
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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in Guoco Group Limited, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agents through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information about certain resolutions to be proposed at the forthcoming annual general meeting of Guoco Group Limited. The directors of Guoco Group Limited 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.

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



國浩集團有限公司

Guoco Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 53)

**GENERAL MANDATES TO ISSUE AND REPURCHASE SECURITIES
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A letter from the Board is set out on pages 2 to 4 of this circular. A notice convening the annual general meeting of Guoco Group Limited to be held at 50th Floor, The Center, 99 Queen's Road Central, Hong Kong on Friday, 23 November 2007 is set out on pages 13 to 16 of this circular. Whether or not you intend to attend the meeting, please complete and return the enclosed proxy form in accordance with the instructions printed thereon as soon as possible and in any event no later than 48 hours before the time appointed for the holding of the meeting or the adjourned meeting thereof as the case may be. Completion and delivery of the proxy form will not preclude you from attending and voting at the meeting should you so wish.

30 October 2007

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held on 23 November 2007 at 3:00 p.m.
“Board”	the board of directors of the Company
“Bye-Laws”	the Bye-Laws of the Company
“Company”	Guoco Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	23 October 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information for the purpose of inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Relevant Territory”	Hong Kong or such other territory as the Directors may from time to time decide if the issued ordinary share capital of the Company is listed on a stock exchange in such territory
“Share(s)”	share(s) of par value US\$0.50 each in the capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of United States of America

LETTER FROM THE BOARD



國浩集團有限公司

Guoco Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 53)

Directors:

Quek Leng Chan (*Executive Chairman*)

Kwek Leng Hai (*President, CEO*)

Sat Pal Khattar**

Kwek Leng San*

Tan Lim Heng

James Eng, Jr.

Volker Stoeckel**

Ding Wai Chuen**

* *Non-executive Director*

** *Independent Non-executive Director*

Registered office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Principal office:

50th Floor, The Center
99 Queen's Road Central
Hong Kong

30 October 2007

To Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SECURITIES
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the information in respect of resolutions to be proposed at the AGM for (i) the granting of general mandates to the Directors to issue and repurchase Shares and (ii) the re-election of Directors, and other relevant information regarding the AGM.

GENERAL MANDATES TO ISSUE AND REPURCHASE SECURITIES

At the annual general meeting of the Company held on 16 October 2006, general mandates were given to the Directors to issue and repurchase Shares (collectively referred to as "Existing General Mandates"). The Existing General Mandates will lapse at the conclusion of the AGM. Accordingly, new general mandates to issue and to repurchase securities of not more than 10% of the share capital of the Company in issue ("New General Mandates") would

LETTER FROM THE BOARD

be proposed to Shareholders at the AGM. Details of the proposed New General Mandates are set out in resolution nos. 5A, 5B and 5C of the notice of the AGM on pages 13 to 16 of this circular. With reference to the New General Mandates, the Directors wish to state that, as at the date hereof, they have no immediate plans to repurchase any existing Shares or to issue any new securities pursuant to the relevant mandates.

An explanatory statement required by the Listing Rules to be sent to Shareholders in connection with the proposed New General Mandate to repurchase securities up to 10% of the share capital of the Company in issue is set out in Appendix I to this circular. The explanatory statement contains all information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the AGM.

RE-ELECTION OF DIRECTORS

In accordance with Bye-Law 99 and Code A.4.2 of Code of Corporate Governance Practices of the Company, Messrs James Eng, Jr., Sat Pal Khattar and Volker Stoeckel will retire from office by rotation at the AGM. In accordance with Bye-Law 102, Mr Ding Wai Chuen who was appointed as Director on 16 October 2006, shall hold office until the AGM. All of them, being eligible, offer themselves for re-election. Details of such Directors required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

RECOMMENDATION

The Directors believe that the granting of the New General Mandates and the re-election of the said Directors are in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions set out in the notice of the AGM on pages 13 to 16 of this circular.

AGM

A notice convening the AGM is set out on pages 13 to 16 of this circular.

No Shareholder is materially interested in the proposed resolutions to be considered at the AGM and therefore none of Shareholders shall abstain from voting in respect of such resolutions.

Pursuant to the Bye-Laws, at any general meeting of the Company a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded. Details of the procedures by which Shareholders may demand a poll are set out in Appendix III to this circular.

LETTER FROM THE BOARD

A proxy form for use at the AGM is enclosed. Shareholders are requested to complete the proxy form and return it to the principal office of the Company at 50th Floor, The Center, 99 Queen's Road Central, Hong Kong in accordance with the instructions printed on it not less than 48 hours before the time fixed for holding the meeting, whether or not they intend to be present at the meeting.

Your attention is drawn to the information set out in Appendices I to III of this circular.

Yours faithfully,
By Order of the Board
Quek Leng Chan
Executive Chairman

GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will be proposed that the Directors be given a general and unconditional mandate (the “Repurchase Mandate”) to exercise all the powers of the Company to repurchase on the Stock Exchange the issued and fully paid Shares. Under such mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the share capital of the Company in issue on the date of passing the resolution.

Shareholders should note that the Repurchase Mandate covers repurchases made only during the period ending on the earliest of the date of the next annual general meeting of the Company, the date by which the next annual general meeting of the Company is required to be held by its Bye-Laws or any applicable laws and the date upon which such authority is revoked or varied.

On the Latest Practicable Date, 329,051,373 Shares were in issue and fully paid. Assuming that there are no changes (from the Latest Practicable Date to the date of the AGM) in the Company's issued and fully paid share capital, the maximum number of Shares that may be repurchased by the Company pursuant to the Repurchase Mandate will be 32,905,137.

DIRECTORS AND CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of their associates has a present intention, in the event that the Repurchase Mandate is approved by Shareholders, to sell Shares to the Company on the Stock Exchange.

No persons who are connected persons (who are the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or their associates (as defined in the Listing Rules)) have notified the Company that they have a present intention to sell Shares to the Company or have undertaken not to sell any of the Shares held by them to the Company, in the event that the Company is authorised to make repurchases of Shares, on the Stock Exchange.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and all applicable laws of Bermuda and in accordance with the regulations set out in the Company's Memorandum of Association and Bye-Laws.

EFFECT OF THE HONG KONG CODE ON TAKEOVERS AND MERGERS

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights and may give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Hong Kong Code on Takeovers and Mergers (“Takeovers Code”).

Based on the Company’s record as at the Latest Practicable Date, GuoLine Overseas Limited (“GOL”) and parties acting in concert with it held a beneficial interest of approximately 66.81% of the issued share capital of the Company. In the event of the Directors exercising in full the powers to repurchase Shares pursuant to the Repurchase Mandate, assuming that no Share is sold by GOL or its associates, the shareholding of GOL and parties acting in concert in the Company would be increased to approximately 74.23%. The Directors are not aware of any general offer obligation which will arise under Rule 26 of the Takeovers Code as a result of any repurchase made under the Repurchase Mandate.

PUBLIC FLOAT

The Directors do not have a present intention to exercise the Repurchase Mandate to such extent, causing the public float of the securities of the Company to fall below 25%.

LISTING RULES FOR REPURCHASE OF SHARES**Shareholders' Approval**

The Listing Rules provide that all securities repurchased on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by specific resolution in relation to specific transaction.

Reasons for Repurchase

The Directors consider that the Repurchase Mandate will provide the Company with the flexibility to make such repurchases when appropriate and beneficial to the Company and its shareholders. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share.

Source of Funds

Repurchases must be made from internal resources, borrowings and/or other funds legally available for the purpose in accordance with the Company's Memorandum of Association and Bye-Laws and the laws of Bermuda. The laws of Bermuda provide that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid

APPENDIX I EXPLANATORY NOTES TO REPURCHASE MANDATE

up on the relevant 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 the purpose. The amount of premium payable on the repurchase 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.

On the basis of the consolidated financial position of the Company as at 30 June 2007 (being the date to which the latest published audited financial statements of the Company have been made up) and in particular the working capital position and gearing ratio of the Company and the number of Shares in issue, the Directors consider that there will not be a material impact on the working capital or the gearing position of the Company in the event that the proposed repurchases were to be carried out in full at any time during the proposed repurchase period. No repurchase would be made in circumstances that would have a material adverse impact on the working capital of the Company (as compared with the position disclosed in the latest published audited financial statements) unless the Directors consider that such repurchases were in the best interests of the Company.

SHARE REPURCHASE MADE BY THE COMPANY

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

GENERAL

During each of the twelve months preceding, and up to, the Latest Practicable Date, the highest and lowest traded prices for the Shares on the Stock Exchange were as follows:

Month	Price Per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2006		
October	100.00	92.00
November	96.00	92.90
December	103.00	91.80
2007		
January	101.80	96.50
February	110.00	100.50
March	110.00	99.80
April	114.00	107.00
May	114.00	107.50
June	111.80	103.30
July	116.30	108.80
August	115.00	94.50
September	113.00	102.00
October (up to the Latest Practicable Date)	115.30	104.00

As required by the Listing Rules, the following are the particulars of the four Directors proposed to be re-elected at the Annual General Meeting:

1. **Mr James Eng, Jr.** (“Mr Eng”), aged 65, has been an Executive Director since 2001 and is responsible for all Group staff support functions for the Company.

He is an Executive Director of Guoco Management Company Limited, a wholly owned subsidiary of the Company. He also holds the offices of director in various subsidiaries of the Company. He was the non-executive director of Lam Soon (Hong Kong) Limited, a fellow subsidiary of the Company listed on the Main Board of the Stock Exchange, from 2000 to 2006.

Prior to joining the Company, Mr Eng worked with Hiram Walker, a Division of Allied-Lyons. Postings included New York, Miami, London, Hong Kong and Windsor Canada. Assignments included Senior Vice President, finance and administration for U.S.A., Senior Vice President for international strategic planning which included acquisitions, mergers and divestitures.

Mr Eng is not related to any other Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr Eng had a personal interest of 565,443 Shares within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”).

Mr Eng has executed a service contract with a wholly owned subsidiary of the Company. His emolument is based on the terms of such service contract with reference to the Group’s performance and his personal achievement. For the financial year ended 30 June 2007, he was entitled to an emolument of HK\$4,472,388. Mr Eng is not appointed for a specific term but subject to retirement by rotation and re-election at the annual general meeting pursuant to the Bye-Laws. Mr Eng will retire and being eligible, will offer himself for re-election at the AGM. The Director’s fee of HK\$200,000 payable to Mr Eng for the financial year ended 30 June 2007 is subject to Shareholders’ approval at the AGM.

Save as disclosed above, there are no other matters concerning Mr Eng that need to be brought to the attention of Shareholders and there is no other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

2. **Mr Sat Pal Khattar** (“Mr Khattar”), aged 64, is an Independent Non-executive Director since 1991. He obtained a LLM degree and a LLB (Hons) degree from the University of Singapore.

Mr Khattar is the independent non-executive director and Chairman of GuocoLand Limited (“GuocoLand”), a 63.9% owned subsidiary of the Company listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”). He is also a director of Haw Par Corporation Limited, a SGX-ST listed company unrelated to the Group. Mr Khattar now chairs Khattar Holdings Pte Ltd, an investment group based in Singapore.

Mr Khattar is not related to any other Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr Khattar had a corporate interest of 691,125 Shares within the meaning of Part XV of the SFO.

There is no service contract being executed between Mr Khattar and the Company. Mr Khattar is not appointed for a specific term but subject to retirement by rotation and re-election at the annual general meeting pursuant to the Bye-Laws. Mr Khattar will retire and being eligible, will offer himself for re-election at the AGM. The Director’s fee of HK\$274,137 payable to Mr Khattar for the financial year ended 30 June 2007 is subject to Shareholders’ approval at the AGM.

Save as disclosed above, there are no other matters concerning Mr Khattar that need to be brought to the attention of Shareholders and there is no other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

3. **Mr Volker Stoeckel** (“Mr Stoeckel”), aged 62, is an Independent Non-executive Director since 2004. He had been a banker and held various senior banking positions in Hong Kong and Asia for over 26 years. He graduated from the University of Munich in economics and also holds a diploma in banking.

In 2007, Mr Stoeckel took up a position as Chairman, CEO for Metal Cast (Zhong Shan) Limited. Before that he was Chairman, CEO of German Centre for Industry and Trade in Shanghai and Senior Executive Vice President and Chief Executive Asia Pacific of Bayerische Landesbank in Hong Kong. He did not hold any directorship in other listed public companies in the past three years prior to the Latest Practicable Date. Mr Stoeckel has wide experience in Asia relating to capital market transactions, corporate finance, project finance, mergers and acquisitions, treasury and securities business and planning and management of real estate and industrial projects in China.

Mr Stoeckel is not related to any other Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr Stoeckel did not have any interest in Shares within the meaning of Part XV of the SFO.

There is no service contract being executed between Mr Stoeckel and the Company. Mr Stoeckel is not appointed for a specific term but subject to retirement by rotation and re-election at the annual general meeting pursuant to the Bye-Laws. Mr Stoeckel will retire and being eligible, will offer himself for re-election at the AGM. The Director's fee of HK\$280,000 payable to Mr Stoeckel for the financial year ended 30 June 2007 is subject to Shareholders' approval at the AGM.

Save as disclosed above, there are no other matters concerning Mr Stoeckel that need to be brought to the attention of Shareholders and there is no other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

4. **Mr Ding Wai Chuen** ("Mr Ding"), aged 47, has been an Independent Non-executive Director of the Company since appointment to the Board in 2006. He is an associate member of the Institute of Chartered Accountants in England and Wales and a fellow member of the Hong Kong Institute of Certified Public Accountants (Practising).

Mr Ding is an independent non-executive director of Lam Soon (Hong Kong) Limited, a fellow subsidiary of the Company and a company listed on the Main Board of the Stock Exchange. Save as aforesaid, Mr Ding did not hold any directorship in other listed public companies in the past three years prior to the Latest Practicable Date.

Mr Ding is a Partner of Grant Thornton, Certified Public Accountants. Mr Ding had worked for international firms of accountants in England and in Hong Kong for over 11 years before joining the Hong Kong Institute of Certified Public Accountants ("HKICPA") in 1994 as the Head of the Professional Compliance Division. His main responsibilities at HKICPA were monitoring and enforcing compliance with the HKICPA's professional standards. Mr Ding is recently appointed by the Hong Kong SAR Government as a member of the Financial Reporting Review Panel of the Financial Reporting Council. Since 2002, Mr Ding has been appointed by the PRC Ministry of Finance as a member of the Advisory Group of Foreign Experts for drafting PRC's Independent Auditing Standards. Since the beginning of 2007, he has been involved, as an advisor, in the joint projects between HKICPA and PRC Ministry of Finance for the comparison of Hong Kong and PRC accounting and auditing standards. Mr Ding was appointed by the Hong Kong SAR Government of the PRC as a member of the Commission on Strategic Development in November 2005 and as a member of the Central Policy Unit Panel on the Pan-Pearl River Delta in January 2006. Mr Ding has been a committee member of a number of Committees of the HKICPA, responsible for enacting and enforcing of the accounting standards of the HKICPA.

Mr Ding is not related to any other Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr Ding did not have any interest in Shares within the meaning of Part XV of the SFO.

There is no service contract being executed between Mr Ding and the Company. Mr Ding is not appointed for a specific term but subject to retirement by rotation and re-election at the annual general meeting pursuant to the Bye-Laws. Mr Ding will retire and being eligible, will offer himself for re-election at the AGM. The Director's fee of HK\$197,918 payable to Mr Ding for the financial year ended 30 June 2007 is subject to Shareholders' approval at the AGM.

Save as disclosed above, there are no other matters concerning Mr Ding that need to be brought to the attention of Shareholders and there is no other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

Pursuant to the Bye-Laws, at any general meeting of the Company a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the Chairman of the meeting; or
- (ii) by at least three Shareholders present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any Shareholder or Shareholders present in person or by a duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders having the right to vote at the meeting; or
- (iv) by any Shareholder or Shareholders present in person or by a duly authorised corporate representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or
- (v) by the Chairman of the meeting and/or any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five (5) per cent. or more of the total voting rights of all the Shareholders having the right to vote at the meeting pursuant to the rules of the stock exchange in the Relevant Territory.

NOTICE OF ANNUAL GENERAL MEETING



國浩集團有限公司

Guoco Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 53)

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Guoco Group Limited (“the Company”) will be held at 50th Floor, The Center, 99 Queen’s Road Central, Hong Kong on Friday, 23 November 2007 at 3:00 p.m. for the following purposes:

As Ordinary Business:

1. To lay before the meeting the audited Statement of Accounts together with the Reports of the Directors and Auditors thereon for the year ended 30 June 2007.
2. To declare a final dividend.
3. To fix the fees of the Directors for the year ended 30 June 2007 and to re-elect retiring Directors.
4. To appoint Auditors and to authorise the Board of Directors to fix their remuneration.

As Special Business:

5. To consider and, if thought fit, pass with or without amendments the following as ordinary resolutions:

A. “**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 shares in the capital of the Company on The Stock Exchange of Hong Kong Limited, subject to and in accordance with all applicable laws and the Bye-Laws of the Company, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company to be repurchased by the Directors of the Company pursuant to the approval in paragraph (a) 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 and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the 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 to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution in general meeting.”

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 allot and issue additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers either during or after the Relevant Period be and is hereby generally and unconditionally approved;
- (b) 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:
 - (i) a Rights Issue;
 - (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company;
 - (iii) the exercise of any option under the Company's share option schemes; or
 - (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-Laws of the Company,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 and this approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the 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 to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution 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 on the register on a fixed record date in proportion to their then 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 recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

- C. “**THAT** conditional upon the passing of resolution nos. 5A and 5B of the notice convening this meeting, the general mandate granted to the Directors of the Company to exercise the powers of the Company to allot and issue shares pursuant to resolution no. 5B be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 5A, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution.”

By Order of the Board
Stella Lo Sze Man
Company Secretary

Hong Kong, 30 October 2007

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A shareholder entitled to attend and vote at the meeting convened by this notice is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy does not need to be a shareholder of the Company.
2. In order to be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the principal place of business of the Company at 50th Floor, The Center, 99 Queen's Road Central, Hong Kong not less than 48 hours before the time appointed for holding the meeting (or adjourned meeting thereof), as the case may be. Completion and return of the proxy form will not preclude the shareholders from attending and voting at the meeting (or any adjourned meeting thereof) if shareholders so wish.
3. The Register of Members of the Company will be closed from 20 November 2007 to 23 November 2007, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the final dividend and to attend and vote in the meeting convened by this notice, all share transfers accompanied by the requisite share certificates must be lodged with the Company's Branch Share Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on 19 November 2007.