

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 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 Hengan International Group Company Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or other transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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恒安國際集團有限公司*

HENGAN INTERNATIONAL GROUP COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1044)

websites: <http://www.hengan.com>

<http://www.irasia.com/listco/hk/hengan>

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

RE-ELECTION OF RETIRING DIRECTORS

A notice convening the Annual General Meeting of Hengan International Group Company Limited to be held at Salon 1-3, Level 3, JW Marriott Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Wednesday, 20 May 2009 at 10:00 a.m., is set out on pages 11 to 14 of this document.

Whether or not Shareholders intend to attend the said meeting, they are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not prevent you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

* for identification purposes only

Hong Kong, 9 April 2009

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LETTER FROM THE BOARD



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Executive Directors:

Mr. Sze Man Bok (*Chairman*)

Mr. Hui Lin Chit

(Deputy Chairman and Chief Executive Officer)

Mr. Yeung Wing Chun

Mr. Hung Ching Shan

Mr. Xu Da Zuo

Mr. Xu Chun Man

Mr. Loo Hong Shing Vincent

Independent Non-Executive Directors:

Mr. Chan Henry

Mr. Chu Cheng Chung

Ms. Ada Ying Kay Wong

Registered Office:

Ugland House,

South Church Street,

P.O. Box 309, George Town,

Grand Cayman, Cayman Islands,

British West Indies

Head Office:

Hengan Industrial City,

Anhai Town, Jinjiang City,

Fujian Province,

PRC

Place of Business in Hong Kong:

Unit 2101D, 21st Floor,

Admiralty Centre, Tower 1,

18 Harcourt Road,

Hong Kong

Hong Kong, 9 April 2009

To the Shareholders,

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES**

RE-ELECTION OF RETIRING DIRECTORS

INTRODUCTION

By an ordinary resolution of the shareholders of Hengan International Group Company Limited (the "Company") (the "Shareholders") passed on 13 May 2008, general mandates were granted to the directors of the Company (the "Directors") (i) to repurchase, on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), ordinary shares of HK\$0.10 each in the capital of the Company (the "Shares") up to a maximum of 10% of the aggregate nominal amount of the share capital in issue of the Company; (ii) to allot, issue or otherwise deal with Shares up to a maximum of 20% of the

* *for identification purposes only*

LETTER FROM THE BOARD

total of the aforesaid aggregate nominal amount of share capital in issue of the Company and the number of Shares repurchased (if any) pursuant to the aforesaid general mandate to repurchase Shares. These general mandates will expire at the conclusion of the annual general meeting of the Company to be held on 20 May 2009 (the "AGM") if they are not revoked or varied by an ordinary resolution of the Shareholders before the AGM.

GENERAL MANDATE TO REPURCHASE SHARES

Under the Companies Law of the Cayman Islands and the Rules Governing the Listing of Securities (the "Listing Rules"), listed companies are allowed to repurchase their own issued securities. The Articles of Association of the Company (the "Articles") also enable such securities repurchases to be made. The Directors consider that the power to repurchase Shares increases flexibility in the conduct of the Company's affairs and is in the interests of its Shareholders.

At the AGM, an ordinary resolution will be proposed that the Directors be given a general mandate to exercise all powers of the Company to repurchase Shares subject to the Articles, the applicable laws and relevant regulatory requirements. Shareholders should note that the maximum number of Shares that may be repurchased pursuant to the mandate as set out in Resolution No. 6 of the notice of AGM on pages 11 to 14 of this document will be such number of Shares not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the resolution (the "Share Repurchase Mandate"). A resolution authorizing the extension of the mandate as set out in Resolution No. 5 of the notice of AGM to the Directors to issue additional Shares by the number of Shares repurchased (if any) under the repurchase mandate (as set out in Resolution No. 6) will be proposed as Resolution No. 7 at the AGM.

Appendix I to this circular contains the Explanatory Statement required under the Listing Rules that gives all the information reasonably necessary to enable Shareholders to make an informed decision in connection with their approval of the Share Repurchase Mandate.

GENERAL MANDATE TO ISSUE SHARES

An ordinary resolution will also be proposed at the AGM for the grant of a general mandate (the "Share Issuance Mandate") to the Directors to issue, allot or otherwise deal with additional Shares of the Company up to a maximum of 20% of the aggregate nominal amount of the issued capital of the Company as at the date of the passing of the resolution.

The Share Issuance Mandate is valid from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles of the Company to be held; or
- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders in general meeting.

LETTER FROM THE BOARD

As at 3 April 2009, being the latest practicable date prior to the printing of this circular (the “Latest Practicable Date”), the number of Shares in issue was 1,150,064,924 shares. Accordingly, the exercise of the Share Issuance Mandate in full would enable the Company to issue, allot or otherwise deal with additional 230,012,984 Shares.

RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the Board comprises Mr. Sze Man Bok, Mr. Hui Lin Chit, Mr. Yeung Wing Chun, Mr. Hung Ching Shan, Mr. Xu Da Zuo, Mr. Xu Chun Man and Mr. Loo Hong Shing Vincent as executive directors and Mr. Chan Henry, Mr. Chu Cheng Chung and Ms. Ada Ying Kay Wong as independent non-executive directors.

Pursuant to the Article 116, Mr. Xu Da Zuo, Mr. Yeung Wing Chun, Mr. Chu Cheng Chung and Mr. Xu Chun Man shall retire from office at the AGM and shall be eligible for re-election. Mr. Yeung has informed the Company that he plans to retire and is not going to be re-elected at the AGM. Details of the directors proposed to be re-elected at the AGM are set out in Appendix II.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during 13 May 2009 to 20 May 2009, both days inclusive, during which period no transfer of shares can be registered. To qualify for attending the AGM and the proposed final dividend, shareholders must ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong for registration not later than 4:00 p.m. on 12 May 2009.

ANNUAL GENERAL MEETING

The AGM will be held at Salon 1–3, Level 3, JW Marriott Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Wednesday, 20 May 2009 at 10:00 a.m. The notice of AGM is set out on pages 11 to 14 of this document. Resolutions in respect of the general mandates and re-election of retiring directors as referred to above will be proposed, amongst others, at the AGM.

ACTION TO BE TAKEN

A form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM, you are requested to complete and return the form of proxy to the Company’s share registrars, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong as soon as possible, and in any event not less than 48 hours before the time appointed for holding of the meeting. Completion and return of the form of proxy will not prevent you from attending and voting at the AGM should you so wish.

LETTER FROM THE BOARD

VOTING BY POLL

In line with the recent changes to the Listing Rules whereby any vote of shareholders at a general meeting must be taken by poll, the Chairman of the meeting will demand for a poll for all resolutions put forward at the forthcoming AGM to be held on 20 May 2009.

RECOMMENDATION

The Directors believe the general mandates to repurchase and issue Shares and re-election of retiring directors are in the interests of the Company and Shareholders, and accordingly recommend you to vote in favour of all the relevant resolutions to be proposed at the AGM.

RESPONSIBILITY STATEMENT

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

By order of the Board
Sze Man Bok
Chairman

(a) PROPOSED SHARE REPURCHASE MANDATE

It is proposed that the Directors may exercise the powers of the Company to repurchase up to 10% of the Shares in issue as at the date of the passing of the resolution to approve the granting to the Directors the Shares Repurchase Mandate. As at the Latest Practicable Date, the number of Shares in issue was 1,150,064,924 shares. Accordingly, the exercise of the Share Repurchase Mandate in full (being the repurchase of 10% of the Shares in issue as at the date of the passing of the resolution to approve the Share Repurchase Mandate) would enable the Company to repurchase 115,006,492 shares.

(b) REASONS FOR REPURCHASES

Repurchases of Shares will only be made if the Directors believe that such repurchases will benefit the Company and its shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per share.

(c) FUNDING OF REPURCHASES

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with the Articles, the Listing Rules and the applicable laws of the Cayman Islands.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent published accounts) in the event that the Share Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Share Repurchase Mandate to such an 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.

(d) UNDERTAKING

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their associates has any present intention to sell Shares to the Company or its subsidiaries if the Share Repurchase Mandate is granted.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the repurchase mandate in accordance with the Articles, the Listing Rules and the applicable laws of the Cayman Islands.

No connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the repurchase mandate is granted.

(e) IMPLICATION UNDER TAKEOVERS CODE AND THE PUBLIC FLOAT REQUIREMENT

If on the exercise of the power to repurchase Shares pursuant to the Share 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 Code on Takeovers and Mergers ("Takeovers Code"). As a result, a shareholder or a group of shareholders acting in concert, depending on the level of increase of the shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. As at the Latest Practicable Date, the substantial shareholders of the Company, Mr. Sze Man Bok and Mr. Hui Lin Chit, were beneficially interested in an aggregate of 451,848,750 Shares, representing approximately 39.29% of the total issued share capital of the Company, which were held by Credit Suisse Trust Limited as trustee of The Sze's Family Trust and The Hui Family Trust, being discretionary trusts established by Mr. Sze and Mr. Hui respectively.

In the event the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Share Repurchase Mandate, the aggregate interests of the abovesaid shareholders would be increased to approximately 43.65% of the total issued share capital of the Company after the repurchase. The Directors believe that such increase may give rise to such Shareholders an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. However, the Directors do not intend to exercise the power to repurchase Shares to such extent at present. The Directors are not aware of any other consequences which may arise under the Takeovers Code as a result of any repurchase made under the Share Repurchase Mandate.

Any repurchase of the Shares which results in the number of Shares held by the public being reduced to less than the prescribed percentage of the Shares then in issue could not be implemented unless waiver is granted by the Stock Exchange from strict compliance requirements regarding the public float under Rule 8.08 of the Listing Rules. However, in the event that the Share Repurchase Mandate is exercised in full, the number of Shares held by the public would not fall below 25% of the total number of Shares in issue.

(f) SHARE PRICES

The highest and lowest prices at which Shares had been traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date, were as follows:

	Share Price	
	Highest (HK\$)	Lowest (HK\$)
2008		
April	28.85	23.10
May	30.30	26.90
June	29.00	22.15
July	25.50	20.50
August	26.50	23.00
September	26.90	18.60
October	24.70	19.30
November	25.05	21.50
December	25.05	22.20
2009		
January	27.95	23.10
February	28.95	25.60
March	31.30	26.60
April (up to the Latest Practicable Date)	31.65	29.90

(g) SHARE REPURCHASE MADE BY THE COMPANY

During the six months prior to the printing of this circular, the Company had not purchased any of its Shares.

MR. XU DA ZUO

Mr. Xu Da Zuo, aged 42, is an Executive Director of the Company, the Group's Deputy Director of Finance and is responsible for overseeing and monitoring the accounting and finance functions of the Group. Joining the Group in 1985, Mr. Xu has over 24 years of experience in accounting and internal audit. He has the title of senior accountant in the PRC. Mr. Xu is the vice-chairman of the Youth Trade Association and a standing member of an audit institution in the PRC.

Mr. Xu has entered into a service agreement with the Company for an initial term of three years and continuing thereafter on an annual basis. His directorship subject to retirement by rotation and re-election in accordance with the Articles. Mr. Xu received remuneration of approximately HK\$883,000 for the year ended 31 December 2008, which was determined with reference to his experience, responsibilities, performance and the Group's financial results.

Mr. Xu is a cousin of Mr. Hui Lin Chit, an executive director of the Company and a brother of Mr. Xu Lian Pi and Mr. Xu Shui Shen, senior management of the Group. Save as disclosed above, he does not have any relationship with any directors, senior management, substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Mr. Xu was interested in 19,637,321 Shares and held options granted under the share option scheme adopted by the Company on 2 May 2003 to subscribe for 130,000 Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance ("SFO") ("Part XV of the SFO"). Out of the 19,637,321 Shares, 17,130,000 Shares were held by Credit Suisse Trust Limited, as trustee of The Xu Family Trust, being a discretionary trust established by Mr. Xu. The remaining 2,507,321 Shares were held by Hengan International Investments Limited which held the Shares for Mr. Xu as nominee. He has not held any directorship in other listed companies in the last three years.

No public sanctions have been made against Mr. Xu by statutory or regulatory authorities, saved as disclosed below. Reference was made to the Stock Exchange announcement on 11 October 2001. During the period from September to December 1999, the Company and its subsidiaries (the "Group") had made temporary advances of HK\$46,425,000 to United Wealth International (Holdings) Limited ("United Wealth") and Changde Hengan Paper Products Co., ("Changde Paper"). These temporary advances, representing approximately 3.02% of the Group's consolidated net tangible assets as at 31 December 1999, were fully received with interest and handling fee between early January 2000 and February 2000. United Wealth was wholly owned by Mr. Sze Man Bok, Mr. Hui Lin Chit, Mr. Yeung Wing Chun and Mr. Hung Ching Shan, the Executive Directors of the Company, while Changde Paper was a 94% owned subsidiary of United Wealth. As such, the temporary advances constituted connected transactions of the Company. Mr. Xu and other relevant Executive Directors were publicly criticised for breaching the Listing Rules and Directors' Undertaking as they failed to disclose these connected transactions by way of a press notice, seek independent shareholders' approval in advance and notify the Stock Exchange on a timely basis. Mr. Xu considers that he is appropriate to continue to act as a Director of the Company as the above infringement was unintentional and did not

arise by reason of any bad faith or deliberate conduct. In addition, he has gained relevant experience and knowledge from the above event to prevent any similar infringement in the future. The Board of Directors also considers that Mr. Xu, who has over 20 years of experience in the consumer product industry, is appropriate to be an Executive Director of the Company.

Save as disclosed above, Mr. Xu has confirmed that there are no other matters that need to be brought to the attention of the Shareholders or to be disclosed pursuant to Rule 13.51(2)(i) to (v) in connection with his re-election.

MR. XU CHUN MAN

Mr. Xu Chun Man, aged 34, is an Executive Director of the Company, the General Manager of Hengan (Shaanxi) Hygiene Products Co. Ltd and Hengan (Shannxi) Paper Products Co. Ltd., subsidiaries in Shaanxi Province. He is responsible for the overall management, business development and operations of the said subsidiaries. He joined the Group after graduating from Fujian Jinjiang Vocational Institute in 1991. Mr. Xu has over 16 years of experience in business development and customer service management.

Mr. Xu has entered into a service agreement with the Company for an initial term of three years and continuing thereafter on an annual basis. His directorship subject to retirement by rotation and re-election in accordance with the Articles. Mr. Xu received remuneration of approximately HK\$189,000 for the year ended 31 December 2008, which was determined with reference to his experience, responsibilities, performance and the Group's financial results.

Mr. Xu does not have any relationship with any directors, senior management, substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Mr. Xu had personal interests of 16,493,445 shares and 20,000 shares options in the Company within the meaning of Part XV of the SFO. He has not held any directorship in other listed companies in the last three years.

No public sanctions have been made against Mr. Xu by statutory or regulatory authorities, saved as disclosed below. Reference was made to the Stock Exchange announcement on 11 October 2001. During the period from September to December 1999, the Company and its subsidiaries (the "Group") had made temporary advances of HK\$46,425,000 to United Wealth International (Holdings) Limited ("United Wealth") and Changde Hengan Paper Products Co., ("Changde Paper"). These temporary advances, representing approximately 3.02% of the Group's consolidated net tangible assets as at 31 December 1999, were fully received with interest and handling fee between early January 2000 and February 2000. United Wealth was wholly owned by Mr. Sze Man Bok, Mr. Hui Lin Chit, Mr. Yeung Wing Chun and Mr. Hung Ching Shan, the Executive Directors of the Company, while Changde Paper was a 94% owned subsidiary of United Wealth. As such, the temporary advances constituted connected transactions of the Company. Mr. Xu and other relevant Executive Directors were publicly criticised for breaching the Listing Rules and Directors' Undertaking as they failed to disclose these connected transactions by way of a press notice, seek independent shareholders' approval in advance and notify the

Stock Exchange on a timely basis. Mr. Xu considers that he is appropriate to continue to act as a Director of the Company as the above infringement was unintentional and did not arise by reason of any bad faith or deliberate conduct. In addition, he has gained relevant experience and knowledge from the above event to prevent any similar infringement in the future. The Board of Directors also considers that Mr. Xu, who has over 16 years of experience in the consumer product industry, is appropriate to be an Executive Director of the Company.

Save as disclosed above, Mr. Xu has confirmed that there are no other matters that need to be brought to the attention of the Shareholders or to be disclosed pursuant to Rule 13.51(2)(i) to (v) in connection with his re-election.

MR. CHU CHENG CHUNG

Mr. Chu Cheng Chung, aged 65, is an Independent Non-executive Director of the Company appointed in June 2002 and a member of the Audit Committee and Remuneration Committee of the Company. Presently, he is a chief consultant for Wallstreet Management Consulting Co., Ltd. He has over 32 years of experience working in US corporations and 10 years of which were with Coca Cola Company Group in the US and China. Mr. Chu joined Thomas Group as the general manager in 2001 and later as the chief operating officer for Media Partners International Holdings Inc., an outdoor media company in Shanghai. He was an independent non-executive director of China Paradise Electronics Retail Limited, which was previously a listed (main board) company.

Mr. Chu obtained his Master of Science degree from Tuskegee Institute in Chemistry and MBA from Chicago Lake Forest Management Graduate School. During his time in Shanghai, he was twice awarded the Magnolia Award by the Shanghai Municipal Government.

Mr. Chu has entered into a service agreement with the Company for a 3-year term expiring on 16 December 2011 subject to re-newal and extension. His directorship is subject to retirement by rotation and re-election in accordance with the Articles. Mr. Chu received remuneration of HK\$120,000 for the year ended 31 December 2008, which was determined with reference to his experience, responsibilities and performance.

Mr. Chu does not have any relationship with any directors, senior management, substantial or controlling shareholder of the Company. As at the Latest Practicable Date, he did not have any interests in the Company pursuant to Part XV of the SFO.

Save as disclosed above, Mr. Chu has confirmed that there are no other matters that need to be brought to the attention of the Shareholders or to be disclosed pursuant to Rule 13.51(2)(h) to (v) in connection with his re-election.

NOTICE OF ANNUAL GENERAL MEETING



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NOTICE IS HEREBY GIVEN that the Annual General Meeting of shareholders of the Company will be held at Salon 1-3, Level 3, JW Marriott Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 20 May 2009 (Wednesday) at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated accounts and the reports of the directors and auditors for the year ended 31 December 2008;
2. To declare a final dividend for the year ended 31 December 2008;
3. To re-elect directors and authorise the board of directors to fix their remuneration;
4. To re-appoint auditors and authorise the board of directors to fix their remuneration; and
5. To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company, and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such power, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which 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 by the directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (aa) Rights Issue; or (bb) the exercise of rights of

* for identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

subscription or conversion under the terms of any warrants or other securities issued by the Company carrying a right to subscribe for or purchase shares of the Company; or (cc) the exercise of any option under any share option scheme of the Company adopted by its shareholders for the grant or issue to employees of the Company and/or any of its subsidiaries of options to subscribe for or rights to acquire shares of the Company; or (dd) any scrip dividend or other similar scheme implemented in accordance with the Articles of Association of the Company, shall not exceed 20% of the total 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 be limited accordingly; and

- (d) for the purpose of this Resolution, “Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles of Association of the Company to be held; or
 - (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting.”

“Rights Issue” means an offer of shares or other securities open for a period fixed by the directors of the Company to holders of shares on the Register of Members of the Company on a fixed recorded date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements the directors of the Company may deem necessary or expedient in relation to fractional entitlements of having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).

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

“THAT:

- (a) subject to sub-paragraph (b) of this Resolution, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to repurchase issued shares in the capital of the Company or any other rights to subscribe shares in the capital of the

NOTICE OF ANNUAL GENERAL MEETING

Company in each case 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 recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) shall be in addition to any other authorization given to the directors of the Company and shall authorize the directors of the Company on behalf of the Company during the Relevant Period to procure the Company to purchase its securities at a price determined by the Directors;
 - (c) the aggregate nominal amount of the ordinary share capital of the Company or any other rights to subscribe shares in the capital of the Company in each case which the directors of the Company are authorised to repurchase pursuant to the approvals in sub-paragraphs (a) and (b) of this Resolution shall not exceed 10% of the aggregate nominal amount of the ordinary share capital of the Company in issue on the date of the passing of this Resolution and the said approval shall be limited accordingly; and
 - (d) for the purpose of this Resolution, "Relevant Period" means the period from the date of the passing of this Resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles of Association of the Company to be held; or
 - (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting."
7. To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

"THAT the general mandate referred to in Resolution No. 5 above be and is hereby extended by the addition to the aggregate nominal amount of share capital which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of share capital of the Company purchased by the Company

NOTICE OF ANNUAL GENERAL MEETING

since the granting of the general mandate referred to in Resolution No. 6 above and pursuant to the exercise by the directors of the powers of the Company to purchase such shares provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution.”

By order of the Board
Loo Hong Shing Vincent
Company Secretary

Hong Kong, 9 April 2009

Notes:

- (i) A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies (who must be an individual or individuals) to attend and vote instead of him. A proxy does not need to be a member of the Company.
- (ii) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney of authority, must be lodged with the Company's share registrar, Tricor Abacus Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not less than 48 hours before the time appointed for holding the meeting and any adjourned meeting.
- (iii) The Register of Members of the Company will be closed from 13 May 2009 to 20 May 2009, both days inclusive, during which no transfer of shares can be registered. To qualify for the final dividend (which will be payable on or around 25 May 2009) to be approved at the forthcoming Annual General Meeting, shareholders must ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Abacus Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration no later than 4:00 p.m. on 12 May 2009.