

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult 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 Singamas Container Holdings Limited, you should at once hand this circular to the purchaser or other transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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.

---

The logo for Singamas, featuring the word "SINGAMAS" in a bold, pink, sans-serif font. The text is centered and flanked by two horizontal blue bars, one above and one below the text.

**SINGAMAS CONTAINER HOLDINGS LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**GENERAL MANDATE TO REPURCHASE SHARES**

---

31st March, 2004

---

## LETTER FROM THE CHAIRMAN

---

# **SINGAMAS**

## **SINGAMAS CONTAINER HOLDINGS LIMITED**

*(Incorporated in Hong Kong with limited liability)*

*Executive Directors:*

Mr. Chang Yun Chung (*Chairman*)  
*(also known as Mr. Teo Woon Tiong)*  
Mr. Teo Siong Seng (*Vice Chairman*)  
Mr. Hsueh Chao En  
Mr. Teo Tiou Seng

*Registered Office:*

22/F., Dah Sing Financial Centre  
108 Gloucester Road  
Hong Kong

*Non-Executive Director:*

Mr. Kuan Kim Kin

*Independent Non-Executive Directors:*

Mr. Ngan Man Kit, Alexander  
Mr. Ong Ka Thai  
Mr. Soh Kim Soon

31st March, 2004

*To the Shareholders of Singamas Container Holdings Limited*

Dear Sirs or Madams,

### **INTRODUCTION**

The purpose of this circular is to provide shareholders with information regarding an ordinary resolution to be proposed at the Annual General Meeting of the Company (the “AGM”) to be held on 19th May, 2004 relating to a general mandate for repurchase by the Company of its own shares.

### **GENERAL MANDATE TO REPURCHASE SHARES**

On 23rd April, 2003, a general and unconditional mandate was given to the directors of the Company (“Directors”) to exercise all the powers of the Company to repurchase on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) its own shares, up to a maximum of 10 per cent. of the share capital of the Company in issue (the “Repurchase

---

## LETTER FROM THE CHAIRMAN

---

Mandate”), will be expired at the conclusion of the AGM to be held on 19th May, 2004. An ordinary resolution will therefore be proposed at the forthcoming AGM to approve the granting of Repurchase Mandate to the Directors.

The Repurchase Mandate, upon the approval to be granted at the forthcoming AGM, would continue in force until the conclusion of the next AGM of the Company unless it is renewed at such meeting or until revoked or varied by ordinary resolution of shareholders in general meeting prior to the next AGM.

This circular contains the explanatory statement that is required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) to accompany the notice of AGM at which a resolution is to be proposed in relation to the Repurchase Mandate. Its purpose is to provide shareholders with all the information reasonably necessary for them to make an informed decision as to whether or not to vote in favour of the ordinary resolution in approving the Repurchase Mandate.

### **Listing Rules for Repurchase of Shares**

The relevant sections of the Listing Rules which permit companies with a primary listing on the Stock Exchange to repurchase their fully paid up shares on the Stock Exchange subject to certain restrictions are summarised below:

#### *Shareholders’ approval*

The Listing Rules provide that all proposed repurchases of shares by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval of a particular transaction. The Listing Rules require an explanatory statement such as contained herein to be sent to shareholders to give shareholders adequate information to enable them to decide whether to approve the grant of such a mandate.

#### *Source of funds*

Repurchases must be funded out of funds legally available for the purpose.

#### *Trading restrictions*

A maximum of 10 per cent. of the existing issued share capital of the Company as at the date of passing the relevant resolution may be repurchased on the Stock Exchange. On the basis of the existing issued share capital of the Company as at 29th March, 2004, the latest practicable date for determining information for the purpose of this statement, of 522,417,760 ordinary shares of HK\$0.10 each (“Shares”) and assuming no further Shares

---

## LETTER FROM THE CHAIRMAN

---

will be issued or repurchased before the AGM, not more than 52,241,776 Shares may be repurchased on the Stock Exchange during the course of the period prior to the next AGM in 2005.

### REASONS FOR REPURCHASE OF SHARES

The Directors believe that it is in the best interests of the Company and its shareholders to seek a general authority from shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and, or, earnings per share and will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders.

### FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum and articles of association and the laws of the Hong Kong.

The Directors have no present intention to repurchase any shares of the Company and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and in circumstances where they consider that the Shares of the Company can be repurchased on terms favourable to the Company. On the basis of the consolidated financial position of the Company as at 31st December, 2003, being the date to which the latest published audited accounts of the Company were made up, the Directors consider that if the Repurchase Mandate were to be exercised in full at the currently prevailing market value, it could have a material adverse impact on the working capital position and gearing position of the Company. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company as compared with the position disclosed in the latest published audited financial statements or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

---

## LETTER FROM THE CHAIRMAN

---

### SHARE PRICES

None of the Shares have been repurchased in the previous six months. The following table shows the highest and lowest prices at which the Shares have traded on the Stock Exchange during the previous twelve months:

Month	Shares	
	Highest	Lowest
	Traded Price	Traded Price
	<i>HK\$</i>	<i>HK\$</i>
<b>2003</b>		
March	2.825	2.325
April	2.525	2.000
May	2.625	2.200
June	3.325	2.550
July	3.600	3.100
August	3.900	3.175
September	4.450	3.625
October	4.500	3.750
November	4.500	3.900
December	4.350	3.875
<b>2004</b>		
January	4.250	3.800
February	4.300	3.650
March*	4.425	4.000

\* Up to 29th March, 2004, being the latest practicable date prior to the printing of this Repurchase Mandate for ascertaining certain information contained herein.

### GENERAL

None of the Directors, nor any of their associates, to the best of their knowledge and having made all reasonable enquiries, currently intend to sell any shares to the Company or its subsidiaries.

---

## LETTER FROM THE CHAIRMAN

---

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.

No connected person, as defined in the Listing Rules, has notified the Company that he has a present intention to sell shares to the Company, or has undertaken not to do so in the event that the Company is authorised to make purchases of the Shares of the Company.

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 the Hong Kong Code On Takeover and Mergers and Share Repurchases (the "Code"). Accordingly, a shareholder, or group of shareholders acting in concert, depending on the level of increase of the shareholders' interest, could obtain or consolidate control of the Company, shall become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Code.

As at the latest practicable date, the substantial shareholder of the Company, Pacific International Lines (Private) Limited ("PIL"), held approximately 55.38% of the issued share capital of the Company. In the event that the Repurchase Mandate is exercised in full, the shareholding in the Company held by PIL may be increased to approximately 61.53% of the issued share capital of the Company. The Directors believe that such an increase would not give rise to an obligation to make a mandatory offer under the Code.

The Directors will exercise the powers conferred by the Repurchase Mandate to repurchase shares in circumstances which they deem appropriate for the benefits of the shareholders. Accordingly, the Directors recommend shareholders to vote in favour of all the relevant resolutions to be proposed at the AGM.

By order of the Board  
**Chang Yun Chung**  
*Chairman*