
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold all your shares in Wealthmark International (Holdings) Limited, you should at once hand this circular together with the enclosed form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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.



WEALTHMARK INTERNATIONAL (HOLDINGS) LIMITED

和 寶 國 際 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

**GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES**

DEFINITIONS

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

“AGM Notice”	the notice convening the Annual General Meeting dated 16 April 2003 which is enclosed with the Annual Report
“Annual General Meeting”	the annual general meeting of the Company to be held on Wednesday, 28 May 2003 at 3:00 p.m. and at any adjournment thereof
“Annual Report”	the annual report of the Company in respect of the year ended 31 December 2002
“Company”	Wealthmark International (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“General Mandates”	the Repurchase Mandate and the Share Issue Mandate (as defined in the letter from the Chairman), approvals of which are to be sought at the AGM
“Latest Practicable Date”	29 April 2003, being the latest practicable date prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company
“Share Buy-Back Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities
“Shareholder(s)”	registered holder(s) of Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars



WEALTHMARK INTERNATIONAL (HOLDINGS) LIMITED

和寶國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Directors:

Mr Wong Chor Wo (*Chairman & Managing Director*)

Mr Wong Chor Sang (*Vice Chairman*)

Mr Po, Eric

Mr Kwok Kee Ho, Danny

Ms Rosita Andres

* Mr Chan Sheung Kwan

* Mr Wong Tin Sang

** Independent Non-executive Directors*

Registered office:

Ugland House
South Church Street
P.O. Box 309
George Town
Grand Cayman
Cayman Islands
British West Indies

*Head office and principal place
of business:*

Units 1 and 2, 3/F
Fook Hong Industrial Building
18 Sheung Yuet Road
Kowloon Bay, Kowloon
Hong Kong

29 April 2003

To the Shareholders

Dear Sir or Madam,

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

INTRODUCTION

At the annual general meeting of the Company held on 30 May 2002, general mandates were granted to the Directors to exercise the powers of the Company to issue Shares and to repurchase Shares. These general mandates will lapse at the conclusion of the Annual General Meeting. Ordinary resolutions will therefore be proposed at the Annual General Meeting to grant new general mandates to the Directors to issue Shares and to repurchase Shares.

LETTER FROM THE CHAIRMAN

GENERAL MANDATE TO ISSUE SHARES

At the Annual General Meeting, ordinary resolutions will be proposed to grant to the Directors a general mandate to exercise the powers of the Company to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution (the “Share Issue Mandate”), and approve an extension of the Share Issue Mandate by adding to it the aggregate nominal amount of any Shares repurchased by the Company under the Repurchase Mandate (as hereinafter defined), details of which are set out in Ordinary Resolutions No. 4 and No. 6 of the AGM notice.

GENERAL MANDATE TO REPURCHASE SHARES

An ordinary resolution will also be proposed at the Annual General Meeting to grant to the Directors a general mandate to exercise the powers of the Company to repurchase Shares with an aggregate nominal amount of up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the resolution (the “Repurchase Mandate”) as set out in Ordinary Resolution No. 5 of the AGM Notice. An explanatory statement as required under the Share Buy-Back Rules, giving certain information regarding the Repurchase Mandate, is set out in the Appendix hereto.

RECOMMENDATION

The Directors consider that the granting of the Share Issue Mandate, the extension of the Share Issue Mandate and the Repurchase Mandate as mentioned above are all in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend all Shareholders to vote in favour of the aforesaid resolutions to be proposed at the Annual General Meeting.

Yours faithfully
For and on behalf of
Wealthmark International (Holdings) Limited
Wong Chor Wo
Chairman

This Appendix serves as an explanatory statement, as required by the Share Buy-Back Rules, to provide Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 200,000,000 Shares. Subject to the passing of Ordinary Resolution No. 5 set out in the AGM Notice and on the basis that no further Shares are issued or repurchased by the Company prior to the date of the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 20,000,000 Shares, representing not more than 10% of the issued share capital of the Company as at the Latest Practicable Date.

2. REASONS FOR REPURCHASES

Although the Directors have no present intention of repurchasing any Shares, they believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders.

3. FUNDING OF REPURCHASES

Share repurchases would be funded entirely from the Company's available cash flow or working capital facilities which will be funds legally available for the purpose as well as in accordance with its memorandum and articles of association and the laws of the Cayman Islands. The laws of the Cayman Islands provide that the amount of capital paid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the funds of the Company that would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on a 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.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated accounts contained in the Annual Report) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of previous twelve months before printing of this circular were as follows:

	Highest HK\$	Lowest HK\$
2002		
April	0.95	0.88
May	0.90	0.90
June	—	—
July	0.92	0.90
August	0.85	0.85
September	0.86	0.86
October	0.60	0.52
November	0.70	0.48
December	—	—
2003		
January	0.60	0.50
February	0.58	0.44
March	0.70	0.58

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases under the Repurchase Mandate and in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

6. DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders.

No connected persons (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 do so, in the event that the Repurchase Mandate is approved by the Shareholders.

7. TAKEOVER CODE

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 for the purposes of the Takeover Code. As a result, a shareholder or group of shareholders acting in concert could, depending on the level of increase of shareholding interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code.

As at the Latest Practicable Date, Wisechoice Assets Limited ("Wisechoice") and Accuport Developments Limited ("Accuport"), the substantial shareholders of the Company held a total of 150,000,000 Shares representing 75% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, the aggregate shareholding of Wisechoice and Accuport would be increased to approximately 83.3% of the issued share capital of the Company and such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeover Code. Such an increase would however mean that the aggregate amount of the share capital of the Company in the public hands would be reduced to less than 25% and this would only be permitted if the Stock Exchange agrees to waive this dealing restriction.

The Directors do not intend to exercise the power of the Company to repurchase Shares pursuant to the Repurchase Mandate to the extent that would render the aggregate amount of the issued share capital of the Company in the public hands to less than 25% or would give rise to any consequences under the Takeover Code.

8. SHARE REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.