circular, the following expressions have the following meanings unless the context requires otherwise:

“Annual General Meeting”	the annual general meeting of the Company to be held at Falcon Room, Luk Kwok Hotel, 72 Gloucester Road, Wanchai, Hong Kong on Thursday, 13 September 2007 at 10:00 a.m.
“Articles of Association”	the articles of association of the Company as amended, supplemented or modified from time to time
“Company”	E. Bon Holdings Limited, a company incorporated in the Cayman Islands with limited liability, with its Shares listed on the Stock Exchange
“Directors”	the directors of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of The People’s Republic of China
“Latest Practicable Date”	22 June 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution no. 5 of the notice of the Annual General Meeting
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase during the period as set out in the Repurchase Resolution, Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution
“Share(s)”	share(s) of \$0.10 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of Shares

DEFINITIONS

“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with Shares during the period as set out in the proposed ordinary resolution as referred to in resolution no. 6 up to a maximum of 20 per cent. of the issued share capital of the Company as at the date of passing of the resolution approving the Share Issue Mandate
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

LETTER FROM THE CHAIRMAN



E. BON HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

怡邦行控股有限公司

(Stock Code: 599)

Directors:

Mr. TSE Sun Fat, Henry (*Chairman*)
Mr. TSE Sun Po, Tony (*Managing Director*)
Mr. TSE Sun Lung, Alan
Mr. WONG Tin Cheung, Ricky
Mr. LAU Shiu Sun
Mr. YICK Kai Chung, Donald
Mr. LEUNG Kwong Kin, JP. *
Mr. WONG Wah, Dominic *
Mr. WAN Sze Chung *

* *Independent non-executive directors*

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head Office and Principal Place
of Business in Hong Kong:*

16th-18th Floors
First Commercial Building
33 Leighton Road
Causeway Bay
Hong Kong

Hong Kong, 27 June 2007

To the shareholders,

Dear Sir or Madam,

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

INTRODUCTION

The Company had at the annual general meeting held on 30 August 2006 given the general mandates to the Directors to exercise the power of the Company to repurchase Shares and to issue Shares. These general mandates will lapse at the conclusion of the Annual General Meeting. The Directors therefore propose to seek your approval of the grant of the Repurchase Mandate and the Share Issue Mandate, in accordance with the Listing rules, to be proposed at the Annual General Meeting.

LETTER FROM THE CHAIRMAN

The purpose of this circular is to provide you with information regarding the re-election of directors, the proposed Repurchase Mandate, Share Issue Mandate, the extension of the Share Issue Mandate and to seek your approval of the ordinary resolutions relating to these matters at the Annual General Meeting.

RE-ELECTION OF THE RETIRING DIRECTORS

The board of directors currently comprises nine Directors, namely Messrs. TSE Sun Fat, Henry, TSE Sun Po, Tony, TSE Sun Lung, Alan, WONG Tin Cheung, Ricky, LAU Shiu Sun and YICK Kai Chung, Donald, LEUNG Kwong Kin, JP., WONG Wah, Dominic and WAN Sze Chung.

Pursuant to Article 87 of the Articles of Association of the Company, Mr. TSE Sun Po, Tony, Mr. WONG Tin Cheung, Ricky and WONG Wah, Dominic will be retiring from their respective offices by rotation at the Annual General Meeting. In order to focus more on business operation in China, Mr. WONG has elected not to offer himself for re-election at the forthcoming Annual General Meeting of the Company to be held on 13 September 2007 and therefore retires at the conclusion of the Annual General Meeting. Mr. WONG has confirmed that he has no disagreement with the Board and there are no other matters in respect of his retirement that need to be brought to the attention of the shareholders of the Company. After retirement, Mr. WONG remains a member of the senior management of the Company subsidiaries responsible for business in China. The Board would like to thank Mr. WONG for his valuable contribution to the Company during his tenure of director's office. All the retiring directors, except Mr. WONG Tin Cheung, Ricky are eligible, and offer themselves for re-election. Details of the Directors proposed to be re-elected in the Annual General Meeting are set out in Appendix I to this circular.

GENERAL MANDATE TO REPURCHASE SHARES

An ordinary resolution will be proposed at the Annual General Meeting to grant to the Directors the Repurchase Mandate, details of which are set out in Ordinary Resolution no. 5 in the Repurchase Resolution.

As at the Latest Practicable Date, the issued share capital of the Company comprised 200,000,000 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of passing the Repurchase Resolution, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate as at the date of passing the Repurchase Resolution will be 20,000,000 Shares.

An explanatory statement as required under the Share Repurchase Rules to provide the requisite information of the Repurchase Mandate is set out in the Appendix II to this circular.

LETTER FROM THE CHAIRMAN

GENERAL MANDATE TO ISSUE SHARES

It will also be proposed at the Annual General Meeting the following two ordinary resolutions respectively:- (i) granting to the Directors the Share Issue Mandate, and (ii) authorizing an extension of the limit of the Share Issue Mandate so granted by adding to it the number of Shares repurchased by the Company under the Repurchase Mandate, if granted.

As at the Latest Practicable Date, the issued share capital of the Company comprised 200,000,000 Shares. Subject to the passing of the resolution approving the Share Issue Mandate and on the basis that no further Shares are issued prior to the Annual General Meeting, the Company would be allowed under the resolution approving the Share Issue Mandate to issue a maximum of 40,000,000 Shares representing not more than 20% of the issued share capital of the Company as at the date of the Latest Practicable date.

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are set out in ordinary resolutions as referred to in resolutions nos. 6 and 7 respectively of the notice of Annual General Meeting.

ANNUAL GENERAL MEETING

At the Annual General Meeting, ordinary resolutions will be proposed to approve the re-election of directors, the Repurchase Mandate, the Share Issue Mandate and the extension of the Share Issue Mandate. The notice of Annual General Meeting is set out on pages 13 to 16 of this circular.

ACTION TO BE TAKEN

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you propose to attend the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's branch registrar in Hong Kong, Abacus Share Registrars Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjourned meeting if you so desire.

LETTER FROM THE CHAIRMAN

RIGHT TO DEMAND A POLL

Pursuant to Article 66 of the Articles of Association, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is taken as may from time to time be required under the rules of any Designated Stock Exchange or 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:–

- (i) by the chairman of the meeting;
- (ii) 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 meeting;
- (iii) 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 the Shareholders having the right to vote at the meeting;
- (iv) 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 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 rules of the Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. or more of the total voting rights of all the members having the right to vote at the meeting.

On a show of hands, every Shareholder present in person (or being a corporation, is present by a representative duly authorized), or by proxy shall have one vote. On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative shall have one vote for every fully paid up Share of which he is the holder. Notwithstanding anything contained in the Articles of Association, where more than one proxy is appointed by a Shareholder which is a clearing house (or its nominee), each such proxy shall have one vote on a show of hands. Pursuant to Article 72, a Shareholder entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses the same way.

LETTER FROM THE CHAIRMAN

RECOMMENDATION

The Directors are pleased to recommend the retiring Directors, details of whom are set out in Appendix I to this circular, for re-election in the Annual General Meeting. The Directors consider that the Repurchase Mandate, the Share Issue Mandate, the extension of the Share Issue Mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions to be proposed at the Annual General Meeting to give effect to them.

Yours faithfully
By Order of the Board
TSE Sun Fat, Henry
Chairman

The following are the particulars of the Directors proposed to be re-elected at the Annual General Meeting in accordance with the Articles of Association:

1. Mr. Tse Sun Po, Tony, aged 48, is the managing director of the Company and joined the Group in 1979. He is also a director of various subsidiaries of the Group. Mr. Tse has over 25 years of experience in the trading of building materials. He is responsible for the retail business of the Group. Mr. Tse also assists in the strategic planning and management of the Group. He is a brother of Mr. Tse Sun Fat, Henry, Chairman of the Company and a cousin of Mr. Tse Sun Lung Alan, Executive Director the Company. Mr. Tse is a substantial shareholder of the Company. Save as disclosed herein, Mr. Tse does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed herein, Mr. Tse has not held any other positions in other listed public companies in the past three years and any positions with the Company or other members of the Company's group.

As at the Latest Practicable Date, Mr. Tse holds 85,374,800 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance, which is 42.69% of the total issued share capital of the Company. Save as disclosed herein, Mr. Tse does not have any other interests in shares within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Tse has entered into a service contract with the Company for a term of three years commencing on 1 March 2000 and continuing thereafter unless terminated by either party with at least three months advance notice in writing. According to the Articles of Association of the Company, Mr. Tse will be subject to retirement by rotation and re-election at annual general meeting at least once every three years. The Director's fee of Mr. Tse is determined by the Board of directors as to be authorized by the shareholders of the Company at annual general meeting and by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Under the service contract, Mr. Tse is entitled to receive the salary of HK\$753,000 per annum which is subject to annual review by the board of directors. In addition, Mr. Tse is entitled to receive discretionary bonuses or other benefits as may be decided by the Board having regard to his performance and duties, the Company's performance and profitability and the prevailing market conditions. For the year ended 31 March 2007, Mr. Tse received emoluments in a total sum of HK\$926,000.

Save as disclosed above, Mr. Tse has confirmed that there are no other matters that need to be brought to the attention of the shareholders in connection with his re-election and there is no information which is required to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

2. Mr. Wong Wah Dominic, aged 58, was appointed as an independent non-executive director of the Company on 19 June 2001. He is also a member of the audit committee and a chairman of the remuneration committee of the Company. Mr. Wong graduated from the Chinese University of Hong Kong in 1972 with honours bachelor's degree of Social Science in Economics. He was appointed director and general manager of Hongkong Ferry (Holdings) Ltd., formerly The Hongkong & Yaumatei Ferry Co., Ltd. until late 1989. He has been actively involved in China trade and garment industry over the past years.

Save as disclosed herein, Mr. Wong has not held any other positions in other listed public companies in the past three years and any positions with the Company or other members of the Company's group.

As at the Latest Practicable Date, Mr. Wong does not have any interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Wong does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. Wong has entered into a service contract with the Company for an initial fixed term of one year and thereafter shall continue for further successive periods of one year, provided that the Company may terminate the contracts at the end of each one year period by giving the other party at least one month's notice in writing thereof. According to the Articles of Association of the Company, Mr. Wong will be subject to retirement by rotation and re-election at annual general meeting at least once every three years. Under the service contract, Mr. Wong is entitled to receive a basic remuneration of HK\$99,000 per annum which is subject to annual review by the board of directors and by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, Mr. Wong has confirmed that there are no other matters that need to be brought to the attention of the shareholders in connection with his re-election and there is no information which is required to be disclosed pursuant to rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 200,000,000 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 20,000,000 Shares representing not more than 10% of the issued share capital of the Company as at the date of the Latest Practicable date.

2. REASONS FOR REPURCHASE

Although the Directors have no present intention of repurchasing any Shares, the Directors believe that the Repurchase Mandate is in the best interests of the Company and its shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds entirely from the Company's available cashflow or working capital facilities which will be legally available for such purpose in accordance with its memorandum of association and Articles of Association, the Companies Law of the Cayman Islands and any other applicable law.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the Company's annual report for the year ended 31 March 2007 in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARES PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date and for the month of June 2007 up to the Latest Practicable Date were as follows:-

	Shares Traded Price	
	Highest HK\$	Lowest HK\$
2006		
June	0.465	0.395
July	0.550	0.430
August	0.620	0.510
September	0.500	0.465
October	0.560	0.480
November	0.940	0.500
December	0.840	0.700
2007		
January	0.840	0.670
February	0.910	0.760
March	0.970	0.730
April	1.070	0.900
May	1.300	1.050
June (up to the Latest Practicable Date)	1.530	1.200

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the memorandum of association and Articles of Association of the Company, the laws of Hong Kong and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if such is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. EFFECT OF TAKEOVERS CODE AND PUBLIC FLOAT

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, 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 Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

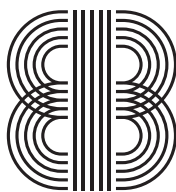
As at the Latest Practicable Date, Tse Brothers Asset Management Limited together with its associates was beneficially interested in 85,374,800 Shares representing 42.69% of the issued share capital of the Company. Based on such shareholdings and in the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, the shareholdings of Tse Brother Asset Management Limited together with its associates in the Company would be increased to approximately 47.43% of the issued share capital of the Company. Then, Tse Brother Asset Management Limited together with its associates could be required under Rule 26 of the Takeovers Code to make a mandatory offer in respect of all the issued shares of the Company by reason of such increase.

Save as aforesaid, the Directors are not aware of any consequences which may arise under the Takeovers Code as a consequence of any purchases made under the Repurchase Mandate. The Directors have no intention to exercise the Repurchase Mandate which may result in possible mandatory offer being made under the Takeovers Code. The Company has no present intention to repurchase Shares to such extent as to result in the number of Shares held by the public being reduced to less than 25%.

7. SHARES REPURCHASE MADE BY THE COMPANY

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

NOTICE OF ANNUAL GENERAL MEETING



E. BON HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

怡邦行控股有限公司

(Stock Code: 599)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of E. Bon Holdings Limited (“the Company”) will be held at Falcon Room, Luk Kwok Hotel, 72 Gloucester Road, Wanchai, Hong Kong on Thursday, 13 September 2007 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements, the report of the directors and the report of auditors for the year ended 31 March 2007;
2. To declare a final dividend and a bonus dividend;
3. To re-elect Directors and authorize the Board of Directors to fix the Directors’ remuneration;
4. To re-appoint Auditors and to authorize the Board of Directors to fix their remuneration;
5. As special business, to consider and, if thought fit, pass with or without amendments the following resolution as an Ordinary Resolution:–

“THAT:

- (a) subject to paragraph (b) of this Resolution, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company (“Shares”) on The Stock Exchange of Hong Kong Limited be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares to be repurchased pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(c) 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 revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws of the Cayman Islands or the articles of association of the Company to be held.”

6. As special business, to consider and, if thought fit, pass with or without amendments the following resolution as an Ordinary Resolution:

“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 deal with additional shares in the capital of the Company (“Shares”) or securities convertible into Shares and to make or grant offers, agreements and options which 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 authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power during or after the end of the Relevant Period;
- (c) the aggregate nominal amount of Shares 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) of this Resolution, otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of rights of subscription or conversion under the terms of any warrants or other securities issued by the Company as at the date of this Resolution carrying a right to subscribe for or purchase Shares or otherwise convertible into Shares; or (iii) the exercise of the subscription rights under the share option schemes of the Company; or (iv) any scrip dividend scheme or similar arrangement for the grant or issue of shares or rights to acquire Shares of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly;

NOTICE OF ANNUAL GENERAL MEETING

(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 following the passing of this Resolution;
- (ii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws of the Cayman Islands or the articles of association of the Company to be held.”

“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 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 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 applicable to the Company).”

7. As special business, to consider and, if thought fit, pass with or without amendments the following resolution as an Ordinary Resolution:

“THAT subject to the passing of Ordinary Resolutions numbered 5 and 6 above, the general mandate granted to the Directors pursuant to Ordinary Resolution numbered 6 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of Shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution numbered 5, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution.”

By Order of the Board
IP Fu Wa, Benthony
Secretary

Hong Kong, 27 June 2007

NOTICE OF ANNUAL GENERAL MEETING

Registered office:
Cricket Square
Hutchins Drive
P. O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal
place of business:*
16th-18th Floor
First Commercial Building
33 Leighton Road
Causeway Bay
Hong Kong

Notes:

- (a) A Member 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.
- (b) To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, must be lodged with the Company's branch registrars in Hong Kong, Abacus Share Registrars Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the Meeting.
- (c) The register of members will be closed from Friday, 7 September 2007, to Thursday, 13 September 2007, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend and bonus dividend, and to determine the identity of the shareholders entitled to attend and vote at the meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Abacus Share Registrars Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 6 September 2007.
- (d) An explanatory statement containing further details regarding Resolution numbered 5 to 7 above will be sent to shareholders together with the 2007 Annual Report.
- (e) With regard to item no. 3 in this notice, details of the retiring Directors, namely Mr. TSE Sun Po, Tony and Mr. WONG Wah, Dominic, proposed to be re-elected as Directors of the Company are set out in the Appendix I to the circular to shareholders dated 27 June 2007.

As at the date hereof, the Board of Directors comprises nine Directors, of which six are Executive Directors, namely Messrs. TSE Sun Fat, Henry, TSE Sun Po, Tony, TSE Sun Lung, Alan, WONG Tin Cheung, Ricky, LAU Shiu Sun and YICK Kai Chung, Donald, and three are Independent Non-Executive Directors, namely Messrs. LEUNG Kwong Kin, JP, WONG Wah, Dominic and WAN Sze Chung.