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JACKIN INTERNATIONAL HOLDINGS LIMITED

(輝 影 國 際 集 團 有 限 公 司)

(Incorporated in Bermuda with limited liability)

Executive Directors:

Ms. Ho Yin King, Helena

(Chairman and Managing Director)

Ms. Ho Yat Wah, Hermia *(Joint Deputy Chairman)*

Mr. Ho Fai Keung, Jacky *(Joint Deputy Chairman)*

Registered Office:

Clarendon House,

2 Church Street,

Hamilton HM11,

Bermuda

Independent Non-executive Directors:

Mr. Li Sau Hung, Eddy

Mr. Leung Ka Kui, Johnny

Principal Place of Business:

Unit 8, 10th Floor, Riley House

88 Lei Muk Road, Kwai Chung

New Territories, Hong Kong

28 April 2002

To the Shareholders

Dear Sir or Madam,

PROPOSED GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

INTRODUCTION

It is proposed that at the Annual General Meeting of Jackin International Holdings Limited (the "Company") to be held on Friday, 24 May, 2002 (the "Annual General Meeting"), an ordinary resolution will be proposed granting the directors of the Company (the "Directors") a general mandate to repurchase shares of HK\$0.10 each in the capital of the Company

(“Shares”) since the previous general mandate granted to the Directors at the Annual General Meeting of the Company held on Tuesday, 22 May, 2001 will expire at the forthcoming Annual General Meeting. In accordance with the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the Company is required to send to its shareholders an explanatory statement containing all the information reasonably necessary to enable the shareholders to make an informed decision on whether to vote for or against the resolution to approve the granting of a mandate to the Directors to exercise the powers of the Company to repurchase its own Shares. The purpose of this document is to set out such information in relation to the proposed mandate. In addition, details of the proposed renewal of the general mandate to issue Shares are also set out below.

GENERAL MANDATE TO ISSUE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed whereby the Directors will be given a general and unconditional mandate to issue further Shares representing up to 20% of the aggregate nominal amount of the share capital of the Company in issue at the date the resolution is passed. In addition, if the resolution to authorise the repurchase of Shares is passed, an ordinary resolution will be proposed to authorise the Directors to issue further Shares up to an amount equal to the aggregate nominal amount of the Shares purchased under the authority to repurchase. In accordance with the Listing Rules, the Company may not make a new issue of Shares or announce a proposed new issue of securities for a period of 30 days after any purchase by it of securities without the prior approval of the Stock Exchange.

EXPLANATORY STATEMENT

GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed whereby the Directors will be given a general and unconditional mandate to exercise all powers of the Company to repurchase issued Shares subject to the criteria set out in this document. In particular, shareholders should note that the maximum number of Shares that may be repurchased pursuant to the mandate will be such number of Shares as represents 10% of the share capital of the Company in issue on the date of passing the resolution. Furthermore, the authority relates only to purchases of Shares which are fully paid up and which are made on the Stock Exchange and otherwise in accordance with the Listing Rules. For your information, on 27 April, 2002, being the latest practicable date prior to the printing of this document for ascertaining certain information referred to in this document (the “Latest Practicable Date”), there were in issue an aggregate of 358,494,000 Shares. Accordingly, not more than 35,849,400 Shares may be repurchased on the Stock Exchange. In addition, shareholders should note that the general mandate covers purchases 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 law or the Company’s Bye-laws and the date upon which such authority is revoked or varied.

While it is not possible to anticipate in advance any specific circumstance in which the Directors might think it appropriate to repurchase Shares, the Directors believe that an ability to do so would give the Company additional flexibility that would be beneficial. At this particular point in time, the Directors have no immediate plan to exercise the Mandate. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earning per Share. Shareholders can be assured that the Directors would only make such purchases in circumstances where they consider them to be in the best interests of the Company. On the basis of the consolidated financial position of the Company as at 31 December, 2001 (being the date to which the latest published audited accounts of the Company have been made up) and in particular the working capital position of the Company at that time and the number of Shares in issue, the Directors consider that there may be a material adverse impact on the working capital or gearing position of the Company in the event that the proposed purchases were to be carried out in full at any time during the proposed purchase period. However, no purchase would be made in circumstances that would have a material adverse impact on the working capital or gearing position of the Company (as compared with the financial position as at 31 December, 2001) unless the Directors believe that such repurchases are in the best interests of the Company.

The Company is empowered by its Memorandum of Association and Bye-laws to purchase its Shares. Purchases of Shares must be funded out of funds legally available for the purpose in accordance with the Company's Memorandum of Association and Bye-laws and the laws of Bermuda and will be funded by liquid resources available to the Company. Bermuda law provides that the amount of capital paid in connection with a share purchase may only be paid out of the capital paid up on the relevant shares, or the funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose.

Directors and connected persons

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of the associates (as defined in the Listing Rules) of any of the Directors have any present intention, in the event that the grant to the Directors of a repurchase mandate is approved by the shareholders, to sell Shares to the Company.

No persons who are connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company nor have they undertaken not to sell any of the Shares held by them to the Company in the event that the Company is authorised to make purchases of Shares.

Listing Rules

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of Bermuda, the jurisdiction in which the Company is incorporated, and in accordance with the regulations set out in the Memorandum of Association and Bye-laws of the Company.

Hong Kong Code on Takeovers and Mergers

If as a result of a share repurchase, a shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "Takeover Code") and, if such increase results in a change in control, may in certain circumstances give rise to an obligation to make a general offer for shares under Rule 26 of the Takeover Code.

Accordingly, a shareholder, or group of shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code.

As at 27 April, 2002, the Latest Practicable Date, Ms. Ho Yin King, Helena, Ms. Ho Yat Wah, Hermia and Mr. Ho Fai Keung, Jacky, Directors of the Company, were in aggregate interested in 197,876,000 shares representing 55.20% of the total issued share capital of the Company. In the event that the Directors exercised in full the repurchase mandate and no further shares will be issued during the proposed repurchase period, the interests in shares in the Company of the aforesaid Directors would increase to 61.33% of the total issued share capital of the Company. The Directors consider that such increase in shareholding would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeover Code.

Miscellaneous

During the six months immediately preceding the Latest Practicable Date, neither the Company nor any of its subsidiaries repurchased any of the Company's listed securities.

The highest and lowest traded prices for shares on the Stock Exchange during each of the previous twelve months were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2001		
April	0.50	0.38
May	0.55	0.38
June	0.52	0.45
July	0.49	0.43
August	0.48	0.40
September	—	—
October	0.40	0.39
November	0.38	0.32
December	0.46	0.315
2002		
January	0.405	0.30
February	0.40	0.26
March	0.32	0.265

Recommendation

The Directors are of the opinion that the proposed repurchase mandate is in the best interests of the Company and recommend that you vote in favour of the ordinary resolution to be proposed at the forthcoming Annual General Meeting.

PROXY ARRANGEMENT

A form of proxy for use at the Annual General Meeting is enclosed with the annual report for the year ended 31 December, 2001. Whether or not you intend to be present at the meeting, you are requested to complete and return the form of proxy to the principal place of business of the Company in Hong Kong at Unit 8, 10th Floor, Riley House, 88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the holding of the meeting. Completion of a form of proxy will not preclude you from attending and voting at the meeting in person if you so wish.

Yours faithfully,

Ho Yin King, Helena
Chairman