

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

If you have sold or transferred all your shares in **MP Logistics International Holdings Limited**, you should at once hand this circular to the purchaser or the transferee, or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

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MP Logistics International Holdings Limited
MP 物流國際控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8239)

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ALLOT
AND ISSUE NEW SHARES AND REPURCHASE
BY THE COMPANY OF ITS OWN SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
(3) PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT; AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at Room 3308–3309, The Centre, 99 Queen's Road Central, Hong Kong on Thursday, 23 August 2007 at 11:00 a.m. is set out on pages 19 to 23 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular.

If you are not able to attend the annual general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the office of the Company's branch share registrar and transfer office in Hong Kong, Tengis 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 the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

This circular will remain on the GEM website at <http://www.hkgem.com> on the "Latest Company Announcements" page for at least seven days from the date of its posting and the Company's website at <http://www.irasia.com/listco/hk/mplogistics/>

CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the Internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

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

| | |
|---------------------------|---|
| “AGM” | the annual general meeting of the Company to be convened and held at Room 3308–3309, The Center, 99 Queen’s Road Central, Hong Kong on Thursday, 23 August 2007 at 11:00 a.m. to consider and, if thought fit, to approve, among other things, the proposed grant of the General Mandate and the Repurchase Mandate, the re-election of Directors, and the proposed Refreshment of Scheme Mandate Limit |
| “Articles” | the articles of association of the Company, and “Article” shall mean an article of the Articles of Association |
| “associate(s)” | has the meaning ascribed thereto in the GEM Listing Rules |
| “Board” | the board of Directors from time to time |
| “Company” | MP Logistics International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM |
| “Directors” | the directors of the Company from time to time |
| “Eligible Participant(s)” | (i) employees of the Company (any full time or part-time) or any of its subsidiaries; (ii) directors (any executive directors or non-executive directors or independent non-executive directors) of the Company and its subsidiaries; (iii) any adviser, consultants suppliers, distributors, contractor, agent, business partner, promoter, service provider or customer of the Company or any of its subsidiaries or any participants as defined in the Share Option Scheme |
| “GEM” | Growth Enterprise Market of the Stock Exchange |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM |
| “General Mandate” | the general mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with new Shares not exceeding 20% of the issued share capital of the Company as at the date of passing the relevant resolution granting such mandate by the Shareholders |

DEFINITIONS

| | |
|---------------------------------------|---|
| “Group” | the Company and all of its subsidiaries from time to time |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Latest Practicable Date” | 31 July 2007, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular |
| “PRC” | the People’s Republic of China |
| “Options” | options granted by the Company to the Eligible Participant(s) to subscribe for Shares pursuant to the Share Option Scheme |
| “Refreshment of Scheme Mandate Limit” | the proposed refreshment of the Scheme Mandate Limit under the Share Option Scheme |
| “Repurchase Mandate” | the repurchase mandate proposed to be granted to the Directors at the AGM to exercise the powers of the Company to repurchase up to a maximum of 10% of the issued share capital of the Company as at the date of passing the relevant resolution granting such mandate by the Shareholders |
| “Scheme Mandate Limit” | the 10% limit on grant of Options by the Company under the Share Option Scheme and any other share option scheme(s) of the Company |
| “SFO” | the Hong Kong Securities and Futures Ordinance (Chapter 571 the Law of Hong Kong) |
| “Share Option Scheme” | the share option scheme conditionally adopted by the Company pursuant to the written resolution of the Company on 26 October 2002 |
| “Share(s)” | ordinary share(s) of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Share(s) from time to time |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |

DEFINITIONS

“Takeovers Code”

the Hong Kong Code on Takeovers and Mergers

“HK\$”

Hong Kong dollars, the lawful currency of Hong Kong

“%”

per cent.

LETTER FROM THE BOARD



MP Logistics International Holdings Limited

MP 物流國際控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8239)

Executive Director:

Mr. Guo Xu (*Chairman*)

Mr. Yeung Leung Kong

Mr. Cheung Chi Hwa, Justin

Mr. Cheung King Shan

Independent non-executive Directors:

Mr. Wong Ming, Kerry

Mr. Pang Hong Tao, Peter

Mr. Tam Chak Chi

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:*

Room 3308–3309

The Center

99 Queen's Road Central

Hong Kong

1 August 2007

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ALLOT
AND ISSUE NEW SHARES AND REPURCHASE
BY THE COMPANY OF ITS OWN SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
(3) PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT; AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the AGM to be held at Room 3308–3309, The Centre, 99 Queen's Road Central, Hong Kong on Thursday, 23 August 2007 at 11:00 a.m., resolutions will be proposed, among other matters:

- (a) to re-elect the Directors;
- (b) to grant the General Mandate to the Directors;

* for identification purpose only

LETTER FROM THE BOARD

- (c) to grant the Repurchase Mandate to the Directors;
- (d) to increase the number of Shares to be allotted and issued under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate; and
- (e) to refresh the Scheme Mandate Limit.

The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the AGM for the grant of the General Mandate and the Repurchase Mandate; the re-election of Directors and the Refreshment of Scheme Mandate Limit, and to give you the notice of the AGM.

GENERAL MANDATE AND REPURCHASE MANDATE

The General Mandate and the Repurchase Mandate shall be effective until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles, or any applicable law of the Cayman Islands to be held; or
- (c) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors.

Under the GEM Listing Rules, the Company is required to give to the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution to renew the grant to the Directors of the Repurchase Mandate. The explanatory statement required by the GEM Listing Rules to be included in this circular is set out in Appendix I.

General Mandate

The Company has in issue an aggregate of 1,920,000,000 Shares as at the Latest Practicable Date. Subject to the passing of the proposed resolution for the approval of the General Mandate and in accordance with the terms therein, the Company would be allowed to allot and issue up to a maximum of 384,000,000 Shares, representing 20% of the aggregate nominal amount of the issued Shares at the time of the passing of the resolution approving the General Mandate on the basis that no further Shares will be issued or repurchased by the Company prior to the AGM by the Shareholders.

Repurchase Mandate

On pages 19 to 23 of this circular is the notice of the AGM. At the AGM, and as part of the special business of the AGM, an ordinary resolution will be proposed to grant the Repurchase Mandate to the Directors.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

According to Articles 86(3), any Director appointed to fill in a casual vacancy on the Board or as an addition to the existing Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the following annual general meeting of the Company (in the case of an addition to their number) and shall then be eligible for re-election.

In accordance with Articles 86(3), each of Mr. Guo Xu, Mr. Cheung Chi Hwa, Justin, Mr. Cheung King Shan shall retire from his office as an executive Director; and each of Mr. Wong Ming, Kerry, Mr. Pang Hong Tao, Peter and Mr. Tam Chak Chi shall retire from his office as an independent non-executive Director. Being eligible, all of them will offer themselves for re-election as Directors.

At the AGM, an ordinary resolution will be proposed to re-elect each of Mr. Guo Xu, Mr. Cheung Chi Hwa, Justin and Mr. Cheung King Shan as an executive Director; and each of Mr. Wong Ming, Kerry, Mr. Pang Hong Tao, Peter and Mr. Tam Chak Chi as an independent non-executive Director.

Particulars relating to Mr. Guo Xu, Mr. Cheung Chi Hwa, Justin, Mr. Cheung King Shan, Mr. Wong Ming, Kerry, Mr. Pang Hong Tao, Peter and Mr. Tam Chak Chi are set out in Appendix III to this circular.

REFRESHMENT OF SCHEME MANDATE LIMIT

The Share Option Scheme was conditionally adopted by the Company pursuant to the written resolution of the Shareholders passed on 26 October 2002. The Scheme Mandate Limit was set at 10% of the Shares in issue as at the date of adoption of the Share Option Scheme in compliance with the GEM Listing Rules. Subject to prior Shareholders' approval, the Company may, at any time thereafter, refresh the Scheme Mandate Limit to the extent not exceeding 10% of the Shares in issue as at the date of the aforesaid Shareholders' approval. In this regard, the Company will send a circular to the Shareholders containing the information required under rule 23.02(2) of the GEM Listing Rules and the disclaimer required under rule 23.02(4) of the GEM Listing Rules.

At the adoption of the Share Option Scheme on 26 October 2002, the total issued share capital of the Company was 300,000,000 Shares. On 21 November 2006, the Company issued and allotted 1,200,000,000 new Shares to Mr. Guo Xu. On 13 June 2007, the Company issued 300,000,000 Shares to not less than six placees who were independent third parties as defined in the GEM listing rule. On 11 July 2007, 120,000,000 options were exercised and 120,000,000 Shares were fully paid, credit, issued and allotted. As at latest practicable date, the total issued share capital has been enlarged to 1,920,000,000 Shares.

No adjustment has been made to the Share Option Scheme since its adoption.

LETTER FROM THE BOARD

The Directors consider that the Company should refresh the Scheme Mandate Limit. So that the Company could have more flexibility to provide incentive to Eligible Participants by way of granting options to them. If the refreshment of the existing Scheme Mandate Limit is approved at the AGM based on the 1,920,000,000 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued, and no Shares are repurchased after the Latest Practicable Date and up to the date of the AGM, the maximum number of Shares, which may be issued upon the exercise of all the options to be granted under the Share Option Scheme under the Scheme Mandate Limit as refreshed should be 192,000,000 Shares, representing 10% of the issued share capital of the Company as at the date of the AGM.

Up to the Latest Practicable Date, Options carrying rights to subscribe for a total of 120,000,000 Shares were granted to and exercised by Eligible Participants in accordance with the terms of the Share Option Scheme since its adoption. As at the Latest Practicable Date, there were 30,000,000 outstanding Options.

It is proposed that subject to the Listing Committee granting the listing of, and permission to deal in the Shares to be issued pursuant to the exercise of the Options granted under the refreshed Scheme Mandate Limit and the passing of the relevant resolution at the AGM by the Shareholders, the Scheme Mandate Limit will be refreshed so that the total number of securities, which may be issued upon exercise of all Options to be granted under the Share Option Scheme under the refreshed Scheme Mandate Limit as refreshed, shall not exceed 10% of the Shares in issue as at the date of approval of the proposed Refreshment of Scheme Mandate Limit by the Shareholders at the AGM. Options previously granted under the Share Option Scheme (including without limitation those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme) will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed.

Pursuant to the GEM Listing Rules, the Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme at any time should not exceed 30% of the Shares in issue from time to time. No options shall be granted under any scheme(s) of the Company or any of its subsidiaries if this will result in the 30% limit being exceeded.

LETTER FROM THE BOARD

Conditions of the Refreshment of Scheme Mandate Limit

The proposed Refreshment of Scheme Mandate Limit is conditional upon:

1. the passing of the necessary ordinary resolution by the Shareholders at the AGM to approve the proposed Refreshment of Scheme Mandate Limit; and
2. the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options to be granted under the refreshed Scheme Mandate Limit.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of Options to be granted under the refreshed Scheme Mandate Limit.

Reasons for the Refreshment of Scheme Mandate Limit

The proposed Refreshment of Scheme Mandate Limit will enable the Company to grant further Options to Eligible Participants so as to provide opportunities and incentives for them to work towards enhancing the values of the Company and Shares for the benefit of the Company and Shareholders as a whole.

RESPONSIBILITY STATEMENT

This document, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this document is accurate and complete in all material aspects and not misleading; (ii) there are no other matters the omission of which would make any statement in this document misleading; (iii) all opinions expressed in this document have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

ACTION TO BE TAKEN

Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy accompanying the circular of the Company in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. The completion and return of a form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof in person if you so wish.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors believe that the proposed grant of the General Mandate and the Repurchase Mandate, the proposed re-election of Directors and the proposed Refreshment of Scheme Mandate Limit are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the above resolutions to be proposed at the AGM.

The Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and its net assets and/or earnings per Share and will only be made when the Directors believe that a repurchase of Shares will benefit the Company and the Shareholders as a whole.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company compared with that as at 31 March 2007, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

The Directors believe that an exercise of the General Mandate to allot and issue new Shares will enable the Company to take advantage of market conditions to raise additional capital for and/or as a means of payment by the Company.

GENERAL

Your attention is drawn to the information set out in the appendices to this Circular.

Yours faithfully,
For and on behalf of the Board
MP Logistics International Holdings Limited
Guo Xu
Chairman

This Appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide the requisite information to you for your consideration of the Repurchase Mandate.

1. Repurchase of securities from connected parties

The GEM Listing Rules prohibit a company from knowingly purchasing securities on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective associates and a connected person is prohibited from knowingly selling his/her/its securities to the Company.

No connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is passed.

2. Share capital

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,920,000,000 Shares fully paid or credited as fully paid.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 192,000,000 Shares, representing 10% of the issued share capital of the Company as at the Latest Practicable Date.

3. Reasons for the repurchase

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

4. Funding of repurchases

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company’s available cash flow or working capital facilities which will be funds legally available under the Cayman Islands law and the memorandum and articles of association of the Company for such purpose.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company compared with that as at 31 March 2007, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

5. Share prices

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve calendar months were as follows:

| Month | Highest HK\$ | Lowest HK\$ |
|--|-----------------|----------------|
| 2006 | | |
| July | 0.1400 | 0.0890 |
| August | 0.1100 | 0.0860 |
| September | 0.1100 | 0.0930 |
| October | 0.1100 | 0.0750 |
| November | 0.1130 | 0.0800 |
| December | 0.1050 | 0.0750 |
| 2007 | | |
| January | 0.1280 | 0.0900 |
| February | 0.3500 | 0.1100 |
| March | 0.3400 | 0.2060 |
| April | 0.4750 | 0.2950 |
| May | 0.6000 | 0.3100 |
| June | 1.3500 | 0.4400 |
| July (up to the Latest Practicable Date) | 1.9000 | 1.2500 |

6. Disclosure of interests and minimum public holding

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell to the Company or its subsidiaries any of the Shares in the Company if the Repurchase Mandate is approved at the AGM and exercised.

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 in accordance with the GEM Listing Rules and applicable laws of the Cayman Islands.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, 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, the following Shareholders are interested in more than 10% of the Shares then in issue:

| Name | Number of Shares | Approximate Percentage holding |
|---|-------------------------|---------------------------------------|
| Tolmen Star Limited (the "Tolmen Star") (Note 1) | 902,000,000 | 46.98 |
| Mr. Guo Xu (Note 1) | 902,000,000 | 46.98 |
| Ms. Zhou Ya Ping (Note 1) | 902,000,000 | 46.98 |

Note:

1. Tolmen Star is wholly owned by Mr. Guo Xu who is the spouse of Ms. Zhou Ya Ping. Accordingly, each of Mr. Guo Xu and Ms. Zhao Ya Ping is deemed to be interested in the 902,000,000 Shares in which Tolmen Star is interested.

In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the total interests of the above Shareholders in the Shares would be increased to:

| Name | Approximate Percentage holding |
|---------------------------|---------------------------------------|
| Tolmen Star (Note 1) | 52.19 |
| Mr. Guo Xu (Note 1) | 52.19 |
| Ms. Zhou Ya Ping (Note 1) | 52.19 |

The Directors are not aware of any consequences which may arise under the Takeovers Code as consequences of any purchase made under the Repurchase Mandate. However, the Company may not repurchase Shares which would result in the amount of Shares held by the public being reduced to less than 25%.

As at the Latest Practicable Date, no connected person (within the meaning ascribed to it in the GEM Listing Rules) of the Company has notified the Company that he has a present intention to sell any Shares nor has such connected person undertaken not to sell any of the securities held by him to the Company in the event that the Repurchase Mandate is granted.

7. Shares repurchase made by the Company

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) during the six months immediately prior to the Latest Practicable Date.

The procedures by which the Shareholders may demand a poll at general meeting of the Company are set out in this Appendix.

According to Articles 66, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands 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 duly demanded:

- (a) by the chairman of the meeting; or
- (b) by 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) by 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) by 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 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 Shares conferring that right.

The details of the Directors who will retire from office by rotation at the AGM and being eligible, will offer themselves for re-election at the AGM, are set out below:

(1) Mr. Guo Xu (“Mr. Guo”)

Mr. Guo, aged 43, an executive Director and the chairman of the Group who graduated from Peking University with a bachelor’s degree in laws and a master’s degree in laws in 1985 and 1988 respectively. He is a partner of Bo An Law Office (北京市博安律師事務所), a law firm in Beijing, and has extensive experience in advising corporate clients in Hong Kong and the PRC with regards to PRC investments, mergers and acquisitions, and other corporate matters. Apart from being a PRC lawyer, he is also an owner of a consultancy firm named Beijing Yicao Contac Consultancy Limited (北京逸超康泰諮詢有限公司) in the PRC. Mr. Guo was appointed as an executive Director of the Company on 24 December 2006 and chairman of the Group on 24 April 2007.

Mr. Guo is deemed to be interested in the 902,000,000 Shares through his shareholding in Tolmen Star, representing approximately 46.98% of the entire issued share capital of the Company as at the latest practicable date. Save as disclosed above, Mr. Guo is not connected with any Directors, senior management, management Shareholders, substantial Shareholders or controlling Shareholders of the Company and does not have any interests in the securities in the Company within the meaning of Part XV of the SFO. Mr. Guo did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this circular.

There is no service contract entered into between the Company and Mr. Guo. Mr. Guo has not been appointed for a specific term but will be subject to retirement by rotation and re-election at general meeting of the Company pursuant to the Articles. Mr. Guo is entitled to an annual emolument of HK\$120,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no other matter about Mr. Guo which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules or need to be brought to the attention of the Shareholders.

(2) Mr. Cheung Chi Hwa, Justin (“Mr. Justin Cheung”)

Mr. Justin Cheung, aged 53, an executive Director who holds a bachelor degree in laws from Manchester Metropolitan University in the United Kingdom and a master of business administration degree from California State University in the United States. Mr. Justin Cheung is a member of the American Institute of Certified Public Accountants and has over 20 years of banking, accounting and company secretarial experiences. Mr. Justin Cheung was previously an independent non-executive director of Maxitech International Holdings Limited (formerly known as FX Creations International Holdings Company Limited) which is a company listed on GEM. Mr. Justin Cheung was appointed as the executive Director of the Company with effect from 24 April 2007.

Mr. Justin Cheung is not connected with any Directors, senior management, management Shareholders, substantial Shareholders or controlling Shareholders of the Company and does not have any interests in the securities in the Company within the meaning of Part XV of the SFO. Mr. Justin Cheung did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this circular.

There is no service contract entered into between the Company and Mr. Justin Cheung. Mr. Justin Cheung has not been appointed for a specific term but will be subject to retirement by rotation and re-election at general meeting of the Company pursuant to the Articles. Mr. Justin Cheung is entitled to an annual emolument of HK\$120,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no other matter about Mr. Justin Cheung which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules or need to be brought to the attention of the Shareholders.

(3) Mr. Cheung King Shan ("Mr. Cheung")

Mr. Cheung, aged 72, an executive Director who has been engaged in the shipping industry since 1962. He has over 45 years of experience in the field of shipping, which includes ship financing, shipping consultancy, shipping management, river trade transportation, inter-nodal transportation, cargo forwarding business, wharf operation and container truck transportation. He also has extensive experience on the management of leisure cruise hospitality, hotel and gaming facilities management in both Hong Kong and Asia Pacific region. Mr. Cheung has engaged in the management and operation of famous vessels, namely MV New Orient Princess (former MV Orient Princess), MV Omar (former MV Columbus Caravelle), MV Neptune Star (former MV Heaven Star), MV Omar III and MV Asia Star. Mr. Cheung holds a certificate of radar observer on merchant ships from the Macau Marine Department and has completed an internal auditor training course for safety and quality management system internal auditing issued from the Det Norske Veritas, Norway.

Mr. Cheung is currently a director of the Asia Cruiser Club Limited and a consultant of the Conning Shipping Limited, which are both engaged in the provision of leisure cruise hospitality, hotel and gaming facilities management in both Hong Kong and Asia Pacific region as well as the provision of service of port, vessel management and wharf operation. Mr. Cheung was previously a registered sea man and retired with a rank of Master issued by the Hong Kong Immigration Department. He was a Master of ocean-going vessels for all kind of gross register (the "GRT") tonnage issued by the Panamanian Consul at Yokohama, Japan. He was also a Captain (Master) qualified for handling vessels over 1,600 GRT as issued by the Ministry of Finance and Treasury of the Republic of Panama. Mr. Cheung was appointed as the executive Director on the Company with effect from 27 June 2007.

Mr. Cheung is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and does not have any interests in the securities in the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Cheung did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this circular.

There is no service contract entered into between the Company and Mr. Cheung. Mr. Cheung has not been appointed for a specific term but will be subject to retirement by rotation and re-election at general meeting of the Company pursuant to the Articles. Mr. Cheung is entitled to an annual emolument of HK\$120,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no other matter about Mr. Cheung which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules or need to be brought to the attention of the Shareholders.

(4) Mr. Wong Ming, Kerry (“Mr. Wong”)

Mr. Wong, aged 52, is an independent non-executive Director. Mr. Wong is a member of the American Institute of Certified Public Accountants and is a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Wong graduated in the United States of America with a bachelor and a master degree in accounting. Mr. Wong has over 20 years of experience in auditing, accounting, financial and general management. He is currently a vice president of an EMS (Electronic Manufacturing Services) company taking care of the human resources area in the Greater China Region. Mr. Wong was appointed as the independent non-executive Director of the Company with effect from 7 September 2006.

Mr. Wong is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and does not have any interests in the securities in the Company within the meaning of Part XV of the SFO. Mr. Wong did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this circular.

There is no service contract entered into between the Company and Mr. Wong. Mr. Wong has not been appointed for a specific term but will be subject to retirement by rotation and re-election at general meeting of the Company pursuant to the Articles. Mr. Wong is entitled to an annual emolument of HK\$60,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no other matter about Mr. Wong which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules or need to be brought to the attention of the Shareholders.

(5) Mr. Pang Hong Tao, Peter ("Mr. Pang")

Mr. Pang, aged 37, is an independent non-executive Director who holds a bachelor's degree in economics from Nankai University, the PRC and a master degree in economics from Renmin University of China. Mr. Pang is the chairman of Finance Committee of ShanDong-HongKong SME Association. He is a member of Chinese Institute of Certified Public Accountants, China Appraisal Society, Shan Dong Certified Consultant Expert Society and China Enterprise Risk Management Society. Mr. Pang has over ten years of experience in financial management, risk management, financial budgeting and corporate finance. He has worked as chief accountant in an international five-star hotel, deputy general manager in a management consultants company and partner in a Certified Public Accountants firm. Mr. Pang is currently the partner and deputy general manager of a Certified Public Accountants firm in the PRC. Mr. Pang was appointed as the independent non-executive Director of the Company with effect from 24 November 2006.

Mr. Pang is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and does not have any interests in the securities in the Company within the meaning of Part XV of the SFO. Mr. Pang did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this circular.

There is no service contract entered into between the Company and Mr. Pang. Mr. Pang has not been appointed for a specific term but will be subject to retirement by rotation and re-election at general meeting of the Company pursuant to the Articles. Mr. Pang is entitled to an annual emolument of HK\$60,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no other matter about Mr. Pang which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules or need to be brought to the attention of the Shareholders.

(6) Tam Chak Chi ("Mr. Tam")

Tam Chak Chi, aged 30, an independent non-executive Director who is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and an associate member of the American Institute of Certified Public Accountants. Mr. Tam has over 5 years experience in accounting, auditing and financial management and previously worked in a big four international accounting firm. Mr. Tam is currently a financial controller, qualified accountant and a company secretary of Wing Lee Holdings Limited, which is a company listed on the main board of the Stock Exchange. Mr. Tam was appointed as the independent non-executive Director of the Company with effect from 24 April 2007.

Mr. Tam is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and does not have any interests in the securities in the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Tam did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this circular.

There is no service contract entered into between the Company and Mr. Tam. Mr. Tam has not been appointed for a specific term but will be subject to retirement by rotation and re-election at general meeting of the Company pursuant to the Articles. Mr. Tam is entitled to an annual emolument of HK\$60,000 which is determined by the Board with reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no other matter about Mr. Tam which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules or need to be brought to the attention of the Shareholders.

NOTICE OF THE AGM



MP Logistics International Holdings Limited

MP 物流國際控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8239)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of MP Logistics International Holdings Limited (the “**Company**”) will be held at Room 3308–3309, The Center, 99 Queen’s Road Central, Hong Kong on Thursday, 23 August 2007 at 11:00 a.m. to consider and, if thought fit, pass the following ordinary resolutions:

1. to receive and consider the audited consolidated financial statements and the reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31 March 2007;
2.
 - (a) to re-elect Mr. Guo Xu as an executive Director;
 - (b) to re-elect Mr. Cheung Chi Hwa, Justin as an executive Director;
 - (c) to re-elect Mr. Cheung King Shan as an executive Director;
 - (d) to re-elect Mr. Wong Ming, Kerry as an independent non-executive Director;
 - (e) to re-elect Mr. Pang Hong Tao, Peter as an independent non-executive Director;
 - (f) to re-elect Mr. Tam Chak Chi as an independent non-executive Director; and
 - (g) to authorise the board (the “**Board**”) of Directors to fix the Directors’ remuneration;

* for identification purposes only

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3. to consider, as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, pursuant to the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued Shares and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same 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 which might require the exercise of such powers 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 options or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution),

NOTICE OF THE AGM

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(d) for the purposes 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;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated or revised) of the Cayman Islands (the **“Companies Law”**) or any other applicable law of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution;

“Rights Issue” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the directors of the Company to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

4. to consider, as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) the exercise by the directors of the Company during the Relevant Period (as defined below) of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Law and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;

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- (b) the aggregate nominal amount of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
 - (c) for the purposes 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;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Law or any other applicable law of the Cayman Islands to be held; or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”
5. to consider, as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:
- “**THAT** the directors of the Company be and they are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 4 above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”
6. to consider, as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:
- “**THAT** subject to and conditional upon the granting by the Listing Committee of the Stock Exchange of Hong Kong Limited of, the listing of and permission to deal in, the Shares to be issued pursuant to the exercise of options granted under the refreshed scheme mandate limit (the “**Scheme Mandate Limit**”) under the share option scheme conditionally adopted by written resolution of the Company on 26 October 2002 in the manner as set out in paragraph (a) of this resolution below,
- (a) the refreshment of the Scheme Mandate Limit of up to 10% of the Shares of the Company in issue as at the date of passing of this resolution be and is hereby approved; and

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- (b) the directors of the Company be and are hereby authorised do all such acts and things and execute all such documents, including under seal where applicable, as they consider necessary or expedient to give effect to the foregoing arrangement.”

By order of the Board of
MP Logistics International Holdings Limited
Guo Xu
Chairman

Hong Kong, 1 August 2007

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:*
Room 3308-3309, The Center
99 Queen's Road Central
Hong Kong

Notes:

1. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the Articles of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the annual general meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company's branch registrar and transfer office in Hong Kong, Tengis 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 or adjourned meeting. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the annual general meeting or any adjournment thereof, should he so wish.
3. In relation to proposed resolutions nos. 4 and 6 above, approval is being sought from the shareholders for the grant to the directors of the Company of a general mandate to authorise the allotment and issue of shares of the Company under the GEM Listing Rules. The Directors have no immediate plans to issue any new shares of the Company other than Shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme which may be approved by shareholders.
4. In relation to proposed resolution no. 5 above, the directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the GEM Listing Rules is set out in Appendix I to this circular.