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If you have sold all your shares in CASIL Telecommunications Holdings Limited, you should at once hand this document and the accompanying 2007 Annual Report and form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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



CASIL TELECOMMUNICATIONS HOLDINGS LIMITED

(航天科技通信有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1185)

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of CASIL Telecommunications Holdings Limited to be held at Hall 1B, G/F., No.1 Science Park East Avenue, Hong Kong Science Park, Shatin, New Territories, Hong Kong on Thursday, 15 May 2008 at 11:00 a.m. is set out on pages 12 to 15 of this document.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's Principal Place of Business in Hong Kong at Suite 4701, 47th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting. Completion of a form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjourned meeting in person if you so wish.

* the Chinese name of the Company is for reference only

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held on 15 May 2008 at 11:00 a.m. the notice of which is set out on pages 12 to 15 of this document;
“Astrotech”	Astrotech Group Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of CALT;
“Board” or “Directors”	the board of Directors of the Company, or where the context so admits, the directors of the Company;
“CALT”	中國運載火箭技術研究院 (China Academy of Launch Vehicle Technology), a legal entity established in the PRC and wholly-owned by CASC;
“CASC”	中國航天科技集團公司 (China Aerospace Science and Technology Corporation), a state-owned enterprise established in the PRC and the ultimate controlling Shareholder of the Company;
“Company”	CASIL Telecommunications Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the Stock Exchange;
“Group”	the Company and its subsidiaries;
“Latest Practicable Date”	27 March 2008, being the latest practicable date prior to the printing of this document for ascertaining certain information referred to this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Registrar”	the Company’s share registrar in Hong Kong, Tricor Standard Limited, Share Registration Public Office, 26/F., Tesbury Centre, 28 Queen’s Road East, Hong Kong;
“Repurchase Mandate”	a general and unconditional mandate to exercise all powers of the Company to repurchase Shares during the period as set out in the Repurchase Resolution up to a maximum of 10% of the issued share capital of the Company at the date of the Repurchase Resolution;
“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution number 5 of the notice of Annual General Meeting;

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company;
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange;
“Shareholders”	holders of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“%”	per cent.

LETTER FROM THE BOARD



CASIL TELECOMMUNICATIONS HOLDINGS LIMITED
(航天科技通信有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1185)

Executive Directors

Mr. Han Shuwang (*Chairman*)
Mr. Wang Xiaodong
Mr. Li Guang

Non-executive Director

Tang Guohong

Independent Non-executive Directors

Mr. Wang Dechen
Ms. Kan Lai Kuen, Alice
Mr. Gordon Ng

Registered Office

Ugland House
South Church Street
P.O. Box 309, George Town
Grand Cayman
Cayman Islands
British West Indies

*Principal Place of Business in
Hong Kong*

Suite 4701, 47th Floor
Central Plaza
18 Harbour Road
Wanchai
Hong Kong

28 March 2008

To Shareholders of the Company

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

It is proposed that at the Annual General Meeting of CASIL Telecommunications Holdings Limited to be held on Thursday, 15 May 2008, the notice of which is set out on pages 12 to 15 of this document, ordinary resolutions will be proposed to grant the Directors general mandates to issue and repurchase shares of HK\$0.10 each in the capital of the Company and the re-election of directors.

* *the Chinese name of the Company is for reference only*

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlements of Shareholders to vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 13 May 2008 to Thursday, 15 May 2008 (both days inclusive).

In order to attend and vote at the forthcoming Annual General Meeting, Shareholders must lodge any transfers of Shares (with the relevant share certificates) with the Company's Registrar in Hong Kong, Share Registration Public Office of Tricor Standard Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong for registration by no later than 4:00 p.m. on Friday, 9 May 2008.

GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed that the Directors be given the Repurchase Mandate to repurchase Shares as at the date of the Repurchase Resolution.

The Repurchase Mandate would continue in force until the conclusion of the next annual general meeting of the Company unless it is renewed at such meeting or until revoked or varied by ordinary resolution of the shareholders in general meeting prior to the next annual general meeting.

An explanatory statement to provide you with all the information reasonably necessary for you to make an informed decision in relation to this proposed resolution as required by the Listing Rules concerning the Repurchase Mandate to be given to you is set out in Appendix I to this document.

GENERAL MANDATE TO ISSUE SHARES

At the Annual General Meeting, an ordinary resolution will also be proposed that the Directors be given a general and unconditional mandate to issue 724,799,133 Shares representing up to 20% of the aggregate nominal amount of the share capital of the Company in issue as at the Latest Practicable Date. In addition, a resolution will be proposed to be passed to authorize the Directors to issue, allot and deal with Shares in an amount equal to the aggregate issued share capital purchased under the Repurchase Mandate.

RE-ELECTION OF DIRECTORS

Details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this document.

ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting, which contains, inter alia, ordinary resolutions to approve the general mandate for Directors to issue new Shares and the Repurchase Mandate, is set out on pages 12 to 15 of this document. Shareholders are advised to read the notice and to complete and return the accompanying form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon.

LETTER FROM THE BOARD

PROCEDURES FOR DEMANDING A POLL

Pursuant to Article 80 of the Articles of Association of the Company, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (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 duly demanded. A poll may be demanded by:

- (i) the chairman of the meeting; or
- (ii) at least five members present in person or by proxy and entitled to vote; or
- (iii) any member or members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or
- (iv) any member or members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

Pursuant to Article 85 of the Articles of Association of the Company, at any general meeting on a show of hands every member who is present in person or by proxy (or, in the case of a member being a corporation by its duly authorised representative) shall have one vote, and on a poll every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy shall have one vote for each share registered in his name in the register. On a poll a member entitled to more than one vote is under no obligation to cast all his votes in the same way.

RECOMMENDATION

The Directors consider that the granting of the mandates to issue new Shares and to repurchase Shares and the re-election of the retiring directors are all in the best interest of the Company and its shareholders and so recommend you to vote in favour of the resolutions at the Annual General Meeting.

Yours faithfully
For and on behalf of the Board of
CASIL Telecommunications Holdings Limited
Han Shuwang
Chairman

This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the Repurchase Resolution.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 3,623,995,668 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares will be issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 362,399,566 Shares representing not more than 10% of the issued share capital of the Company as at the Latest Practicable Date.

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its shareholders. Such repurchases may, depending on 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 of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the Listing Rules and the law of the Cayman Islands. The law of the Cayman Islands provides that the amount to be repaid in connection with a share repurchase may be paid from the profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the repurchase or out of capital, if the Company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business.

There might be an 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 annual report for the year ended 31 December 2007 in the event the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such 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.

4. SHARE PRICES

During the 12 months preceding the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2007		
April	0.83	0.53
May	1.66	0.70
June	1.72	1.21
July	1.35	1.00
August	1.36	0.61
September	1.64	0.98
October	1.39	0.84
November	1.01	0.60
December	0.79	0.57
2008		
January	1.02	0.66
February	0.82	0.67
March (up to the Latest Practicable Date)	0.79	0.59

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Resolution and in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if such is approved by the shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event the Repurchase Mandate is approved by the shareholders.

6. TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, 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, Astrotech Group Limited (“Astrotech”) is interested in 2,649,244,000 Shares (representing approximately 73.10% of the total issued share capital of the Company as at the Latest Practicable Date). In the event the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, then (if the present shareholdings remains the same) the attributable interests of Astrotech would be increased to approximately 81.23% of the issued share capital of the Company. The Directors believe that such an increase will not give rise to an obligation of Astrotech to make a mandatory offer under Rule 26 of the Takeovers Code but would reduce the Shares held by the public to less than 25%. The Directors have no present intention to exercise the power to repurchase Shares pursuant to the Repurchase Mandate to such an extent as to result in the number of Shares held by the public falling below 25%.

Save as disclosed above, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any purchase made under the Repurchase Mandate.

7. SHARE REPURCHASES MADE BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

The particulars of the directors proposed to be re-elected at the Annual General Meeting to be held on 15 May 2008 are as follows:

(1) **Mr. Li Guang**, Executive Director

Mr. Li Guang, senior engineer, aged 44, graduated from Tianjin University with Master's degree in Industrial Automation. He has been the Designer with the 14th Institute of CALT between 1991 and 1996, Division Chief of Development Division, and General Manager of Beijing Long March Hi-tech Corporation from 1996 to 2005. He has acted as Deputy Manager of Beijing Wan Yuan Industry Corporation since 1998. Mr. Li exhibits excellent experience in scientific research, product development and business administration. He was appointed as an Executive Director and a Deputy General Manager of the Company on 14 February 2006.

Mr. Li has not entered into a written service agreement with the Company and with no specified length of his service but subject to the requirements in the Articles of Association of the Company in relation to resignation, re-election and rotation in the subsequent Annual General Meetings. He is entitled to an annual remuneration of HK\$700,000 (which includes his basic salary but excludes any discretionary bonus which the Company may decide to pay).

Mr. Li does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO. He is not connected with any other directors, senior management, substantial or controlling shareholders of the Company. He has not held directorship or major appointment in any other listed public companies in the past three years.

(2) **Mr. Wang Dechen**, member of Audit Committee, member of Development and Investment Committee and Independent Non-executive Director

Mr. Wang Dechen, aged 68, was graduated with bachelor degree from Harbin Institute of Military Technology (formerly Chinese People's Liberation Army Military Engineering Institute), committee member of the 10th Chinese People's Political Consultative Congress. He served as the Assistant Director, Director, Deputy Dean, Vice President, Deputy Secretary to the Party Committee of Nanjing Eastern China Engineering College between 1966 and 1985. He acted as Secretary of Education of the Ministry of China Weapon Industry Ministry's National Mechanical Committee in 1985. He served as Deputy General Manager of China North Industries Group in 1988 to 1990 and of China Weapon Industry Corp. in 1990 to 1996. He served as General Manager and Secretary to the Party Secretary of China South Industries Group Corp. from July 1999. From December 2003 onwards, he acted as the Senior Consultant thereof. From July 2004, he was an Independent Director of Aisino Co., Ltd., a company listed on the Shanghai Stock Exchange. With rich experience in strategic management and corporate restructuring, Mr. Wang is the senior expert in Chinese advanced equipment manufacturing industry and automotive industry. Also, Mr. Wang is an active advocate and experienced expert in China environmental protection and clean energy field.

Mr. Wang has not entered into a written service agreement with the Company and is appointed for a tenure of 3 years but is subject to the provisions of retirement and rotation of directors under the Articles of Association of the Company. He is entitled to receive an annual director fee of HK\$100,000.

Mr. Wang does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO. He is not connected with any other directors, senior management, substantial or controlling shareholders of the Company. He has not held directorship or major appointment in any other listed public companies in the past three years except being the independent director of Aisino Co., Ltd.

- (3) **Ms. Kan Lai Kuen, Alice**, Chairman of Audit Committee, member of Remuneration Committee and Independent Non-executive Director

Ms. Kan Lai Kuen, Alice, aged 53, is a fellow member of The Association of Chartered Certified Accountants, a fellow member of the CPA Australia and an associate member of The Hong Kong Institute of Certified Public Accountants. She is also a fellow member of the Hong Kong Institute of Directors. She has over 15 years of experience in corporate finance and is well experienced in both the equity and debt markets. She held various senior positions in international and local banks and financial institutions and is currently a controlling shareholder and the managing director of each of Asia Investment Management Limited and Asia Investment Research Limited, both companies are licensed corporations under the SFO. Ms. Kan is a licensed investment adviser under the SFO and a registered officer of Lotus Asset Management Ltd. Ms. Kan is also an independent non-executive director of each of Regal Hotels International Holdings Limited (from September 2004), G-Vision International (Holdings) Limited (from September 2004), Sunway International Holdings Limited (from March 2006), Shimao Property Holdings Limited (from March 2006), Shougang Concord International Enterprises Company Limited (from September 2004) and Shougang Concord Technology Holdings Limited (from September 2004), all of which are companies listed on the Hong Kong Stock Exchange.

Ms. Kan has not entered into a written service agreement with the Company and is appointed for a tenure of 3 years but is subject to the provisions of retirement and rotation of directors under the Articles of Association of the Company. She is entitled to receive an annual director fee of HK\$100,000.

Ms. Kan does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO. She is not connected with any other directors, senior management, substantial or controlling shareholders of the Company. She has not held directorship or major appointment in any other listed public companies in the past three years except those mentioned above.

- (4) **Mr. Gordon Ng**, member of Audit Committee, member of Remuneration Committee and Independent Non-executive Director

Mr. Gordon Ng, aged 43, obtained his Bachelor's degree in Microbiology and Biochemistry and Master's degree in Intellectual Property from University of London. He was qualified as a solicitor in England and Wales in 1993 and Hong Kong in 1994. He has been a partner of an international law firm advising clients on corporate law and corporate finance law since 2006. Prior to that, he had been a partner of Sidley Austin Brown & Wood, Hong Kong and CMS Cameron Mckenna, Hong Kong.

Mr. Ng has not entered into a written service agreement with the Company and is appointed for a tenure of 3 years but is subject to the provisions of retirement and rotation of directors under the Articles of Association of the Company. He is entitled to receive an annual director fee of HK\$100,000.

Mr. Ng does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO. He is not connected with any other directors, senior management, substantial or controlling shareholders of the Company. He has not held directorship or major appointment in any other listed public companies in the past three years.

In relation to the above re-election of retiring directors, save as disclosed above, there is no other information required to be disclosed pursuant to the Rule 13.51(2) of the Listing Rules, and there is no other matter which needs to be brought to the attention of Shareholders of the Company.

NOTICE OF ANNUAL GENERAL MEETING



CASIL TELECOMMUNICATIONS HOLDINGS LIMITED

(航天科技通信有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1185)

NOTICE IS HEREBY GIVEN that an Annual General Meeting of CASIL Telecommunications Holdings Limited (the “Company”) will be held on Thursday, 15 May 2008 at 11:00 a.m. at Hall 1B, G/F., No.1 Science Park East Avenue, Hong Kong Science Park, Shatin, New Territories, Hong Kong for the following purposes:

1. To receive and adopt the audited financial statements of the Company and the reports of the directors and the auditor of the Company for the year ended 31 December 2007.
2. To consider the re-election of the retiring directors and to authorise the board of directors to fix the directors’ remuneration.
3. To consider the re-appointment of Messrs. Deloitte Touche Tohmatsu as the auditor of the Company and to authorise the board of directors to fix their remuneration.

To consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

4. **“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, including warrants to subscribe for shares, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options, including warrants to subscribe for shares, 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) above, otherwise

* the Chinese name of the Company is for reference only

NOTICE OF ANNUAL GENERAL MEETING

than pursuant to a Rights Issue (as hereinafter defined) or any issue of shares of the Company on the exercise of subscription rights attaching to any warrants of the Company or on the exercise of any options granted under the share option scheme of the Company or on the exercise of the conversion rights attaching to any convertible notes of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing 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 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 applicable law or the Articles of Association of the Company to be held; and
- (iii) the passing of an ordinary resolution of the Company in general meeting revoking or varying the authority set out in this resolution;

“Right Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares whose names appear on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company 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 recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

5. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase issued shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares which are authorised to be repurchased by the directors of 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 share capital of the Company in issue as at the date of passing this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purpose of this resolution:

“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;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles of Association of the Company to be held; and
- (iii) the passing of an ordinary resolution of the Company in the general meeting revoking or varying the authority set out in this resolution.”

6. **“THAT** conditional on the passing of the resolution no. 5 set out in the notice convening this meeting of which this resolution forms part, the general mandate granted to the directors of the Company to allot, issue and deal with new shares pursuant to the resolution no. 4 set out in the notice convening this meeting of which this resolution forms part be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the resolution no. 5 set out in the notice convening this meeting of which this resolution forms part, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution.”

By Order of the Board
Au-Yeung Keung, Steve
Secretary

Hong Kong, 28 March 2008

Notes:

1. Any member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority must be deposited at the Company’s Principal Place of Business in Hong Kong at Suite 4701, 47th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting.

NOTICE OF ANNUAL GENERAL MEETING

3. The register of Members of the Company will be closed from Tuesday, 13 May 2008 to Thursday, 15 May 2008 (both days inclusive) during which no share transfer will be registered. In order to qualify for voting at the annual general meeting to be held on Thursday, 15 May 2008, all share certificates with completed transfer forms must be lodged with the Company's Registrar in Hong Kong, Share Registration Public Office of Tricor Standard Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:00 p.m. on Friday, 9 May 2008.