
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 to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in Hopson Development Holdings Limited (the “Company” and together with its subsidiaries, the “Group”), you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) 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.



合 生 創 展 集 團 有 限 公 司*

HOPSON DEVELOPMENT HOLDINGS LIMITED

(Stock Code: 00754)

(Incorporated in Bermuda with limited liability)

website: <http://www.irasia.com/listco/hk/hopson>

**PROPOSALS FOR
RE-ELECTION OF RETIRING DIRECTORS
GENERAL MANDATE FOR THE REPURCHASE
BY THE COMPANY OF ITS OWN SHARES
AND
AMENDMENT TO BYE-LAWS**

A notice convening an annual general meeting (the “AGM” or the “Meeting”) of the shareholders (the “Shareholders”) of the Company to be held at Chater Room II, Function Room Level, The Ritz-Carlton, 3 Connaught Road Central, Hong Kong, on Thursday, 15th June, 2006 at 10:00 a.m. is set out on pages 10 to 13 of this circular. Whether or not you are able to attend the Meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the principal place of business of the Company at Suites 2705-09, 27/F., Jardine House, 1 Connaught Place, Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Meeting (or any adjourned meeting thereof).

28th April, 2006

* for identification purpose only

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RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) for the purpose of giving information with regard to the Company. The directors (the “Directors”) of the Company collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

LETTER FROM THE BOARD



合生創展集團有限公司*
HOPSON DEVELOPMENT HOLDINGS LIMITED

(Stock Code: 00754)

(Incorporated in Bermuda with limited liability)

website: <http://www.irasia.com/listco/hk/hopson>

Executive Directors:

CHU Mang Yee (*Chairman*)
XIANG Bin (*Deputy Chairman*)
WU Jiesi (*Chief Executive Officer*)
TAM Lai Ling (*Chief Financial Officer*)
AU Wai Kin
CHEN Chang Ying
XIAO Yan Xia

Non-executive Directors:

SHAFRAN, Steven
CHEN Xiaohong
HU Yongmin

Independent Non-executive Directors:

YUEN Pak Yiu, Philip
LEE Tsung Hei, David
WONG Shing Kay, Oliver

Principal Office:

Suites 2705-09
27/F., Jardine House
1 Connaught Place
Central
Hong Kong

Registered Office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

28th April, 2006

*To the Shareholders and
for information only, optionholders*

Dear Sir or Madam,

**PROPOSALS FOR
RE-ELECTION OF RETIRING DIRECTORS
GENERAL MANDATE FOR THE REPURCHASE
BY THE COMPANY OF ITS OWN SHARES
AND
AMENDMENT TO BYE-LAWS**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM to, inter alia, re-elect the retiring Directors, renew the Repurchase Mandate (as defined below) and to approve the proposed amendment to the Bye-laws of the Company (the “Bye-laws”).

* for identification purpose only

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Bye-law 87(1) of the Bye-laws, Mr. Chu Mang Yee, Mr. Yuen Pak Yiu, Philip, Mr. Lee Tsung Hei, David and Mr. Wong Shing Kay, Oliver will retire by rotation at the AGM and, being eligible, have offered themselves for re-election.

In accordance with Bye-law 86(2) of the Bye-laws, any Director appointed by the Board after the annual general meeting of the Company held on 6th June, 2005 will retire at the AGM. Accordingly, Mr. Steven Shafran, Ms. Chen Xiaohong and Mr. Hu Yongmin will retire from office and, being eligible, have offered themselves for re-election at the AGM.

The qualifications, previous experience and major appointments of all the Directors who stand for re-election at the AGM are set out in the “Directors’ Profile” section contained in the Company’s 2005 Annual Report which is sent to the Shareholders together with this circular. Other biographical details of each of the said Directors, as required to be disclosed pursuant to rule 13.51(2) of the Listing Rules, are set out below for the Shareholders’ consideration.

(a) Mr. Chu Mang Yee (aged 46)

Mr. Chu is the Chairman of the Board and one of the founders of the Group. Mr. Chu did not hold any directorship in other listed companies in the last 3 years.

Mr. Chu has a service contract with the Company for an initial term of 3 years (subject to the termination provisions of the service contract) commencing from 1st January, 1998 and will continue thereafter until terminated by notice given by either party. Subject to the terms of Mr. Chu’s service contract, after his re-election at the AGM, Mr. Chu will continue to serve on the Board until he becomes due to retire by rotation again in accordance with the Bye-laws. Pursuant to Mr. Chu’s service contract, he is entitled to, among other things, a salary of HK\$240,000 per annum and an annual discretionary bonus as determined by the Board, subject to the limit that the aggregate discretionary bonus payable to the Executive Directors in respect of any financial year shall not exceed 3 per cent. of the audited consolidated profit of the Group after taxation but before extraordinary items and the Executive Directors’ discretionary bonus for the relevant financial year. Mr. Chu has waived his annual salary of HK\$240,000 payable under his service contract with effect from 1st January, 2003.

Mr. Chu is the sole shareholder of Sounda Properties Limited, the controlling Shareholder (as such term is defined in the Listing Rules), who as at 24th April, 2006 (the “Latest Practicable Date”), was interested in 637,500,000 shares of HK\$0.10 each in the capital of the Company (the “Shares”) within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”). Save as disclosed above, Mr. Chu does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders.

LETTER FROM THE BOARD

(b) Mr. Yuen Pak Yiu, Philip (aged 70)

Mr. Yuen was appointed to the Board in 1998. He is also the chairman of the audit committee, remuneration committee and connected transactions/related party transactions committee of the Company. In the past 3 years and as at the Latest Practicable Date, Mr. Yuen has served as director of other listed companies. He does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders or hold any other position with the Company or any member of the Group. As at the Latest Practicable Date, Mr. Yuen did not have any interest (within the meaning of Part XV of the SFO) in the securities of the Company.

There is no service contract signed between the Company and Mr. Yuen. After his re-election at the AGM, Mr. Yuen will continue to serve on the Board until he becomes due to retire by rotation again in accordance with the Bye-laws. Mr. Yuen received a Director's fee of HK\$100,000.00 for serving as an independent non-executive Director in 2005.

(c) Mr. Lee Tsung Hei, David, BBS, JP (aged 56)

Mr. Lee was appointed to the Board in 1998. He is also a member of the audit committee, remuneration committee and connected transactions/related party transactions committee of the Company. In the past 3 years and as at the Latest Practicable Date, Mr. Lee has served as director of other listed companies. He does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders or hold any other position with the Company or any member of the Group. As at the Latest Practicable Date, Mr. Lee did not have any interest (within the meaning of Part XV of the SFO) in the securities of the Company.

There is no service contract signed between the Company and Mr. Lee. After his re-election at the AGM, Mr. Lee will continue to serve on the Board until he becomes due to retire by rotation again in accordance with the Bye-laws. Mr. Lee received a Director's fee of HK\$100,000.00 for serving as an independent non-executive Director in 2005.

(d) Mr. Wong Shing Kay, Oliver (aged 54)

Mr. Wong was appointed to the Board in 1998. He is also a member of the audit committee, remuneration committee and connected transactions/related party transactions committee of the Company. In the past 3 years and as at the Latest Practicable Date, Mr. Wong has served as director of other listed companies. He does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders or hold any other position with the Company or any member of the Group. As at the Latest Practicable Date, Mr. Wong did not have any interest (within the meaning of Part XV of the SFO) in the securities of the Company.

There is no service contract signed between the Company and Mr. Wong. After his re-election at the AGM, Mr. Wong will continue to serve on the Board until he becomes due to retire by rotation again in accordance with the Bye-laws. Mr. Wong received a Director's fee of HK\$100,000.00 for serving as an independent non-executive Director in 2005.

LETTER FROM THE BOARD

(e) Mr. Steven Shafran (aged 46)

Mr. Shafran was appointed as a non-executive Director on 9th August, 2005. Mr. Shafran did not hold any directorship in other listed companies in the last 3 years. Mr. Shafran is a director of Amri Advisory Limited whose license granted by the Securities and Futures Commission was revoked in May 2005 at the company's own request. Mr. Shafran does not hold any other position with the Company or any member of the Group or have any relationship with any other Directors, senior management or substantial or controlling Shareholders.

Mr. Shafran was appointed for a term of 3 years commencing from 9th August, 2005. There is no service contract signed between the Company and Mr. Shafran. After his re-election at the AGM, Mr. Shafran will continue to serve on the Board for a period of approximately 2 years. Pursuant to the terms of Mr. Shafran's appointment, he has been granted with options under the Company's share option scheme adopted on 4th November, 2002 to subscribe for 4,500,000 Shares. In addition, as at the Latest Practicable Date, Mr. Shafran also had a personal interest in 1,000,000 Shares within the meaning of Part XV of the SFO.

(f) Ms. Chen Xiaohong (aged 36)

Ms. Chen was appointed as a non-executive Director on 13th September, 2005. Ms. Chen did not hold any directorship in other listed companies in the last 3 years. Ms. Chen does not hold any other position with the Company or any member of the Group.

As disclosed in an announcement of the Company dated 10th August, 2005 (the "Announcement"), the Company entered into a subscription agreement with Tiger Global L.P. ("Tiger") on 9th August, 2005 and granted to Tiger thereunder a right to nominate one non-executive Director to the Board so long as the aggregate number of Shares held by Tiger and/or its nominees and/or permitted assignees does not fall below 60,180,000 Shares. As at the Latest Practicable Date, the Tiger group owned 100,300,000 Shares representing approximately 8.22% of the Company's issued share capital. Tiger has nominated Ms. Chen as a non-executive Director to the Board in exercise of the said nomination right. Save as disclosed above, Ms. Chen does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders. As at the Latest Practicable Date, Ms. Chen did not have any interest (within the meaning of Part XV of the SFO) in the securities of the Company.

There is no service contract signed between the Company and Ms. Chen and no emolument is payable to Ms. Chen by any member of the Group. After her re-election at the AGM, Ms. Chen will continue to serve on the Board until she becomes due to retire by rotation again in accordance with the Bye-laws.

LETTER FROM THE BOARD

(g) Mr. Hu Yongmin (aged 36)

Mr. Hu was appointed as a non-executive Director on 28th November, 2005. He is also a member of the audit committee and the connected transactions/related party transactions committee of the Company. Mr. Hu did not hold any directorship in other listed companies in the last 3 years. Mr. Hu does not hold any other position with the Company or any member of the Group.

As also disclosed in the Announcement, the Company entered into a subscription agreement with Aranda Investments Pte Ltd. (“Aranda”) on 9th August, 2005 and granted to Aranda thereunder a right to nominate one non-executive Director to the Board so long as the aggregate number of Shares held by Aranda and/or its nominees and/or permitted assignees does not fall below 60,180,000 Shares. As at the Latest Practicable Date, Aranda owned 100,300,000 Shares representing approximately 8.22% of the Company’s issued share capital. Aranda has nominated Mr. Hu as a non-executive Director to the Board in exercise of the said nomination right. Save as disclosed above, Mr. Hu does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders. As at the Latest Practicable Date, Mr. Hu did not have any interest (within the meaning of Part XV of the SFO) in the securities of the Company.

There is no service contract signed between the Company and Mr. Hu and no emolument is payable to Mr. Hu by any member of the Group. After his re-election at the AGM, Mr. Hu will continue to serve on the Board until he becomes due to retire by rotation again in accordance with the Bye-laws.

(h) General

- (i) The emoluments of all Directors are determined with reference to the Directors’ duties and responsibilities, the Company’s performance, as well as remuneration benchmark in the industry and prevailing market conditions.
- (ii) Save as disclosed above, the Directors received no other compensation from the Group.
- (iii) Save for the information set out in this section and in the Annual Report, there is no other matter that needs to be brought to the attention of the Shareholders or other information that should be disclosed under rule 13.51(2) of the Listing Rules.

REPURCHASE MANDATE

At the last annual general meeting of the Company held on 6th June, 2005, a general mandate was given to the Directors to exercise the power of the Company to repurchase Shares (the “Repurchase Mandate”). Pursuant to the Listing Rules, the Repurchase Mandate will lapse at the conclusion of the AGM. It is therefore proposed to seek your approval of ordinary resolution No. 6.B. as set out in the notice of the AGM to renew the Repurchase Mandate. The explanatory statement required to be sent to Shareholders under the Listing Rules in connection with the proposed resolution for the approval of the renewal of the Repurchase Mandate is set out in Appendix I hereto.

LETTER FROM THE BOARD

AMENDMENT TO THE BYE-LAWS

The Stock Exchange has amended the Listing Rules which include, among other things, an amendment to Appendix 3 of the Listing Rules which came into effect on 1st March, 2006. Appendix 3 of the Listing Rules sets out the provisions with which a listed company's articles of association or, as the case may be, its bye-laws should conform. The amended Appendix 3 now provides that, where not otherwise provided by law, the listed issuer in general meeting shall have power by ordinary resolution to remove any director before the expiration of his period of office. In order to make the Bye-laws consistent with the amended Appendix 3 of the Listing Rules, the Directors therefore propose the special resolution as set out in the notice of the AGM to amend the existing Bye-law 86(4). The amendment has the effect that a Director may be removed at any general meeting by an ordinary resolution instead of a special resolution.

AGM AND POLL PROCEDURES

The notice convening the AGM is set out in Appendix II to this circular. At the AGM, amongst others, ordinary resolutions will be proposed to approve the re-election of the retiring Directors and the Repurchase Mandate and a special resolution will be proposed to approve the amendment to the Bye-laws. Shareholders should note that the English text of the proposed resolution to amend the Bye-laws contained in the AGM notice shall prevail over the Chinese text.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's principal place of business at Suites 2705-09, 27/F., Jardine House, 1 Connaught Place, Central, 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 at the AGM should you so wish.

Details of the poll procedures are set out in Appendix III to this circular.

RECOMMENDATION

The Directors consider that the proposals for the re-election of the retiring Directors, and approval of the Repurchase Mandate and the proposed amendment to the Bye-laws are all in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend you to vote in favour of the relevant resolutions in the terms as set out in the notice of the AGM.

Yours faithfully,
By order of the Board
CHU Mang Yee
Chairman

This explanatory statement includes information required under rule 10.06(1)(b) of the Listing Rules to be given to Shareholders in connection with the proposed resolution for the approval of the renewal of the Repurchase Mandate.

NUMBER OF SHARES WHICH MAY BE REPURCHASED

At the AGM to be held on 15th June, 2006, an ordinary resolution will be proposed for the renewal of the Repurchase Mandate. The Company's authority is restricted as regards purchases made on the Stock Exchange in accordance with the Listing Rules. The Listing Rules provide that the shares proposed to be repurchased by a company must be fully paid-up and all repurchases of shares by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders either by way of general mandate to the directors of the company to make such repurchases or by specific approval of a particular transaction. Under the Repurchase Mandate, the number of issued Shares that the Company is authorized to repurchase on the Stock Exchange may not exceed 10 per cent. of the issued share capital of the Company as at the date of passing the resolution granting the general mandate.

As at the Latest Practicable Date, there were in issue 1,219,600,000 Shares. Exercise in full of the Repurchase Mandate, if approved by the Shareholders at the AGM, on the basis that no further Shares are issued or repurchased prior to the date of the AGM, the Company has the authority to repurchase its own Shares up to 121,960,000 Shares during the period ending on the earliest of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by its Bye-laws or any applicable law or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company.

REASONS FOR REPURCHASES

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate will provide the flexibility to make such repurchases when appropriate and beneficial to the Company and its Shareholders. Such repurchases may enhance the net asset value of the Company and its assets and/or its earnings per Share.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum of Association of the Company and the Bye-laws and the applicable laws of Bermuda. The Company is empowered under its Memorandum of Association to repurchase Shares and the same authority is given under section 42A of the Companies Act 1981 of Bermuda. The Bye-laws supplement the Company's Memorandum of Association by providing that this power is exercisable by the Directors upon such terms and subject to such conditions as they think fit. The Companies Act 1981 of Bermuda provides that the funds permitted to be utilized in connection with a share repurchase may only be paid out of either the capital paid up on the relevant repurchased shares, or the funds of the company that would otherwise be available for dividend or distribution, or the proceeds of a fresh issue of shares made for such purpose. The amount of premium payable on redemption may only be paid out of either the funds of the company that would otherwise be available for dividend or distribution, or out of the share premium account of the company.

There might be an adverse impact on the working capital and/or gearing position of the Company as compared with the position disclosed in its latest published audited accounts for the year ended 31st December, 2005 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 would consider the Company's financial position at times in exercising the Repurchase Mandate and would not propose to exercise any repurchases 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.

DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best knowledge and belief of the Directors, having made all reasonable enquiries, any of their associates have any present intention, in the event that the Repurchase Mandate is approved by Shareholders, to sell Shares to the Company or its subsidiaries.

No connected persons (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to do so in the event that the Company is authorized to make purchases of Shares.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of Bermuda, and in accordance with the regulations set out in the Memorandum of Association of the Company and the Bye-laws.

TAKEOVERS CODE CONSEQUENCES

If as the result of a repurchase of Shares a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). As a result, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, 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. A waiver of this provision would not normally be given except in extraordinary circumstances. As at the Latest Practicable Date, Mr. Chu and his wholly-owned company, Sounda Properties Limited and its nominee company, HKSCC Nominees Limited; Mr. Au Wai Kin and his wholly-owned company, Yield Plentiful Incorporated; Ms. Xiao Yan Xia; and Mr. Steven Shafran held approximately 52.27%, 2.83%, 0.002% and 0.08% respectively of the issued share capital of the Company. The Directors are not aware of any Shareholder, or group of Shareholders acting in concert, who will become obliged to make a mandatory offer as a result of repurchases of Shares.

APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE MANDATE

SHARE REPURCHASES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date no Shares have been repurchased by the Company.

MARKET PRICES

During each of the previous twelve months before the date of this circular, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	PER SHARE	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2005		
April	4.600	3.825
May	4.400	3.600
June	4.100	3.500
July	4.400	3.275
August	6.700	4.300
September	9.650	6.300
October	11.300	9.000
November	11.550	9.600
December	10.450	8.850
2006		
January	15.000	9.500
February	15.300	13.250
March	18.600	13.250



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HOPSON DEVELOPMENT HOLDINGS LIMITED

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website: <http://www.irasia.com/listco/hk/hopson>

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the shareholders of Hopson Development Holdings Limited (the “Company”) will be held at Chater Room II, Function Room Level, Ritz Carlton Hotel, 3 Connaught Road Central, Hong Kong on Thursday, 15th June, 2006 at 10:00 a.m. for the following purposes: –

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 31st December, 2005.
2. To re-elect retiring directors and to authorize the board of directors to fix the remuneration of the executive directors and non-executive directors.
3. To consider and, if thought fit, pass with or with modifications, the following resolution as an ordinary resolution:

“**THAT** a remuneration of HK\$150,000 be paid to each of the independent non-executive directors of the Company for the year ending 31st December, 2006, provided that such remuneration will be paid in proportion to the period of service in the case of a director who has not served a complete year.”

4. To declare a final dividend for the year ended 31st December, 2005.
5. To re-appoint auditors and to authorize the board of directors to fix their remuneration.

* *for identification purpose only*

6. As special business to consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions:

6.A. **“THAT:**

- (a) subject to paragraph (c), the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into such shares or warrants or similar rights to subscribe for any shares in the Company 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) shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power 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 of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to the shares of the Company issued as a result of a Rights Issue (as hereinafter defined) or pursuant to the exercise of options under the Share Option Scheme or similar arrangement, or any scrip dividend or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of the dividend on the shares of the Company in accordance with the Company’s Bye-laws, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws of Bermuda to be held; or

- (iii) revocation or variation of the authority given under this resolution by 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 of the Company to holders of shares of the Company on the register on a fixed record date in proportion to their holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognized regulatory body or any stock exchange in any territory outside Hong Kong).”

6.B. **“THAT:**

- (a) subject to paragraph (b), the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange on which the securities of the Company may be listed as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval mentioned in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) the expression “Relevant Period” shall for the purposes of this resolution have the same meaning as assigned to it under ordinary resolution 6.A.(d) of this notice.”

6.C. **“THAT** conditional upon resolutions 6.A. and 6.B. above being passed, the aggregate nominal amount of shares in the capital of the Company which are repurchased by the Company under the authority granted to the directors as mentioned in resolution 6.B. above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution 6.A., provided that the amount of share capital repurchased by the Company shall not exceed 10 per cent. of the total nominal amount of the share capital of the Company in issue on the date of this resolution.”

7. As special business to amend the Bye-laws of the Company by passing the following resolution as a special resolution:

“**THAT** Bye-laws no. 86(4) be and is hereby amended by deleting the word “special” immediately before the words “resolution remove a Director at any time before the expiration of his period of office” and substituting the word “ordinary” therefor.”

By order of the Board
Mok Wai Kun, Barbara
Secretary

Hong Kong, 28th April, 2006

Principal office:

Suites 2705-09
27/F., Jardine House
1 Connaught Place
Central
Hong Kong

Notes:

1. A shareholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
2. In order to be valid, the instrument appointing a proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or other authority, must be deposited at the principal office of the Company at Suites 2705-09, 27/F., Jardine House, 1 Connaught Place, Central, Hong Kong not less than 48 hours before the time appointed for holding the said meeting or adjourned meeting.
3. The register of members of the Company will be closed from Monday, 12th June, 2006 to Thursday, 15th June, 2006, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend to be approved at the meeting and the right to attend and vote at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on Friday, 9th June, 2006.
4. The translation into Chinese language of this notice (including the special resolution which contains the proposed amendment to the Company's Bye-laws) is for reference only. In case of any inconsistency, the English version shall prevail.

Pursuant to Bye-law 66 of the Bye-laws, a resolution put to the vote of a general meeting of the Shareholders shall be determined in the first instance by a show of hands of the Shareholders present in person or by proxy, but a poll may be demanded (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) by:

- (a) the chairman of such meeting; or
- (b) at least three Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (d) a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy and holding Shares 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 Shares conferring that right.

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