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## IMPORTANT

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**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 advisers.

**If you have sold or transferred** all your shares in Ju Teng International Holdings Limited, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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巨騰國際控股有限公司

**JU TENG INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 3336)

## **DISCLOSEABLE TRANSACTION INVESTMENT IN A MAGNESIUM ALLOY CASING MANUFACTURER**

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## DEFINITIONS

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

“Acquisition”	the acquisition of the 3,400,000 WY Shares by the Group from the Compal Group pursuant to the Acquisition Agreement
“Acquisition Agreement”	a sale and purchase agreement entered into between the Company and Compal on 28 October 2008 in connection with the Acquisition
“Board”	the board of Directors
“Compal”	Compal Electronics, Inc., a company incorporated under the laws of Taiwan
“Compal Group”	collectively, Compal and its subsidiaries from time to time
“Company”	Ju Teng International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares having a par value of HK\$0.10 each are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Flight Global”	Flight Global Holding Inc., a company incorporated in Taiwan which is a shareholder of Wah Yuen and a member of the Compal Group
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	6 November 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Shareholder(s)”	shareholder(s) of the Company

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## DEFINITIONS

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“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of 54,971,903 WY Shares pursuant to the Subscription Agreement
“Subscription Agreement”	a subscription agreement entered into between the Company and Wah Yuen on 28 October 2008 in connection with the Subscription
“Subscription Price”	the subscription price of US\$0.8186 per WY Share
“Transaction”	the Subscription and the Acquisition
“US\$”	United States dollars, the lawful currency of the United States of America
“Wah Yuen”	Wah Yuen Technology Holding Limited, a company incorporated in the Republic of Mauritius with limited liability
“WY Shares”	the ordinary shares of US\$1 each in the share capital of Wah Yuen, which shall be converted into shares with no par value before completion of the Subscription in accordance with the laws of Mauritius to cater for the Subscription at the Subscription Price which is below the current par value of each WY Share
“%”	per cent.

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LETTER FROM THE BOARD

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巨騰國際控股有限公司

**JU TENG INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 3336)

*Executive Directors:*

Mr. Cheng Li-Yu  
Mr. Cheng Li-Yen  
Mr. Huang Kuo-Kuang  
Mr. Hsieh Wan-Fu  
Mr. Lo Jung-Te  
Mr. Tsui Yung Kwok

*Independent non-executive Directors:*

Mr. Cherng Chia-Jiun  
Mr. Tsai Wen-Yu  
Ms. Yip Wai Ming

*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:*

Suites 3311-3312  
Jardine House  
1 Connaught Place  
Central  
Hong Kong

11 November 2008

**DISCLOSEABLE TRANSACTION  
INVESTMENT IN A MAGNESIUM ALLOY CASING MANUFACTURER**

*To the Shareholders*

Dear Sir or Madam

**1. INTRODUCTION**

On 29 October 2008, the Board announced that the Company entered into (a) the Subscription Agreement with Wah Yuen for the subscription of an aggregate 54,971,903 new WY Shares and (b) the Acquisition Agreement with Compal for the acquisition of 3,400,000 WY Shares.

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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you with information in relation to the Transaction, the Subscription Agreement and the Acquisition Agreement and other information as required under the Listing Rules.

### **2. THE SUBSCRIPTION AGREEMENT DATED 28 OCTOBER 2008**

#### **Parties**

- (1) Wah Yuen as issuer
- (2) The Company as subscriber

To the Directors' knowledge, information and belief having made all reasonable enquiry, each of Wah Yuen and its ultimate beneficial owners are third parties independent of the Group and any of the Group's connected persons. Wah Yuen is an investment holding company.

#### **The Subscription and the consideration**

Under the Subscription Agreement, the Group shall subscribe for 54,971,903 new WY Shares, representing approximately 50.3% of the issued share capital of Wah Yuen as enlarged by the Subscription, at the Subscription Price per WY Share for an aggregate cash consideration of US\$45,000,000. The Group has paid an aggregate of US\$13,500,000 to Wah Yuen as deposit on the date of the Subscription Agreement, which will be applied toward payment of part of the consideration upon completion of the Subscription. The balance of the consideration of US\$31,500,000 shall be payable by the Group in cash at completion of the Subscription.

The Subscription Price was determined after arm-length's negotiations between the Group and Wah Yuen based on the net asset value of Wah Yuen as at 30 June 2008 of US\$44,410,000. The Subscription Price will be settled by the internal resources of the Group. As Wah Yuen will become an indirect non-wholly owned subsidiary of the Company upon completion of the Subscription, its financial results will be consolidated into the accounts of the Company and therefore the consideration of US\$45,000,000 will remain within the Group upon completion of the Subscription.

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## LETTER FROM THE BOARD

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### **Completion of the Subscription and conditions precedent**

Completion shall take place on 28 November 2008 (or such later date as the Company and Wah Yuen may agree) after fulfillment of the conditions set out in the paragraph below or such other date as the Company and Wah Yuen may agree.

Completion of the Subscription is conditional upon the following conditions being fulfilled:

- (i) the approval of the independent shareholders of the Company in general meeting being obtained in connection with the continuing connected transactions between the Group and the Compal Group as more particularly described in the section headed “Listing Rules Implications” in this circular;
- (ii) the Company and Wah Yuen having obtained all necessary approval from their respective board of directors and/or shareholders with respect to the entering of the Subscription Agreement in accordance with the relevant laws and regulations and their respective articles of association; and
- (iii) the passing of the relevant special resolutions of the shareholders of Wah Yuen and compliance of the requisite filing procedures in the Republic of Mauritius in respect of certain amendments to the constitution of Wah Yuen relating to the share capital thereof.

None of the above conditions can be waived. As at the Latest Practicable Date, none of the conditions above has been fulfilled.

If any of the conditions set out above has not been satisfied on or before 28 November 2008 or such later date as the Company and Wah Yuen may agree, the obligations in relation to the Subscription Agreement shall cease and determine and Wah Yuen shall forthwith refund the deposit paid by the Company. Save as aforesaid and without prejudice to parties’ rights in respect of any antecedent breach of the terms of the Subscription Agreement, none of the parties shall have any obligations and liabilities towards each other under the Subscription Agreement.

The completion of the Subscription is not conditional on the completion of the Acquisition.

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## LETTER FROM THE BOARD

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### **Other principal provisions of the Subscription Agreement**

#### *(a) Composition of the board of directors and management*

Upon completion of the Subscription, the board of directors of Wah Yuen shall consist five members, three of which shall be nominated by the Group and two of which shall be nominated by the Compal Group. The daily operation and management of the business of Wah Yuen will be managed and administered by its general manager subject to the supervision of the board of directors of Wah Yuen. The general manager will be appointed by and accountable to the board of directors of Wah Yuen.

#### *(b) Preemptive rights*

Under the Subscription Agreement, the Company has agreed that, subject to completion of the Subscription Agreement and for so long as the Group remains as a shareholder of Wah Yuen, the Group shall grant a right of first refusal to Compal in respect of any of its WY Shares proposed to be sold by the Group to any third party from time to time, provided that completion of any such transfer of WY Shares shall be subject to compliance by the Company of the applicable Listing Rules. Wah Yuen has also agreed to procure Compal Group, being one of the substantial shareholder of Wah Yuen immediately upon completion of the Subscription and the Acquisition, to grant a similar right of first refusal to the Group in respect of any of its WY Shares proposed to be sold by the Compal Group to any third party from time to time for so long as the Compal Group remains as a shareholder of Wah Yuen. No premium has been paid by either the Group or the Compal Group in respect of the above rights of first refusal.

#### *(c) Non-compete undertaking*

Under the Subscription Agreement, the Company has undertaken to Wah Yuen not to establish any company or production facilities for the manufacture of magnesium alloy casings for notebook computers and mobile phones, either on its own or through its affiliated companies, and shall not directly or indirectly participate or invest in such manufacturing business in any territory, provided that these restrictions shall not apply to computer numerical controlled (CNC) processing, spray painting and surface treatment of magnesium alloy casings.

### **3. THE ACQUISITION AGREEMENT DATED 28 OCTOBER 2008**

#### **Parties**

- (1) Compal as vendor
- (2) The Company as purchaser

To the Directors' knowledge, information and belief having made all reasonable enquiry, other than the Compal Group being the Group's customer, Compal and its ultimate beneficial owners are third parties independent of the Group and any of the Group's connected persons. Compal is an investment holding company whose shares are listed on the Taiwan Stock Exchange Corporation.



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## LETTER FROM THE BOARD

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### **Assets to be acquired**

3,400,000 WY Shares.

### **Consideration**

The consideration for the Acquisition is US\$6,800,000, which will be fully settled by the Group in cash upon completion of the Acquisition Agreement.

The consideration for the Acquisition was determined after arm-length's negotiations between the Group and the Compal Group with reference to the cost of investment in Wah Yuen by the Compal Group and as consideration for the Compal Group for inviting the Group to co-invest in Wah Yuen.

The consideration will be settled by the internal resources of the Group.

### **Completion of the Acquisition and conditions precedent**

Completion of the Acquisition Agreement shall take place simultaneously with the completion of the Subscription which is currently scheduled on 28 November 2008 or such later date as the parties may agree.

Completion of the Acquisition Agreement is conditional upon the following conditions being fulfilled or, as the case may be, waived:

- (i) Compal, the Company and Flight Global (being holder of the 3,400,000 WY Shares being sold under the Acquisition Agreement) having obtained all necessary approval from their respective board of directors and/or shareholders with respect to the Acquisition Agreement in accordance with the relevant laws and regulations and their respective articles of association;
- (ii) the obtaining of all relevant consent, waiver and/or approvals from all relevant government and authorities of the transactions contemplated under the Acquisition Agreement;
- (iii) the completion of the Subscription; and
- (iv) none of the warranties and representations contained in the Acquisition Agreement having been breached in any material respect.

As at the Latest Practicable Date, none of the conditions above has been fulfilled.

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## LETTER FROM THE BOARD

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If any of the conditions set out above has not been satisfied on or before 28 November 2008 or such later date as the parties may agree, the Acquisition Agreement shall cease and determine. Save as aforesaid and without prejudice to parties' rights in respect of any antecedent breach of the terms of the Acquisition Agreement, none of the parties shall have any obligations and liabilities towards each other.

### **Possible Further Acquisition of WY Shares from minority shareholders**

Simultaneously upon signing of the Acquisition Agreement, Compal entered into an undertaking letter on the same date with the Company whereby Compal has irrevocably undertaken to the Company that it will make offers to 62 of the existing minority shareholders of Wah Yuen (comprising of 57 individuals and five investment holding companies, who in aggregate held 4,624,394 WY Shares as at the Latest Practicable Date) for the acquisition of, and to use its best endeavour to acquire, not more than 50% of these WY Shares (that is, 2,312,197 WY Shares) at a price of not more than US\$1.3 per WY Shares. Compal has also undertaken to use its best endeavours to procure these minority shareholders to sell the same number of WY Shares that they would sell to the Compal Group at the same price to the Group ("**Possible Further Acquisitions**") and, subject to completion of the Acquisition, the offering for sales by these minority shareholders of these WY Shares to the Group and the signing of the relevant sale and purchase agreements with the relevant minority shareholders for such sales, the Company shall acquire such WY Shares from the relevant minority shareholders on such terms and conditions as may be agreed with the relevant minority shareholders. As at the Latest Practicable Date, no agreement has been signed between the Group and the minority shareholders in relation to the Possible Further Acquisitions.

The Company will make further announcement(s) in relation to the implementation of the Possible Further Acquisitions and comply with the relevant requirements under chapter 14 of the Listing Rules, if necessary.

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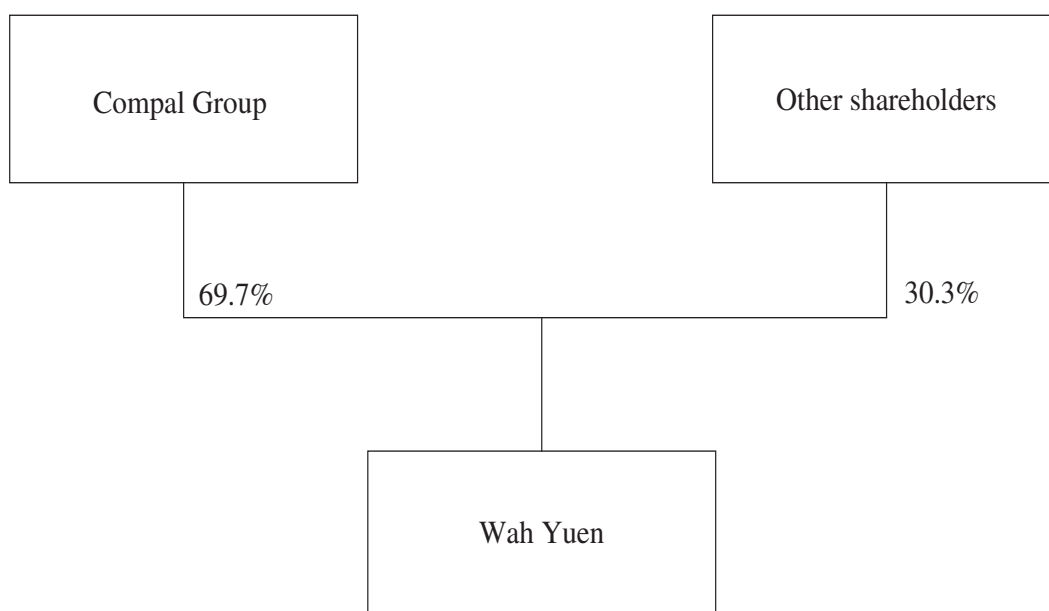
## LETTER FROM THE BOARD

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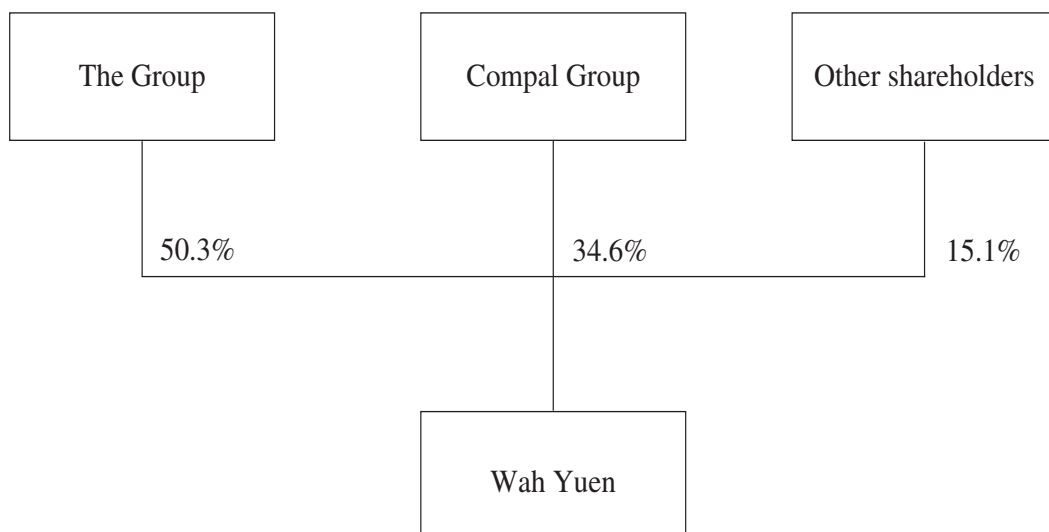
### 4. CHANGE IN SHAREHOLDING UPON THE SUBSCRIPTION, THE ACQUISITION AND THE POSSIBLE FURTHER ACQUISITIONS

For illustration purpose, the corporate structures of Wah Yuen (i) as at the Latest Practicable Date; (ii) upon completion of the Subscription; (iii) upon completion of the Acquisition; and (iv) upon completion of all of the Possible Further Acquisitions (on the basis that the 62 minority shareholders sold an aggregate of 4,624,394 WY Shares to the Compal Group and the Group) are set out below, assuming that there will be no other change in shareholding of Wah Yuen:

(a) Corporate structure of Wah Yuen as at the Latest Practicable Date



(b) Upon completion of the Subscription

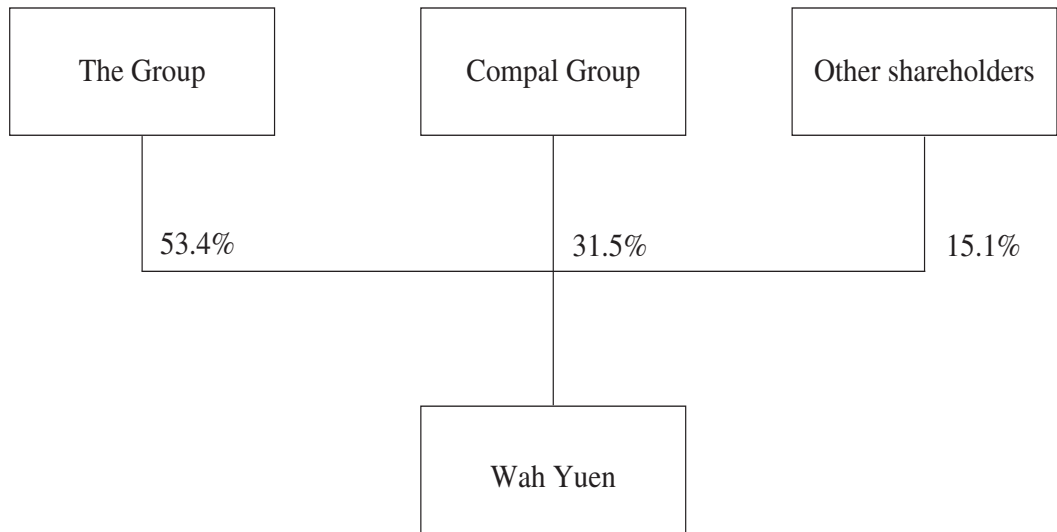


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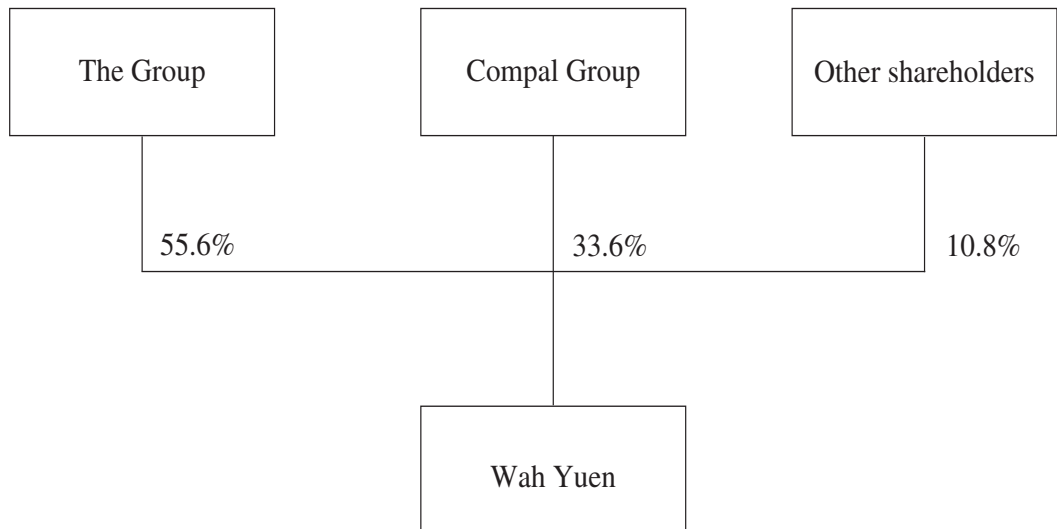
## LETTER FROM THE BOARD

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- (c) Upon completion of the Acquisition



- (d) Upon completion of all of the Possible Further Acquisition (on the basis that the 62 minority shareholders sold an aggregate of 4,624,394 WY Shares to the Compal Group and the Group)



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## LETTER FROM THE BOARD

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Set out below is a table showing the changes in the number and percentage of WY Shares held by the Group, the Compal Group and other shareholders (i) as at the Latest Practicable Date; (ii) upon completion of the Subscription; (iii) upon completion of the Acquisition; and (iv) upon completion of all of the Possible Further Acquisitions (on the basis that the 62 minority shareholders sold an aggregate of 4,624,394 WY Shares to the Compal Group and the Group):

	Number (percentage) of WY Shares			Upon completion of all of the Possible Further Acquisitions (on the basis that the 62 minority shareholders sold an aggregate of 4,624,394 WY Shares to the Compal Group and the Group)
	As at the Latest Practicable Date	Upon completion of the Subscription	Upon completion of the Acquisition	
The Group	– (0.0%)	54,971,903 (50.3%)	58,371,903 (53.4%)	60,684,100 (55.6%)
The Compal Group	37,817,749 (69.7%)	37,817,749 (34.6%)	34,417,749 (31.5%)	36,729,946 (33.6%)
Other shareholders	<u>16,434,759 (30.3%)</u>	<u>16,434,759 (15.1%)</u>	<u>16,434,759 (15.1%)</u>	<u>11,810,365 (10.8%)</u>
<b>Total</b>	<b><u>54,252,508 (100%)</u></b>	<b><u>109,224,411 (100%)</u></b>	<b><u>109,224,411 (100%)</u></b>	<b><u>109,224,411 (100%)</u></b>

### 5. INFORMATION ON WAH YUEN

Wah Yuen is a private company incorporated in Republic of Mauritius on 4 May 2006 with limited liability. As at the Latest Practicable Date, 54,252,508 WY Shares have been issued and were beneficially owned as to approximately 69.7% by the Compal Group and approximately 30.3% by 66 other individual and corporate shareholders who are independent of the Group and its connected persons.

Wah Yuen, together with its subsidiaries, are principally engaged in the design, development, manufacture and sale of magnesium alloy casing for notebook computers. Its wholly-owned subsidiary in the PRC has a production plant in Jurong City, Jiangsu Province, the PRC with a total site area of approximately 41,000 sq. m., with a gross floor area of more than 19,000 sq. m..

Based on the audited consolidated accounts of Wah Yuen which have been prepared in accordance with generally accepted accounting principles in Taiwan, the consolidated net asset value of Wah Yuen was approximately US\$13,113,000 as at 31 December 2007. For the year ended 31 December 2007, the consolidated net loss before and after taxation and extraordinary items of Wah Yuen amounted to US\$8,286,000. For the year ended 31 December 2006, the consolidated net loss before and after taxation and extraordinary items of Wah Yuen amounted to US\$1,680,000.

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## LETTER FROM THE BOARD

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### **6. REASONS FOR AND BENEFITS OF THE INVESTMENT IN WAH YUEN**

The Group has been principally engaged in the manufacturing and sale of notebook computer casings, parts and other related materials. Wah Yuen, together with its subsidiaries, are principally engaged in the design, development, manufacture and sale of magnesium alloy casing for notebook computers.

The Board is of the view that the Transaction is a good opportunity for the Group to increase its production capacity and business by taking the leverage on the existing production facilities, clientele and earning potential of Wah Yuen notwithstanding that Wah Yuen was loss-making attributable to the low utilization rate of its production facilities. Compal, one of the leading notebook computers manufacturers in the world, will hold approximately 31.5% of the issued share capital of Wah Yuen immediately after completion of the Subscription and the Acquisition. By investing in Wah Yuen, the Board believes that the Group can leverage from the strategic relationship with the Compal Group in the research and development of the technology for magnesium alloy casing. The Group currently does not have any production capacity in magnesium alloy casing for notebook computers, which is more popular in corporate sector. By investing in Wah Yuen, the Group will possess a complete production process and will be able to produce notebook computer casing for both individuals and corporate markets. The management believes that the investment will increase the Group's turnover and will improve the Group's gross margin as magnesium notebook computer casing has a higher gross margin compared to the plastic casing.

The Directors (including the independent non-executive Directors) consider that the terms of the Subscription Agreement and the Acquisition Agreement are on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **7. FINANCIAL EFFECTS OF THE TRANSACTION**

Upon completion of the Subscription and the Acquisition, Wah Yuen will become an indirect non-wholly owned subsidiary of the Company. The financial results of Wah Yuen will be consolidated into the results of the Group. The Directors expect there will be no immediate material effect on the earnings of the Group and the Group's assets and liabilities will increase as a result of the consolidation of the financial positions of Wah Yuen.

### **8. LISTING RULES IMPLICATION**

The transactions contemplated under the Subscription Agreement and the Acquisition Agreement are aggregated as a single transaction as they involve the acquisition of an interest in one particular company pursuant to Rule 14.23 of the Listing Rules. As the applicable percentage ratios (as calculated in accordance with Rule 14.07 of the Listing Rules) for the Transaction are more than 5% but less than 25%, the Transaction constitutes a discloseable transaction of the Company under Rule 14.06 of the Listing Rules.

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## LETTER FROM THE BOARD

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The Compal Group is one of the Group's customers and the Group has been selling its computer casings and related materials to Compal Group since 2003. For each of the three years ended 31 December 2007, and the six months ended 30 June 2008, the sales by the Group to the Compal Group amounted to approximately HK\$582 million, HK\$507 million, HK\$713 million and HK\$326 million respectively.

Upon completion of the Subscription and the Acquisition, Wah Yuen will become a non-wholly owned subsidiary of the Company and Compal Group will remain as a substantial shareholder of Wah Yuen, holding approximately 31.5% of its entire issued share capital as enlarged by the Subscription. Consequently, the Compal Group will immediately become a connected person of the Company, and therefore the sales of the Group's products to the Compal Group will constitute continuing connected transactions for the Company under the Listing Rules. As such continuing connected transactions form part of the usual and ordinary course of business of the Group, the Directors expected that the sales to Compal Group will continue after completion of the Subscription and the Acquisition. The Company will issue an announcement in relation to the continuing connected transactions between the Group and the Compal Group in due course.

### 9. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

Yours faithfully,  
By order of the Board  
**JU TENG INTERNATIONAL HOLDINGS LIMITED**  
**Cheng Li-Yu**  
*Chairman*

## 1. 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.

## 2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange, were as follows:

### (i) Interests in Shares

Name of Director	Company/name of associated corporation	Capacity	Number and class of securities (Note 1)	Approximate percentage of shareholding
Mr. Cheng Li-Yu	The Company	Founder of a discretionary trust	273,556,986 Shares (L) (Note 2)	27.36%
	The Company	Beneficial owner	36,778,000 Shares (L)	3.68%
	The Company	Interest of spouse	10,518,046 Shares (L) (Note 3)	1.05%
Mr. Cheng Li-Yen	The Company	Beneficiary of a trust	273,556,986 Shares (L) (Note 2)	27.36%
Mr. Lo Jung-Te	The Company	Beneficial owner	5,967,942 Shares (L)	0.60%
Mr. Huang Kuo-Kuang	The Company	Beneficial owner	2,423,866 Shares (L)	0.24%
		Interest of spouse	5,742,631 Shares (L) (Note 4)	0.57%
Mr. Hsieh Wan-Fu	The Company	Beneficial owner	4,294,432 Shares (L)	0.43%



*Notes:*

1. The letter “L” denotes the Directors’ long position in the Shares, or as the case may be, the underlying Shares of the Company and/or the relevant associated corporations.
2. These Shares were registered in the name of Southern Asia Management Limited, which was wholly owned by Shine Century Assets Corp., the entire issued share capital of which was beneficially owned by the Cheng Family Trust which was founded by Mr. Cheng Li-Yu. Mr. Cheng Li-Yu and Mr. Cheng Li-Yen are also two of the beneficiaries of the Cheng Family Trust. Mr. Cheng Li-Yu and Mr. Cheng Li-Yen were deemed to be interested in all the Shares in which Shine Century Assets Corp. is interested by virtue of the SFO.
3. Mr. Cheng Li-Yu is the husband of Ms. Lin Mei-Li and he was deemed to be interested in all the Shares in which Ms. Lin Mei-Li was interested by virtue of the SFO.
4. Mr. Huang Kuo-Kuang is the husband of Ms. Wang Shu-Hui and he was deemed to be interested in all the Shares in which Ms. Wang Shu-Hui was interested by virtue of the SFO.

**(ii) Interests in underlying shares**

<b>Name of Director</b>	<b>Nature of Interest</b>	<b>Number of underlying shares (Note 1)</b>	<b>Approximate Percentage of Shareholding</b>
Mr. Huang Kuo-Kuang	Beneficial owner	3,756,000 (L) (Note 2)	0.34% (Note 3)
Mr. Hsieh Wan-Fu	Beneficial owner	3,162,000 (L) (Note 2)	0.29% (Note 3)
Mr. Lo Jung-Te	Beneficial owner	3,162,000 (L) (Note 2)	0.29% (Note 3)
Mr. Tsui Yung Kwok	Beneficial owner	2,800,000 (L) (Note 4)	0.26% (Note 3)
	Beneficial owner	1,754,000 (L) (Note 2)	0.16% (Note 3)

*Notes:*

1. The letter “L” denotes a long position in the underlying Shares.
2. The long position in the underlying Shares comprised (i) 3,000,000, 1,500,000, 1,500,000 and 998,000 options granted to Mr. Huang Kuo-Kuang, Mr. Hsieh Wan-Fu, Mr. Lo Jung-Te and Mr. Tsui Yung Kwok respectively by the Company on 7 November 2006 and (ii) 756,000, 1,662,000, 1,662,000 and 756,000 options granted to Mr. Huang Kuo-Kuang, Mr. Hsieh Wan-Fu, Mr. Lo Jung-Te and Mr. Tsui Yung Kwok respectively by the Company on 24 April 2008 under the post-IPO share option scheme (“**Post-IPO Share Option Scheme**”) of the Company and such share options remained outstanding as at the Latest Practicable Date.

3. This percentage was calculated on the basis of 1,097,268,000 Shares in issue immediately following the exercise in full of all the options granted under the pre-IPO share option scheme (“**Pre-IPO Share Option Scheme**”) and Post-IPO Share Option Scheme at the same time and assuming that there would be no change in the total issued share capital of the Company other than as enlarged by the exercise of these options prior to the exercise in full of these options.
4. Mr. Tsui Yung Kwok’s long position in the underlying Shares comprised 2,800,000 options granted to him by the Company on 17 June 2005 under the Pre-IPO Share Option Scheme and such share options remained outstanding as at the Latest Practicable Date.

Save as disclosed herein, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange (including interests and short positions which he was taken or deemed to have under such provisions of SFO); or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange.

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which have been since 31 December 2007, being the date to which the latest published audited financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting as at the date hereof and which was significant in relation to the business of the Group.

### 3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to any Directors or chief executive of the Company, the persons (other than a Director or chief executive of the Company); (a) who had an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or (b) who were, directly or indirectly, interested in 10 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the general meetings of the Company or any other members of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition and/or subscription which has been agreed or proposed since 31 December 2007, being the date to which the latest audited accounts of the Company have been made up), were as follows:

# APPENDIX

# GENERAL INFORMATION

Name of Shareholder	Company/name of Group member	Capacity	Number and class of securities (Note 1)	Approximate percentage of shareholding
Southern Asia Management Limited (Note 2)	The Company	Beneficial owner	273,556,986 Shares (L)	27.36%
Shine Century Assets Corp.	The Company	Interest of a controlled corporation	273,556,986 Shares (L) (Note 3)	27.36%
East Asia International Trustees Limited	The Company	Trustee (other than a bare trustee)	273,556,986 Shares (L) (Note 3)	27.36%
Ms. Lin Mei Li	The Company	Beneficial owner	10,518,046 Shares (L)	1.05%
	The Company	Interest of a spouse	310,334,986 Shares (L) (Note 4)	31.03%
Win Smart Co., Ltd.	Mindforce Holdings Limited	Beneficial owner	4,500,000 ordinary shares of US\$1 each	29.00%
All Holding Corporation	Gold Connection Limited	Beneficial owner	3,899,950 ordinary shares of US\$1 each	29.00%
Flight Global	Wah Yuen	Beneficial owner	34,417,749 WY Shares	31.51%

## Notes:

1. The letter “L” denotes the Shareholders’ long position in the Shares of the Company and/or the relevant associated corporations.
2. Mr. Cheng Li-Yu, an executive Director, is a director of Southern Asia Management Limited.
3. The Shares were held by Southern Asia Management Limited, which was wholly-owned by Shine Century Assets Corp. The entire issued share capital of Shine Century Assets Corp. was owned by the Cheng Family Trust, the trustee of which was East Asia International Trustees Limited. Shine Century Assets Corp. was deemed to be interested in all the Shares in which Southern Asia Management Limited was interested by virtue of the SFO. East Asia International Trustees Limited was deemed to be interested in all the Shares in which Shine Century Assets Corp. was interested by virtue of the SFO.
4. Ms. Lin Mei-Li is the wife of Mr. Cheng Li-Yu and she was deemed to be interested in all the Shares in which Mr. Cheng Li-Yu was interested by virtue of the SFO.

Save as disclosed herein, there was no person known to any Directors or chief executive of the Company, who, as at the Latest Practicable Date, had an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the general meetings of the Company or any other member of the Group.

#### **4. SERVICE AGREEMENTS**

As at the Latest Practicable Date, none of the Directors had a service contract with the Company which was not determinable by the Company within one year without payment of compensation other than statutory compensation.

#### **5. COMPETING INTEREST**

As at the Latest Practicable Date, none of the Directors and his associates (as would be required to be disclosed under rule 8.10 of the Listing Rules if any of them was a controlling Shareholder) was interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with that of the Group.

#### **6. LITIGATION**

As at the Latest Practicable Date, none of any member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claims of material importance known to the Directors to be pending or threatened by or against any member of the Group.

#### **7. MISCELLANEOUS**

- (a) The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (b) The head office and principal place of business of the Company in Hong Kong is at Suites 3311-3312, Jardine House, 1 Connaught Place, Central, Hong Kong.
- (c) The Hong Kong branch share registrar and transfer office of the Company is Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (d) The company secretary and qualified accountant is Mr Tsui Yung Kwok. Mr Tsui is the member of the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Accountants in Australia, CPA Australia and the Hong Kong Institute of Chartered Secretaries.
- (e) The English text of this circular shall prevail over its Chinese text.