THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in VST Holdings Limited, you should at once hand this circular and the accompanying form of proxy 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.

VST 偉仕

VST HOLDINGS LIMITED
偉 仕 控 股 有 限 公 司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 856)

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES AND RE-ELECTION OF DIRECTORS

The notice for the annual general meeting VST Holdings Limited is set out on pages 13 to 16 in this circular. Whether or not you intend to attend the annual general meeting of VST Holdings Limited, you are requested to complete the form of proxy and return it to the branch share registrar of VST Holdings Limited in Hong Kong, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the Annual General Meeting. The return of the proxy form will not preclude you from attending and voting in person if you so wish.

* *for identification purpose only*

22 July 2008

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

"Annual General Meeting"	the annual general meeting of the Company for the year ended 31 March 2008 to be held on Tuesday, 19 August 2008, to consider and, if thought fit, to approve, among others, the audited annual results of the Company for the year ended 31 March 2008 and the repurchase mandate of the Company for its own shares
"Articles of Association"	the articles of association of the Company
"associates"	having the meaning as ascribed in the Listing Rules
"Company"	VST Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange
"Directors"	the directors of the Company
"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 People's Republic of China
"Latest Practicable Date"	16 July 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Repurchase Mandate"	a general mandate to exercise all powers of the Company to repurchase issued and fully paid Shares of HK$0.1 each in the Company
"Shareholders"	holders of the Share and a "Shareholder" shall be construed accordingly

"Shares"	ordinary shares of HK$0.1 each in the share capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time) and a "Share" shall be construed accordingly
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers

VST HOLDINGS LIMITED
偉仕控股有限公司*
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 856)

Executive Directors:
Mr. Li Jialin *(Chairman)*
Mr. Tay Eng Hoe *(Vice Chairman)*
Mr. William Choo

Non-executive Director:
Mr. Cheng Kam Chung M.H., OStJ, JP
(resigned on 10 August 2007)

Independent non-executive Directors:
Mr. Ni Zhenwei
Dr. Chan Po Fun Peter
Madam Hui Hiu Fai
Mr. Li Wei

Registered office:
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

Principal place of business:
Unit 1901, 19th Floor,
West Tower
Shun Tak Centre
168 Connaught Road Central
Hong Kong

22 July 2008

To the Shareholders

Dear Sir or Madam,

A. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for the proposed (i) granting of general mandates to repurchase Shares and to allot, issue and deal with new Shares and (ii) re-election of the Directors who are due to retire. This circular contains the explanatory statement in compliance with the Listing Rules and to give all the information reasonably necessary to enable shareholders of the Company to make an informed decision on whether to vote for or against the resolutions.

* *for identification purpose only*

B. GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the Annual General Meeting, separate ordinary resolutions will be proposed to renew the general mandates given to the Directors (i) to allot, issue and otherwise deal with Shares of HK$0.1 each in the Company not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of the resolution; (ii) to exercise all powers of the Company to repurchase issued and fully paid Shares on the Stock Exchange up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of the resolution; (iii) to extend the general mandate granted to the Directors to allot, issue and deal with additional Shares as mentioned in paragraph (i) above by the amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the Repurchase Mandate. The Repurchase Mandate allows the Company to make or agree to make repurchases only during the period ending on the earliest of (a) the date of the next annual general meeting; (b) the date by which the next annual general meeting of the Company is required to be held by law or by its articles of association; or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the shareholders in a general meeting of the Company. The existing Repurchase Mandate granted to the Company at the annual general meeting of the Company on 31 August 2007 will expire at the Annual General Meeting.

As at the Latest Practicable Date, there were in issue an aggregate of 1,117,666,666 Shares. Subject to the passing of the proposed resolutions for the grant of the general mandates as mentioned above, and on the basis that no further Shares will be issued or repurchased prior to the date of the Annual General Meeting, exercise in full of the Repurchase Mandate will result in up to 111,766,666 Shares being repurchased by the Company, and the Directors will be authorised to allot and issue under the issue mandate as mentioned above up to 223,533,333 Shares, and to the extent the Repurchase Mandate is exercised, plus the amount of Shares representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the Repurchase Mandate.

An explanatory statement containing all relevant information relating to the proposed Repurchase Mandate is set out in the Appendix to this circular. The information in the explanatory statement is provided to you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate.

C. RE-ELECTION OF DIRECTORS

As at the date of this circular, the executive Directors are Mr. Li Jialin, Mr. Tay Eng Hoe and Mr. William Choo; and the independent non-executive Directors are Mr. Ni Zhenwei, Dr. Chan Po Fun Peter, Madam Hui Hiu Fai and Mr. Li Wei.

Pursuant to Article 87 of the Articles of Association, at each annual general meeting, one third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not lesser than one third) will retire from office by rotation. The

Directors to retire by rotation shall include any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Pursuant to Article 86(3) of the Articles of Association, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the board or as an addition to the existing board. Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Accordingly, Mr. Tay Eng Hoe, Dr. Chan Po Fun Peter, Madam Hui Hiu Fai and Mr. Li Wei, who have to retire by rotation according to the Articles of Association, will retire at the Annual General Meeting. Mr. Tay Eng Hoe, Dr. Chau Po Fun Peter and Mr. Li Wei, being eligible, will offer themselves for re-election at the Annual General Meeting. The Company is not aware of any matter that needs to be brought to the attention of the Shareholders and the Stock Exchange in relation to the retirement of Madam Hui Hiu Fai.

(I) Mr. Tay Eng Hoe

Mr. Tay Eng Hoe, aged 56, is the Company's Vice Chairman and executive Director. He joined the Company on 17 January 2008. He is also the group chief executive director of our subsidiary company, ECS Holdings Limited ("ECS"), a public listed company on the mainboard of the Singapore Stock Exchange. He is the founder of the ECS Group and brings with him more than 20 years of experience in the IT business. Mr. Tay sits on the boards of various companies and government statutory organizations and is also actively involved in several charitable organizations in Singapore. Mr. Tay was conferred the Public Services Medal by the President of the Republic of Singapore in recognition of his public services to the country of Singapore. He holds a Bachelor degree in Science (Honours) from the LaTrobe University and a Master degree in Business Administration from the University of Melbourne.

According to the terms of the service contract entered into between the Company and Mr. Tay for a term of one year commencing on 17 January 2008, Mr. Tay will not receive any salary. The service contract may be terminated by either party giving not less than three months' notice in writing to the other party.

(II) Dr. Chan Po Fun Peter

Dr. Chan Po Fun Peter BBS, MBE, JP, FHKICPA, FCPA (Aust.), aged 86, practised accountancy in Hong Kong for 60 years. He has a doctorate in Offshore Petroleum Technology and Modern Chinese Law and is an honorary fellow of the Society for Underwater Technology. Dr. Chan is a trustee of Hong Kong Shue Yan University (also as its Research Professor) and the United College of Chinese University of Hong Kong. He was the chairman of the Kowloon Stock Exchange, a founding director of The Hong Kong Stock Exchange Limited and has served three terms as the chairman of the former Hong Kong Federation of Stock Exchanges. Dr. Chan has been appointed by the Group since 16 April 2005 as an independent non-executive Director. He also serves as the chairman of audit committee and a member of remuneration committee of the Company.

Dr. Chan's appointment as an independent non-executive Director is for a term of one year commencing from 16 April 2007 to 15 April 2008, which was extended to 19 August 2008, being the date of Annual General Meeting. He is entitled to an annual remuneration of HK$120,000 which is determined by the board of Directors with reference to his qualification and experience, responsibilities to be undertaken, and the prevailing market level of remuneration of similar position.

(III) Mr. Li Wei

Mr. Li Wei, aged 52, was educated in the PRC, Germany and Australia. He has had over twenty 20 years of experience in establishing and operating businesses in Asia, and particularly in Hong Kong and Chinathe PRC. Mr. Li has previously served as the managing director of a number of listed companies in Hong Kong. Mr. Li has been appointed as an independent non-executive Director of the Company with effect from 11 August 2007. He also serves as a member of the audit committee and a member of the remuneration committee of the Company.

According to the terms of the appointment letter entered into between the Company and Mr. Li, Mr. Li's appointment took effect from 11 August 2007 for a term of one year, which was extended to 19 August 2008, being the date of the Annual General Meeting. Mr. Li is entitled to receive an annual director's fee of HK$100,000 which is determined by the board of Directors with reference to his qualification and experience, responsibilities to be undertaken, and the prevailing market level of remuneration of similar position.

Save as disclosed hereof and as at the Latest Practicable Date, the Directors confirmed that:

(a) each of Mr. Tay Eng Hoe, Dr. Chan Po Fun Peter and Mr. Li Wei does not have any other relationships with any Director, senior management or substantial or controlling shareholder of the Company;

(b) each of Mr. Tay Eng Hoe, Dr. Chan Po Fun Peter and Mr. Li Wei does not have any interests in the Shares within the meaning of Part XV of the SFO;

(c) each of Mr. Tay Eng Hoe, Dr. Chan Po Fun Peter and Mr. Li Wei does not hold any directorships in listed public companies in the last three years;

(d) there is no other information that needs to be disclosed pursuant to any of the requirements as set out in Rule 13.51(2)(h) to (v) of the Listing Rules; and

(e) the Company is not aware of any other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange in relation to the re-election of Directors.

D. 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 information contained herein relating to the Company has been supplied by the Directors, who jointly and severally 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, opinions expressed in this circular have been arrived at after due and careful consideration and there are no other facts not contained in this circular the omission of which would make any statement contained herein misleading insofar as it relates to the Company.

E. PROCEDURES FOR DEMANDING A POLL

Under the Articles of Association, at any general meeting a resolution put to the vote of the meeting is to be decided on a show of hands unless voting by way of a poll is required by the rules of the Stock Exchange or (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 demanded by:

(a) the chairman of the meeting;

(b) at least three members present in person or, in case of a member being a corporation, by its duly authorised representative or by proxy for the time being entitled to vote at the meeting;

(c) a member or members present in person or, in the case of a member 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 the members having the right to vote at the meeting;

(d) a member or members present in person or, in the case of a member 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 equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or

(e) any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing five per cent. or more of the total voting rights at the meeting.

A demand by a person as proxy for a member or in the case of a member being a corporate by its duly authorised representative shall be deemed to be the same as a demand by a member.

F. GENERAL INFORMATION

The notice for the Annual General Meeting is set out on pages 13 to 16 in this circular. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the Annual General Meeting. The return of the proxy form will not preclude you from attending and voting in person if you so wish.

G. RECOMMENDATION

The Directors consider that (i) the general mandates to issue and repurchase Shares; (ii) the re-election of Directors are in the interest of the Company and the Shareholders taken as whole and so recommend you to vote in favour of the relevant resolutions at the Annual General Meeting. The Directors will vote in favour of such resolutions in respect of their shareholdings (if any) in the Company.

Yours faithfully,
By Order of the Board
VST Holdings Limited
Li Jialin
Chairman

This Appendix serves as an explanatory statement given to all Shareholders, as required by the Listing Rules, to provide requisite information of the Repurchase Mandate.

1. LISTING RULES FOR REPURCHASES OF SHARES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their fully-paid shares subject to certain restrictions, the more important of which are summarised below:

(a) Shareholders' approval

All proposed repurchase of securities on the Stock Exchange by a company with primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by special approval of a particular transaction.

(b) Share capital

Under the Repurchase Mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of the relevant resolutions granting the Repurchase Mandate. The Company's authority is restricted to repurchases in accordance with the Listing Rules. As at the Latest Practicable Date, there were in issue an aggregate of 1,117,666,666 Shares. Exercise in full of the Repurchase Mandate, on the basis that no further Shares would be issued or repurchased prior to the date of the Annual General Meeting, would accordingly result in up to 111,766,666 Shares being repurchased by the Company. The Shares repurchased by the Company shall, subject to applicable law, be automatically cancelled upon such repurchase.

(c) Reasons for repurchase

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate will provide the Company the flexibility to make such repurchase when appropriate and is beneficial to the Company. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share. As compared with the financial position of the Company as at 31 March 2008 (being the date of its latest published audited accounts), the Directors consider that there would not be any material adverse impact on the working capital and on the gearing position of the Company in the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period. The Directors do not propose to exercise the Repurchase Mandate in circumstances that would have a material adverse impact on the working capital or gearing ratio of the Company.

(d) Funding of repurchases

Repurchase of the Shares will be funded out of funds legally available for such purpose in accordance with the memorandum and articles of association of the Company and the applicable laws of the Cayman Islands.

The Company is empowered by its memorandum and articles of association to repurchase its Shares. The Cayman Islands law provides that the amount of capital repaid in connection with a Share repurchase may only be paid out of either the capital paid up on the Shares repurchased, or the funds of the Company that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of Shares made for such purpose. The amount of premium payable on repurchase may only be paid out of either the funds of the Company that would otherwise be available for distribution by way of dividend or out of the share premium of the Company. The repurchased Shares will remain part of the authorised but unissued share capital.

(e) Directors, their associates 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 any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

At the Latest Practicable Date, no connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Repurchase Mandate is granted.

(f) Undertaking of the Directors

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in the proposed resolution in accordance with the Listing Rules, the memorandum and articles of association of the Company and the applicable laws of the Cayman Islands.

(g) Effect of the Takeovers Code

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 26 of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the register of the Shareholders maintained by the Company pursuant to Section 336 under Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) showed that the Company has been notified of the following interests, being 5% or more of the Company's issued share capital:

Name of Shareholder	Number of Shares held	Approximate percentage of the shareholding as at the Latest Practicable Date	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Li Jialin *(Note)*	459,516,000	41.11%	45.68%
Liu Li *(Note)*	459,516,000	41.11%	45.68%
ABN AMRO			
Long Position	124,277,333	11.12%	12.36%
Short Position	150,000,000	13.42%	14.91%
Atlantis Investment Management Limited	83,000,000	7.43%	8.25%
Cannizaro Asia Master Fund Limited			
Long Position	62,658,000	5.61%	6.23%
Short Position	25,000,000	2.24%	2.49%

Note: The entire issued share capital of L&L Limited is held by Mr. Li Jialin, the chairman and chief executive officer and executive director of the Company and Madam Liu Li (the spouse of Mr. Li Jialin) equally.

In the event that the Directors shall exercise in full the Repurchase Mandate, the total interests of the above Shareholders would be increased to approximately the respective percentages shown in the last column above and such increase will give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code but will not reduce the amount of Shares held by the public to be less than 25%.

The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in the amount of Shares held by the public being reduced to less than 25% of the total issued share capital of the Company nor to an extent as would result in an obligation to make a mandatory offer under Rule 26 of the Takeover Code.

2. SHARE PURCHASE MADE BY THE COMPANY

During each of the six months preceding the date of this circular, no Shares have been repurchased by the Company.

3. SHARE PRICES

During each of the previous 12 months, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

	Per Share	
Month	**Highest**	**Lowest**
	HK$	*HK$*
2007		
July	3.60	3.05
August	3.30	2.08
September	3.22	2.85
October	3.40	2.20
November	2.75	2.00
December	2.50	2.00
2008		
January	2.40	1.50
February	1.72	1.47
March	1.68	1.20
April	1.86	1.48
May	1.85	1.52
June	1.60	1.32
July (up to the Latest Practicable Date)	1.37	1.07

VST 偉仕

VST HOLDINGS LIMITED*
偉仕控股有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 856)

NOTICE IS HEREBY GIVEN that the annual general meeting of VST Holdings Limited (the "Company") will be held at the Dynasty Club, 7th Floor, South West Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong on Tuesday, 19 August 2008 at 3:30 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors of the Company for the year ended 31 March 2008.

2. To declare a final dividend for the year ended 31 March 2008.

3. A. To re-elect Mr. Tay Eng Hoe as director of the Company (the "Director");

   B. To re-elect Dr. Chan Po Fun Peter as Director;

   C. To re-elect Mr. Li Wei as Director; and

   D. To authorise the board of Directors to fix the remuneration of the directors.

4. To appoint auditors and to authorise the board of Directors to fix their remuneration.

5. As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions each as ordinary resolutions:

   A. "**THAT**:

      (a) subject to paragraph (c) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with 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 be and is hereby generally and unconditionally approved;

      (b) the approval in paragraph (a) of this Resolution shall authorise the Directors 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;

* *for identification purpose only*

(c) 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 pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as defined below), (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 any share option scheme or similar arrangement for the time being adopted for the grant or issue to officers, employees of the Company and/or any of its subsidiaries or other eligible participants of shares or rights to acquire shares in the Company or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the cash payment for a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of this Resolution and the said approval shall be limited accordingly; and

(d) 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 articles of association of the Company or any applicable law to be held; and

(iii) the date of which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

"**Rights Issue**" means an offer of shares or other securities of the Company open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors 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 recognized regulatory body or any stock exchange in, any territory outside the Hong Kong Special Administrative Region of the People's Republic of China)."

B. "**THAT**:

(a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to repurchase shares of the Company, subject to and in accordance with all applicable laws and requirements, be and is hereby generally and unconditionally approved;

(b) the aggregate nominal amount of the shares of the Company which may be purchased pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company as at the date of passing of this Resolution and the said approval shall be limited accordingly; and

(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 articles of association of the Company or any applicable law to be held; and

(iii) the date which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting."

C. "**THAT** conditional upon Resolutions A and B set out above being passed, the aggregate nominal amount of the shares of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in Resolution B above shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Resolution A above."

By Order of the Board
Lung Cheuk Wah
Company Secretary

Hong Kong, 22 July 2008

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint proxies to attend and, in the event of a poll, vote in his stead. A proxy need not be a member of the Company.

2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney or other person duly authorised.

3. In order to be valid, the form of proxy must be deposited at the Company's branch share registrar in Hong Kong, Tricor Abacus Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or any adjourned meeting.

4. Delivery of the form of proxy will not preclude a member from attending and voting in person at the meeting convened and in such event, the form of proxy shall be deemed to be revoked.

5. The register of members of the Company will be closed from 18 August 2008 to 19 August 2008, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend to be approved at the general meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Abacus Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:30 p.m. on 15 August 2008.