
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 a 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 Argos Enterprise (Holdings) Limited (the “Company”), you should at once hand this circular, together with the enclosed 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 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.

Argos

ARGOS ENTERPRISE (HOLDINGS) LIMITED

雅高企業（集團）有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 8022)

NOTICE OF ANNUAL GENERAL MEETING, PROPOSED GENERAL MANDATES TO ISSUE SHARES, TO REPURCHASE SHARES AND TO RE-ELECT DIRECTORS

The notice convening the annual general meeting (“AGM”) of the Company to be held at the Function Room, Kowloon Bowling Green Club, 123 Austin Road, Kowloon, Hong Kong on 27 May 2008 at 11:00 a.m. is set out on pages 11 to 14 of this circular. Shareholders of the Company are advised to read the notice and to complete and return the form of proxy for use at the AGM enclosed with this circular in accordance with the instructions printed thereon.

A form of proxy for the AGM is enclosed with this circular. Whether you are able to attend or not, please complete and return the enclosed form of proxy to the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, 46th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. The completion and delivery of a form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof in person.

This circular will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for 7 days from the date of its posting and on the website of the company at www.argosenterprise.com.

5 May 2008

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED

The Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website at www.hkgem.com in order to obtain up-to-date information on GEM-listed issuers.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquires, confirm that, to the best of their knowledge and belief:

- (i) the information contained in the circular is accurate and complete in all material respects and not misleading;
- (ii) there are no other matters the omission of which would make any statement in this circular misleading; and
- (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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DEFINITIONS

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

“2007 Annual Report”	means the audited consolidated financial statements and the reports of the Directors and auditors of the Company for the year ended 31 December 2007
“AGM”	means annual general meeting of the Company to be convened and held at the Function Room, Kowloon Bowling Green Club, 123 Austin Road, Kowloon, Hong Kong on 27 May 2008 at 11:00 a.m. and any adjournment thereof
“Articles of Association”	means the articles of association of the Company
“Associates”	has the same meaning as ascribed thereto under the GEM Listing Rules
“Board”	means the Board of Directors
“Companies Ordinance”	means the Companies Ordinance, Chapter 32 of the Laws of Hong Kong
“Company”	means Argos Enterprise (Holdings) Ltd, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on GEM
“Connected person”	has the same meaning as ascribed thereto under the GEM Listing Rules
“Director(s)”	means the directors of the Company
“GEM”	means the Growth Enterprise Market of the Stock Exchange
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC
“GEM Listing Rules”	means the Rules Governing the Listing of Securities on the GEM
“Group”	means the Company and its subsidiaries
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong
“Issue Mandate”	means the proposed general mandate to be granted to the Directors to permit the allotment and issue of new Shares equal in aggregate up to a maximum of 20% of the aggregate nominal amount of the ordinary share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate

DEFINITIONS

“Latest Practicable Date”	means 5 May 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Memorandum”	means the memorandum of association of the Company
“Notice”	means the notice convening the AGM
“PRC”	means People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Repurchase Mandate”	means the proposed general mandate to be granted to the Directors to exercise the power of the Company to repurchase Shares equal in aggregate not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company on the terms as more particularly set out in the Notice
“SFO”	means Securities and Futures Ordinances, Cap. 571 of the Laws of Hong Kong
“Share(s)”	means ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	means holder(s) of the Shares
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“Takeovers Code”	means the Code on Takeovers and Mergers
“%”	means per cent



ARGOS ENTERPRISE (HOLDINGS) LIMITED

雅高企業（集團）有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 8022)

Executive Directors:

- * Mr. Wong Wah Sang, B.H., M.B.E.
(Redesignated on 14/2/2008)
- Mr. Wong Man Chiu, Ronnie, J.P., B.Sc., M.B.A.
- Mr. Yeung Wai Hung *(Resigned on 14/2/2008)*
- Mr. Cheng Wing Hong *(Appointed on 14/2/2008)*
- Mr. Chui Wai Cheung *(Appointed on 14/2/2008)*

Non-executive Directors:

- * Mr. Wong Wah Sang, B.H., M.B.E.
(Redesignated on 14/2/2008)
- Mr. Wilkie Wong, MSc, M.B.A.

Independent Non-executive Directors

- Mr. Sung Wai Tak, Herman
- Mr. Cheung Man Yau, Timothy
- Mr. Wong Lit Chor, Alexis

* Mr. Wong Wah Sang has re-designated from Executive Directors to Non-executive Directors on 14/2/2008.

Registered Office:

Room A, 9th Floor
Fortis Bank Tower
77-79 Gloucester Road
Wanchai
Hong Kong

*Head office and principal place
of business in Hong Kong:*

Room A, 9th Floor
Fortis Bank Tower
77-79 Gloucester Road
Wanchai
Hong Kong

5 May 2008

To Shareholders

Dear Sir or Madam,

**NOTICE OF ANNUAL GENERAL MEETING,
PROPOSED GENERAL MANDATES TO ISSUE SHARES,
TO REPURCHASE SHARES AND TO RE-ELECT DIRECTORS**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM to be held at the Function Room, Kowloon Bowling Green Club, 123 Austin Road, Kowloon, Hong Kong on 27 May 2008 at 11:00 a.m. which, upon approval, would enable the Company to, among other things:

- (a) allot, issue and deal with additional Shares of the Company not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing such resolution and the Shares repurchased under the Repurchase Mandate; and

LETTER FROM THE BOARD OF DIRECTORS

- (b) repurchase shares not exceeding 10% of the aggregate nominal value of the Shares of the Company in issue as at the date of passing such resolution.

THE GENERAL MANDATES

At the annual general meeting of the Company held on 24 September 2007, general mandates were granted to the Directors to repurchase and to issue Shares. The said general mandates will expire at the conclusion of the forthcoming AGM.

The Directors will propose an ordinary resolution at the AGM to grant a new general mandate to the Directors to exercise all powers of the Company to repurchase Shares up to a maximum of 10%, equivalent to a total of 18,000,000 of shares, of the issued share capital of the Company as at the date of passing the relevant resolution.

It will also be proposed at the AGM separate ordinary resolutions granting to the Directors a new general mandate to allot, issue and deal with additional Shares not exceeding 20%, equivalent to a total of 36,000,000 shares, of the issued ordinary share capital of the Company as at the date of passing the resolution, and adding to such general mandate so granted to the Directors any additional Shares representing the aggregate nominal amount of the Shares repurchased by the Company after the granting of the general mandate to repurchase Shares up to 10% of the issued share capital of the Company as at the date of passing the relevant resolution.

The Repurchase Mandate and the Issue Mandate would continue in force until (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws of the Hong Kong or the Articles of Association of the Company to be held; or (c) until the Repurchase Mandate and/or the Issue Mandate is/are revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever is the earliest. The Company will not exercise the Repurchase Mandate to such an extent that the public float of the Shares will fall below 25% as required under the GEM Listing Rules.

An explanatory statement containing information relating to the Repurchase Mandate and as required pursuant to the GEM Listing Rules, in particular Rule 13.08, is set out in the Appendix II to this circular. This explanatory statement provides you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Articles 121 of the Company's Articles of Association, Mr. Wilkie Wong and Mr. Sung Wai Tak, Herman shall retire from office at the Annual General Meeting and being eligible, would offer themselves for re-election. Details of the retiring Directors proposed for re-election at the Annual General Meeting are set out in Appendix I of this circular.

NOTICE OF ANNUAL GENERAL MEETING

Notice of the AGM is enclosed with this circular. The procedure for demanding a poll is set out herebelow.

LETTER FROM THE BOARD OF DIRECTORS

A proxy form for appointing proxy is dispatched with this circular and published on the website of the Stock Exchange (www.hkgem.com). Whether or not you intend to attend the AGM, you are requested to complete the proxy form and return it to the branch share registrar of the Company in Hong Kong at Computershare Hong Kong Investor Services Limited, 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or the adjourned meeting (as the case may be). Completion and return of a proxy form will not preclude Shareholders from attending and voting at the meeting and at any adjournment thereof if they so wish.

PROCEDURES FOR DEMANDING A POLL

Pursuant to Article 81 of the Articles of Association of the Company, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

- (i) by the Chairman of the meeting;
- (ii) by at least three members present in person (or, in the 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;
- (iii) by any 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; or
- (iv) by any 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 up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

RECOMMENDATION

The Directors are of the opinion that the grant of the Share Issue Mandate and Share Repurchase Mandate and the re-election of directors referred to in this circular are in the best interests of the Company and the Shareholders and therefore recommend you to vote in favour of the resolutions relating to the general mandates to be proposed at the AGM.

Yours faithfully,
By Order of the Board
Argos Enterprise (Holdings) Limited
Wong Wah Sang
Chairman

APPENDIX I DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED

The following are the particulars of the Directors (as required by the GEM Listing Rules) proposed to be re-elected at the AGM to be held on 27 May 2008 at 11:00 a.m.

Mr. Wilkie Wong, *B.Sc., M.Sc., M.B.A.*, aged 35, was appointed a non-executive director of the Company on 30 December 2004. He has over 6 years of management consultancy experience gained at McKinsey & Company, a world renowned management consulting firm on advising senior executives in leading companies in Greater China. Mr. Wong is currently working as a senior manager in a private company. Mr. Wong is a director of Seabasin Limited, Argos Bus Services (China) Co. Ltd., Ringloma Ltd., Sino Market Enterprises Ltd., Argos Bus Services Co. Ltd., Ming Tak Transportation Service Co. Ltd., Moving Step Ltd., Prince Express Ltd. (BVI), Metro Line Tours Ltd., Mega Field International Ltd., Constant Success Ltd., Chinfull Investment Ltd., Bright Chance Investment Ltd and Twilight Enterprises Limited, the ultimate holding company of the Company, of which all of them are private limited companies.

Mr. Wong does not hold any directorship in any other listed company. There is no service agreement entered into between Mr. Wong and the Company in relation to his appointment so that there is no fixed term of service with the Company. Mr. Wong is subject to retirement by rotation and re-election at the next annual general meeting of the Company in accordance with the articles of association of the Company. Mr. Wong does not receive any remuneration from the Company.

Mr. Wong is the son of the former Executive Director, Mr. Wilson Wong and Madam Chiu Gee Chai, the Substantial Shareholder of the Company.

Save as disclosed above, Mr. Wong does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Mr. Sung Wai Tak, Herman, *B.A. (Hons.), L.L.B. (Hons.), L.L.M.*, aged 49, was appointed an independent non-executive director of the Company on 2 January 2001. Mr. Sung is a solicitor of the High Court of the Hong Kong Special Administrative Region and the Supreme Court of New South Wales in Australia. Mr. Sung is the director of Tak Shing (Asia) Limited, Prosper Get Investments Limited, Silver Shores Limited and is also appointed as an independent non-executive director of Ming Kei Energy Holdings Limited, a company listed on the GEM Board.

There is no service agreement entered into between Mr. Sung and the Company in relation to his appointment so that there is no fixed term of service with the Company. Mr. Sung is subject to retirement by rotation and re-election at the next annual general meeting of the Company in accordance with the articles of association of the Company. However, based on his experience, the Company provides a remuneration of HK\$50,000 to Mr. Sung on an annual basis.

Save as disclosed above, Mr. Sung does not have any relationship with any other Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company, Mr. Sung does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, the Company is not aware of any other matters in relation to Mr. Wong and Mr. Sung that are required to be disclosed pursuant to paragraphs (h) to (w) of Rule 17.50(2) of the GEM Listing Rules or any matters that need to be brought to the attention of the holders of securities of the Company in relation to re-election of Mr. Wong and Mr. Sung as Directors.

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the AGM authorizing the Repurchase Mandate.

The explanatory statement contains all the information required pursuant to Rule 13.08 of the GEM Listing Rules set out as follows:

1. EXERCISE OF THE REPURCHASE MANDATE

Assuming no Shares are issued or repurchased prior to the AGM and on the basis of 180,000,000 Shares in issue as at the Latest Practicable Date, the exercise of the Repurchase Mandate in full could result in up to 18,000,000 Shares, representing 10% of the existing issued share capital of the Company, to be repurchased by the Company during the period up to the conclusion of the next annual general meeting of the Company, the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws of Hong Kong or the Articles of Association of the Company to be held or until the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever is the earliest.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders for the Directors to have a general authority from Shareholders to enable the Company to repurchase Shares in the market. Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders. 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 earnings per Share.

3. FUNDING OF REPURCHASES

The Company is empowered by the Memorandum and the Articles of Association to purchase its Shares. In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association of the Company and the laws of Hong Kong. Such funds may include the profits available for distribution and the proceeds of a fresh issue of Shares made for the purpose of the repurchases or if authorised by the Articles of Association and subject to Hong Kong law, out of capital. Under the Companies Ordinance, the Shares so repurchased will be treated as cancelled and the amount of the Company's issued capital shall be diminished accordingly, but the aggregate amount of authorised share capital will not be reduced.

4. EFFECT OF EXERCISE OF THE REPURCHASE MANDATE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the 2007 Annual Report) in the event that the Repurchase Mandate is exercised in full. However, 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 or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. DISCLOSURE OF INTERESTS

None of the Directors and, to the best of their knowledge, having made all reasonable enquiries, none of their respective Associates, have any present intention, if the Repurchase Mandate is exercised, to sell any Shares to the Company or its subsidiaries.

No connected person has notified the Company that they have a present intention to sell Shares to the Company or have undertaken not to sell Shares to the Company if the Repurchase Mandate is exercised. In accordance with the GEM Listing Rules, the Company is prohibited from knowingly purchase Shares from a connected person in the GEM and a connected person shall not knowingly sell his Shares to the Company.

6. DIRECTORS' UNDERTAKING

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 GEM Listing Rules and the applicable laws of the Hong Kong and in accordance with the regulations set out in the Memorandum and the Articles of Association of the Company.

7. HONG KONG CODE ON TAKEOVERS AND MERGERS

If as a result of a share repurchase, 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 Takeovers 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 Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the register required to be kept under the Division 2 and 3 of Part XV of the SFO showed that the persons who were interested in, directly or indirectly, 5 per cent. or more of the nominal value of the issued share capital of the Company were as follows:

Name	Notes	Number of Shares	Percentage of issued share capital
Sino Market Enterprises Limited	1	112,284,000	62.38%
Sinoman International Limited	1	112,284,000	62.38%
Twilight Enterprises Limited	2	112,284,000	62.38%
Chiu Gee Chai	3	112,284,000	62.38%

Notes:

- These 112,284,000 shares are held by Sino Market Enterprises Limited which is beneficially owned as to 54.8 per cent. by Sinoman International Limited and as to 22.6 per cent. by Mellin Enterprises Limited and as to 22.6 percent by Mr. Yeung Wai Hung, an executive director of the Company.
- Sinoman International Limited is beneficially owned as to 100 per cent. by Twilight enterprises Limited which is beneficially owned by Mr. Wilkie Wong, a non-executive director of the Company, as to 12.5 per cent.; Mr. Wong Wai Lok, William, as to 12.5 per cent.; Ms. Wong Wai Yee, Winnie, as to 12.5 per cent.; Ms. Wong Wai Ying, Vivian, as to 12.5 per cent.; and by Madam Chiu Gee Chai, the wife of Mr. Wilson Wong, as to 50 per cent.

3. By virtue of Part XV of the SFO, Madam Chiu Gee Chai is deemed to be interested in 112,284,000 shares.

In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the total interests of the above Shareholders in Shares would be increased to:

Name of Shareholders	Percentage of shareholdings <i>(per cent.)</i>
Sino Market Enterprises Limited	70.2%
Sinoman International Limited	70.2%
Twilight Enterprises Limited	70.2%
Chiu Gee Choi	70.2%

On the basis as set out in the above, an exercise of the Repurchase Mandate in full will not result in any of the above Shareholders becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors do not propose to exercise the Repurchase Mandate to such extent as to result in the number of Shares which are in the hands of the public falling below the prescribed minimum as required by the Stock Exchange.

8. SHARE REPURCHASE MADE BY THE COMPANY

No repurchases of Shares have been made by the Company in the previous six months preceding the Latest Practicable Date, whether on GEM or otherwise.

9. SHARE PRICES

The highest and lowest price at which Shares were traded on GEM in the past 12 months up to the Latest Practicable Date were as follows:

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2007		
May	0.23	0.23
June	0.23	0.23
July	0.23	0.23
August	0.23	0.23
September	0.23	0.23
October	0.23	0.23
November	0.23	0.23
December	0.23	0.23
2008		
January	0.23	0.23
February	0.23	0.23
March	0.23	0.23
April	0.23	0.23
May (up to the Latest Practicable Date)	0.23	0.23

Note: The Shares were suspended from trading on The Stock Exchange of Hong Kong with effective from 9:34 a.m. on 26 March 2007 and will remain pending for further notice.

NOTICE OF ANNUAL GENERAL MEETING



ARGOS ENTERPRISE (HOLDINGS) LIMITED

雅高企業（集團）有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 8022)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Argos Enterprise (Holdings) Limited (the “Company”) will be held at 11:00 a.m. on 27 May 2008 at the Function Room, Kowloon Bowling Green Club, 123 Austin Road, Kowloon, Hong Kong for the following purposes:

1. to receive and consider the audited consolidated financial statements and the reports of the directors (the “Directors”) of the Company and auditors for the year ended 31 December 2007;
2. to re-elect the Directors and to authorise the Board of Directors to fix the Directors’ remuneration;
 - a) To re-elect:
 - i) Mr. Wilkie Wong as Non-Executive Director
 - ii) Mr. Sung Wai Tak, Herman as Independent Non-Executive Director
 - b) To authorize the Board of Directors to fix the remuneration of Directors
3. to re-appoint the auditors of the Company and to authorise the Board of Directors to fix their remuneration;
4. to consider as special business and, if thought fit, passing the following resolutions (the “Resolution(s)”) as ordinary resolutions:
 - A. **“THAT:**
 - (a) subject to paragraph (c) of this Resolution, pursuant to the Rules (the “GEM Listing Rules”) Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) operated by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the Directors during the Relevant Period (as herein defined) of all the powers of the Company to allot, issue and deal with unissued shares (each a “Share”) of HK\$0.01 each in the share capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above 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;
- (c) the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as herein defined); or
 - (ii) the exercise of any options granted under the share option scheme of the Company; or
 - (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or
 - (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution; and
 - (bb) (if the Directors are so authorised by a separate ordinary Resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of that Resolution), and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly; and
- (d) for the purposes of this Resolution:

“Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earliest 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 laws to be held; and

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the passing of an ordinary Resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution;

“**Rights Issue**” means an offer of Shares, or offer of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

B. “THAT:

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as herein defined) of all powers of the Company to repurchase the Shares on the Stock Exchange or any other stock exchange on which the Shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the GEM Listing Rules and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly; and
- (c) for the purposes of this Resolution, “**Relevant Period**” means the period from the date of the passing of this Resolution until whichever is the earliest 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 laws to be held; and
 - (iii) the passing of an ordinary Resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution.”

NOTICE OF ANNUAL GENERAL MEETING

- C. “**THAT** the Directors be and they are hereby authorised to exercise the authority referred to in paragraph (a) of Resolution no. 4A above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such Resolution.”.

By order of the Board
Cheng Wing Hong, Chris
Company Secretary

Hong Kong, 5 May 2008

Notes:

1. A member of the Company may appoint more than one proxy to represent him and vote on his behalf. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be lodged with the Company’s Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, 46/F, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not less than 48 hours before the time appointed for holding the meeting (or the adjourned meeting, as the case may be).
3. An explanatory statement containing further details regarding Resolution No. 4 above will be sent to shareholders shortly.
4. A form of proxy for use at the meeting is enclosed.