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

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**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 Chevalier International Holdings Limited, you should at once hand this circular and the enclosed proxy form to the purchaser or transferee or to the bank, stockbroker or other agents through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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## **CHEVALIER INTERNATIONAL HOLDINGS LIMITED**

**其士國際集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 25)**

### *Executive Directors*

Dr CHOW Yei Ching (*Chairman*)  
Mr KUOK Hoi Sang (*Vice Chairman and Managing Director*)  
Mr TAM Kwok Wing (*Deputy Managing Director*)  
Mr CHOW Vee Tsung, Oscar  
Mr HO Chung Leung  
Mr MA Chi Wing  
Miss Lily CHOW

### *Non-Executive Directors*

Dr CHOW Ming Kuen, Joseph<sup>#</sup>  
Mr SUN Kai Dah, George<sup>#</sup>  
Mr YANG Chuen Liang, Charles<sup>#</sup>  
Dr KO Chan Gock, William

<sup>#</sup> *Independent Non-Executive Director*

### *Registered Office*

Canon's Court  
22 Victoria Street  
Hamilton, HM 12  
Bermuda

### *Principal Place of Business*

22nd Floor  
Chevalier Commercial Centre  
8 Wang Hoi Road  
Kowloon Bay  
Hong Kong

30 July 2012

### *To the Shareholders*

Dear Sir/Madam,

## **PROPOSALS RELATING TO RE-ELECTION OF RETIRING DIRECTORS GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES**

### **NOTICE OF ANNUAL GENERAL MEETING**

### **INTRODUCTION**

The Directors wish to seek the approval of shareholders to re-elect the retiring directors, to obtain general mandates to the Directors of the Company to issue and repurchase shares of HK\$1.25 each in the share capital of the Company (the "Share(s)").

\* *For identification purpose only*

This circular is to provide the shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolutions as mentioned herein and which, inter alia, will be dealt with at the annual general meeting of the Company to be held at 22nd Floor, Chevalier Commercial Centre, 8 Wang Hoi Road, Kowloon Bay, Hong Kong on Friday, 7 September 2012 at 10:30 a.m. (the “2012 Annual General Meeting”).

## RE-ELECTION OF RETIRING DIRECTORS

In accordance with Bye-law 95 and 115 of the Bye-laws of the Company, Miss Lily CHOW who was appointed as an Executive Director of the Company on 1 December 2011, will hold office until the 2012 Annual General Meeting and shall then be eligible for re-election at the meeting. Ordinary Resolution will therefore be proposed at the 2012 Annual General Meeting to re-elect Miss CHOW as Director of the Company. In accordance with Bye-law 112 of the Bye-laws of the Company, Mr TAM Kwok Wing, Dr CHOW Ming Kuen, Joseph and Dr KO Chan Gock, William, who have been the longest in office since their last election, will retire by rotation at the 2012 Annual General Meeting and being eligible, offer themselves for re-election. Ordinary Resolutions will therefore be proposed at the 2012 Annual General Meeting to re-elect Mr TAM, Dr CHOW and Dr KO as Directors of the Company. Pursuant to Rule 13.74 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”), the details of such Directors are set out below:

1. **Miss Lily CHOW**, was appointed as Executive Director and a member of the Executive Committee on 1 December 2011, aged 49, joined Chevalier Group in 1990 and is also a director of a subsidiary company of the Group. She is responsible for strategic planning and business development of the Group. Miss Chow has resigned as an Executive Director of Chevalier Pacific Holdings Limited (renamed as Dingyi Group Investment Limited), a public company listed on the Stock Exchange on 27 October 2011. Miss Chow holds a Bachelor of Arts degree from The University of British Columbia. Miss Chow is currently a member of each of Harbourfront Commission of Development Bureau, Small and Medium Enterprises Committee of Trade and Industry Department and Transport Advisory Committee of the Transport and Housing Bureau of the HKSAR Government. She is also currently a member of the Ningbo Committee of the Chinese People’s Political Consultative Conference. Miss Chow is the daughter of Dr Chow Yei Ching, the Chairman of the Company and is also a sister of Mr Chow Vee Tsung, Oscar, Executive Director of the Company.

Save as disclosed above and as at 23 July 2012, being the latest practicable date prior to the printing of this circular (the “Latest Practicable Date”), Miss Chow did not hold any directorship in any listed public companies in the last three years and did not hold any position in any member of the Group nor she has any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company or its respective associates. She did not have any interests in the shares of the Company or its respective associates which are required to be disclosed under Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”). There was neither any service contract between the Company and Miss Chow nor any specified term for the length or proposed length of service with the Company in respect of the directorship. Miss Chow was subject to retirement by rotation at least once every three years at the annual general meeting of the Company since last re-election in accordance with the Company’s Bye-laws. The director’s annual emoluments of HK\$434,000 were paid to Miss Chow for the period from 1 December 2011 to 31 March 2012 as determined by the Remuneration Committee of the Board with reference to the Company’s performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

2. **Mr TAM Kwok Wing**, Executive Director, Deputy Managing Director and a member of the Executive Committee, aged 51, joined Chevalier Group in 1986. He is also a director of certain companies of the Group. Apart from managing the operation of insurance underwriting together with property investment and development, property management, cold storage and logistics as well as travel agency businesses, he is also responsible for legal affairs and corporate communications of Chevalier Group. Mr Tam holds a Bachelor Degree in Laws from the Beijing University of the People’s Republic of China, a Master of Arts Degree from the City University of Hong Kong and a Postgraduate Diploma in Corporate Administration from The Hong Kong Polytechnic University. He is also a Fellow Member of the Chartered Institute of Arbitrators, the Institute of Chartered Secretaries and Administrators in the United Kingdom and the Hong Kong Institute of Chartered

Secretaries. Mr Tam is appointed as a Deputy Director of the Hong Kong Macao Taiwan Overseas and Chinese Foreign Committee and a member of the Chinese People's Political Consultative Conference, Changchun. Presently, he also serves as a Council Member and Vice Chairmen in the Education Committee and the Professional Development Committee of the Hong Kong Institute of Chartered Secretaries. He is also a Council Member served in The Hong Kong Association of Property Management Companies as well as an Honorary Secretary of the Insurance Claims Complaints Bureau. He has personal interests of 169,015 shares and family interests of 32,473 shares of the Company within the meaning of Part XV of the SFO).

Save as disclosed above and as at the Latest Practicable Date, Mr Tam did not hold any directorship in any listed public companies in the last three years and did not hold any position in any member of the Group nor he has any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company or its respective associates. He did not have any interests in the shares of the Company or its respective associates which are required to be disclosed under Part XV of the SFO. There was neither any service contract between the Company and Mr Tam nor any specified term for the length or proposed length of service with the Company in respect of the directorship. Mr Tam was subject to retirement by rotation at least once every three years at the annual general meeting of the Company since last re-election in accordance with the Company's Bye-laws. The director's annual emoluments of HK\$8,233,000 were paid to Mr Tam during the year ended 31 March 2012 as determined by the Remuneration Committee of the Board with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

3. **Dr CHOW Ming Kuen, Joseph O.B.E., J.P.**, Independent Non-Executive Director, chairman of the Remuneration Committee, a member of the Audit Committee and the Nomination Committee, aged 70, joined the Company in 2002. Dr Chow was a non-executive director of Wheelock Properties Limited which was delisted on 22 July 2010. He resigned from Wheelock Properties Limited with effect from 1 August 2010. He has also resigned as an Independent Non-Executive Director and Chairman of PYI Corporation Limited, a public company listed on the Stock Exchange, on 16 September 2011. He is the Chairman of Joseph Chow & Partners Ltd., an Independent Non-Executive Director of Build King Holdings Limited, Road King Infrastructure Limited and Harbour Centre Development Limited. He has over 40 years of experience in the planning, design and construction of many major engineering projects in the U.K., Middle East, Mainland China and Hong Kong. He is currently the Chairman of the Construction Workers Registration Authority and Hon. Senior Superintendent of the Hong Kong Auxiliary Police Force. He was previously the President of The Hong Kong Institution of Engineers, Chairman of Hong Kong Engineers' Registration Board, Hong Kong Examinations and Assessment Authority and Pamela Youde Nethersole Eastern Hospital Governing Committee as well as a Member of the Hong Kong Housing Authority and Hospital Authority.

Save as disclosed above and as at the Latest Practicable Date, Dr Chow did not hold any directorship in any listed public companies in the last three years and did not hold any position in any member of the Group nor he has any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company or its respective associates. He did not have any interests in the shares of the Company or its respective associates which are required to be disclosed under Part XV of the SFO. There was neither any service contract between the Company and Dr Chow nor any specified term for the length or proposed length of service with the Company in respect of the directorship. Dr Chow was subject to retirement by rotation at least once every three years at the annual general meeting of the Company since last re-election in accordance with the Company's Bye-laws. The director's annual emoluments of HK\$200,000 were paid to Dr Chow during the year ended 31 March 2012 as determined by the Remuneration Committee of the Board with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Notwithstanding that Dr Chow has served as an Independent Non-Executive Director since November 2002, he has provided his annual confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. During his years of appointment, Dr Chow has not been involved in the daily management of the Company nor in any relationships which would interfere with his independent judgment, and he has demonstrated his ability to provide an independent, balanced and objective view to the Company's affairs. The Company is of the view that Dr Chow meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is regarded as independent in accordance with the terms of the guidelines. Notwithstanding the length of his service, the Company believes that Dr Chow's valuable knowledge and experience in the Group's business and his general business acumen will continue to benefit the Company and the shareholders as a whole. The Directors, therefore, recommend Dr Chow for re-election at the 2012 Annual General Meeting.

4. **Dr KO Chan Gock, William**, Non-Executive Director, aged 66, joined the Company in 2009. Dr Ko graduated from The University of Hong Kong in 1968. He has served in the HKSAR Government for more than 38 years, having worked in a wide range of departments including the Water Supplies Department, the Highways Department, the Civil Engineering and Development Department and the Works Branch. In 2001, he was appointed as the Director of Water Supplies. Dr Ko retired from the civil service in January 2007.

Save as disclosed above and as at the Latest Practicable Date, Dr Ko did not hold any directorship in any listed public companies in the last three years and did not hold any position in any member of the Group nor he has any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company or its respective associates. He did not have any interests in the shares of the Company or its respective associates which are required to be disclosed under Part XV of the SFO. There was neither any service contract between the Company and Dr Ko nor any specified term for the length or proposed length of service with the Company in respect of the directorship. Dr Ko was subject to retirement by rotation at least once every three years at the annual general meeting of the Company since last re-election in accordance with the Company's Bye-laws. The director's annual emoluments of HK\$100,000 were paid to Dr Ko during the year ended 31 March 2012 as determined by the Remuneration Committee of the Board with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

In relation to the re-election of the above Directors, there is no information to be disclosed pursuant to any of the requirements under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there any other matters concerning them that need to be brought to the attention of the shareholders of the Company.

## **SHARE ISSUE MANDATE**

Resolution 5 to be proposed at the 2012 Annual General Meeting ("Resolution 5") relates to the granting of a general mandate which will empower the Directors of the Company to issue new Shares not exceeding 20 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of the resolution (including making and granting offers, agreements and options which would or might require Shares to be issued, allotted or disposed of) during the period up to the next annual general meeting of the Company, or at the expiration of the period within which the next annual general meeting of the Company is required by law to be held, or on revocation of Resolution 5 by an ordinary resolution of the shareholders at general meeting, whichever is the earliest.

As at the Latest Practicable Date, there were 277,564,090 Shares in issue. Therefore, subject to the passing of the proposed Resolution 5 at the 2012 Annual General Meeting and on the assumption that no additional Shares will be issued and that prior to the date of the proposed resolution, no Shares will be repurchased by the Company, the Company would be allowed under the mandate to issue a maximum of 55,512,818 Shares.

## **REPURCHASE OF SHARES**

The Company is allowed by its Memorandum of Association and Bye-laws and the applicable laws and regulations of Bermuda to repurchase its own Shares.

Resolution 6 to be proposed at the 2012 Annual General Meeting (“Resolution 6”) relates to the granting of a general mandate to the Directors of the Company to repurchase, on the Stock Exchange, the Shares up to a maximum of 10 per cent of the issued share capital of the Company as at the date of the proposed resolution (the “Repurchase Proposal”).

The Shares to be purchased by the Company are fully paid-up. As at the Latest Practicable Date, there were 277,564,090 Shares in issue. Therefore, subject to the passing of the proposed Resolution 6 at the 2012 Annual General Meeting and on the assumption that no additional Shares will be issued and that prior to the date of the proposed resolution, no Shares will be repurchased by the Company, the Company would be allowed under the mandate to repurchase a maximum of 27,756,409 Shares.

## **REASONS FOR REPURCHASE**

The Directors of the Company believe that the Repurchase Proposal is in the interests of the Company and its shareholders. Trading conditions on the Stock Exchange have sometimes been volatile in recent years and the Shares were trading at a substantial discount to their underlying net asset value. Repurchases of the Shares may enhance the Company’s net asset value per Share and earnings per Share. In these circumstances, the ability of the Company to repurchase the Shares can be beneficial to those shareholders who retain their investment in the Company since their percentage interest in the assets of the Company would increase in proportion to the number of the Shares repurchased by the Company. Furthermore, exercise of the mandate granted under the Repurchase Proposal by the Directors of the Company would increase the trading volume of the Shares on the Stock Exchange.

The Directors of the Company do not expect there to be any material adverse impact on the working capital or gearing position of the Company, as compared with the position disclosed in the latest audited financial statements of the Company for the year ended 31 March 2012, as a result of repurchases made under the Repurchase Proposal even if the mandate is exercised in full. 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 position disclosed in the latest published audited financial statements) unless the Directors of the Company consider that such purchases would be in the best interests of the Company notwithstanding such material adverse impact.

## **FUNDING OF REPURCHASES**

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association and Bye-laws and the applicable laws and regulations of Bermuda which provide that the Shares may be repurchased out of the profits of the Company and/or out of the proceeds of a fresh issue of the Shares made for this purpose and/or even out of the capital paid up on the repurchased Shares.

## **DISCLOSURE OF INTERESTS**

The Directors of the Company have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the proposed Resolution 6 in accordance with the Listing Rules and all applicable laws of Bermuda.

None of the Directors of the Company nor, to the best of their knowledge having made all reasonable enquiries, any of their associates presently intend to sell the Shares to the Company under the Repurchase Proposal in the event that the Repurchase Proposal is approved by shareholders at the 2012 Annual General Meeting.

Meanwhile, the Company has not been notified by any connected persons of the Company that they have a present intention to sell any Shares, or that they have undertaken not to sell any Shares held by them to the Company, in the event that the Repurchase Proposal is approved by shareholders at the 2012 Annual General Meeting.

If, on the exercise of the powers granted under the Repurchase Proposal, 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 32 of the Hong Kong Code on Takeovers and Mergers (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 such increase, may obtain or consolidate control of the Company and thereby obliged to make a mandatory general offer in accordance with rule 26 of the Takeovers Code.

As at the Latest Practicable Date and insofar the Directors of the Company are aware of, the substantial shareholders of the Company are as follows:

Name of Substantial Shareholder	Capacity	Number of Shares held	% of Issued Share Capital if power is exercised in full to repurchase Shares	
			at present %	Shares %
CHOW Yei Ching	Beneficial owner	166,388,359	59.95	66.61
MIYAKAWA Michiko	Beneficial owner	166,388,359	59.95	66.61

*Note:*

Under Part XV of the SFO, Ms Miyakawa Michiko, the spouse of Dr Chow, is deemed to be interested in the same parcel of 166,388,359 Shares held by Dr Chow.

In the event that the Directors of the Company shall exercise in full such powers under the Repurchase Proposal and on the basis that there is no other change in the then issued share capital of the Company, the interest of the above substantial shareholders would be increased to approximately the percentage shown in the last column above. The Directors of the Company consider that such increase would not give rise to an obligation to make a mandatory offer under rule 26 of the Takeovers Code.

The Directors will not repurchase shares if the repurchase would result in the number of the Shares which are in the hands of the public falling below 25%, being the relevant minimum prescribed percentage for the Company as required by the Stock Exchange.

## SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months prior to the Latest Practicable Date were as follows:

	Highest HK\$	Lowest HK\$
July 2011	10.36	10.10
August 2011	10.30	9.55
September 2011	10.16	7.65
October 2011	9.10	7.37
November 2011	8.64	7.85
December 2011	8.15	7.40
January 2012	8.00	7.46
February 2012	8.70	7.80
March 2012	8.65	8.30
April 2012	8.35	8.10
May 2012	8.30	7.80
June 2012	8.95	7.90
July 2012 (up to the Latest Practicable Date)	9.36	8.90

## REPURCHASE OF SHARES MADE BY THE COMPANY

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

## **EXTENSION OF SHARE ISSUE MANDATE**

Resolution 7 to be proposed at the 2012 Annual General Meeting (“Resolution 7”) relates to the extension of the 20 per cent general mandate to be granted. Subject to the passing at the 2012 Annual General Meeting of Resolution 5, Resolution 6 and Resolution 7, the Directors of the Company will be given a general mandate to add all those number of Shares which may from time to time be purchased under the Repurchase Proposal to the 20 per cent general mandate, thus, the limit of the share issue mandate would include, in addition to the 20 per cent limit as aforesaid, the number of Shares repurchased under the Repurchase Proposal.

## **2012 ANNUAL GENERAL MEETING**

The notice convening the 2012 Annual General Meeting is set out on pages 8 to 10 of this circular.

A form of proxy for use at the 2012 Annual General Meeting is being sent to the shareholders together with this circular. Whether or not you are able to attend the meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company’s Branch Share Registrar in Hong Kong, Tricor Standard Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the meeting or any adjourned meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting at the 2012 Annual General Meeting if you so wish.

## **VOTING BY POLL**

Under Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the ordinary resolutions proposed at the 2012 Annual General Meeting will also be taken by poll. A poll results announcement will be made by the Company after the 2012 Annual General Meeting in accordance with Rule 13.39(5) of the Listing Rules.

## **RECOMMENDATION**

The Directors consider that the re-election of the retiring Directors, the Share Issue Mandate, the Repurchase Proposal and the Extension of Share Issue Mandate are in the best interests of the Company and its shareholders and accordingly recommend all the shareholders to vote in favour of the relevant resolutions to be proposed at the 2012 Annual General Meeting.

Yours faithfully  
For and on behalf of the Board  
**Chevalier International Holdings Limited**  
**CHOW Yei Ching**  
*Chairman*

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## NOTICE OF 2012 ANNUAL GENERAL MEETING

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### CHEVALIER INTERNATIONAL HOLDINGS LIMITED

其士國際集團有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 25)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Shareholders of the Company will be held at 22nd Floor, Chevalier Commercial Centre, 8 Wang Hoi Road, Kowloon Bay, Hong Kong on Friday, 7 September 2012 at 10:30 a.m. for the following purposes:

#### **As Ordinary Business**

1. To receive and consider the audited financial statements and the Reports of the Directors and Auditors for the year ended 31 March 2012.
2. To declare final and special dividends.
3. To re-elect retiring Directors and authorize the Board of Directors to fix their remuneration.
4. To re-appoint Auditors and authorize the Board of Directors to fix their remuneration.

**And as Special Business**, to consider and, if thought fit, pass with or without modification the following resolutions as Ordinary Resolutions:

#### **ORDINARY RESOLUTIONS**

5. **“THAT:**
  - (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) 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) shall authorize the Directors of the Company 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;
  - (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 of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) the exercise of subscription rights under any share option scheme of the Company or (iii) an issue of shares as scrip dividends pursuant to the Bye-laws of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly; and
  - (d) for the purposes of this Resolution and Resolution 6:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

    - (i) the conclusion of the next Annual General Meeting of the Company;

\* For identification purpose only



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## NOTICE OF 2012 ANNUAL GENERAL MEETING

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- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by the Bye-laws of the Company or any applicable laws of Bermuda to be held; and
- (iii) the revocation or variation of this Resolution by an ordinary resolution of the shareholders of the Company in General Meeting.

“Rights Issue” means the allotment, issue or grant of shares pursuant to an offer (open for a period fixed by the Directors of the Company) made to shareholders or any class thereof on the Register of Members of the Company on a fixed record date pro rata to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements of having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

6. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as defined in Resolution 5(d) above) all powers of the Company to repurchase its shares in the capital of the Company, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time, be and is hereby generally and unconditionally approved; and
- (b) the aggregate nominal amount of shares to be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company on the date of this Resolution and the authority pursuant to paragraph (a) above shall be limited accordingly.”

7. **“THAT** the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to Ordinary Resolution set out in Resolution 5 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted pursuant to such general mandate the aggregate nominal amount of share in the capital of the Company, repurchased by the Company under the authority granted pursuant to Ordinary Resolution set out in Resolution 6, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of this Resolution.”

By Order of the Board  
**MUI Chin Leung**  
*Company Secretary*

Hong Kong, 30 July 2012

*Principal Place of Business:*  
22nd Floor, Chevalier Commercial Centre  
8 Wang Hoi Road  
Kowloon Bay, Hong Kong

*Registered Office:*  
Canon's Court  
22 Victoria Street  
Hamilton, HM 12  
Bermuda

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## NOTICE OF 2012 ANNUAL GENERAL MEETING

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*Notes:*

- (a) A member entitled to attend and vote at the meeting convened by this notice is entitled to appoint one or more proxies to attend and, in the event of a poll, to vote in his stead. A proxy need not be a member of the Company.
- (b) In order to be valid, a form of proxy, together with the power of attorney or other authority (if any), must be deposited at the Company's Branch Share Registrar in Hong Kong, TRICOR STANDARD LIMITED at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting.
- (c) An explanatory statement regarding the proposals of re-electing the retiring Directors of the Company, granting general mandates to issue new shares and to repurchase own shares of the Company will be despatched to the members of the Company together with this notice.
- (d) Information on the retiring Directors are set out in pages 2 to 4 to this circular which this notice forms part.