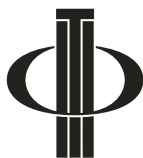


**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in CITIC Pacific Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the 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.



CITIC PACIFIC

**CITIC Pacific Limited**

**中信泰富有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 267)**

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE SHARES AND  
TO REPURCHASE SHARES,  
RE-ELECTION OF DIRECTORS AND  
INCREASE IN DIRECTORS' FEES OF NON-EXECUTIVE DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of CITIC Pacific Limited to be held at Island Ballroom, Level 5, Island Shangri-La Hotel, Two Pacific Place, Supreme Court Road, Hong Kong on Thursday, 8 May 2008 at 10:30 a.m. is set out on pages 12 to 15 of this circular.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the registered office of CITIC Pacific Limited at 32nd Floor, CITIC Tower, 1 Tim Mei Avenue, Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting should you so wish.

14 April 2008

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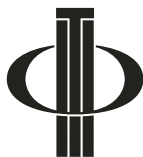
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## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Island Ballroom, Level 5, Island Shangri-La Hotel, Two Pacific Place, Supreme Court Road, Hong Kong on Thursday, 8 May 2008 at 10:30 a.m., the Notice of which is set out in Appendix III to this circular or, where the context so admits, any adjournment thereof
“CITIC Pacific” or “Company”	CITIC Pacific Limited
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Directors”	directors of the Company
“HK\$”	Hong Kong dollars
“Latest Practicable Date”	7 April 2008, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Notice”	the notice convening the Annual General Meeting
“Share(s)”	share(s) of HK\$0.40 each in the share capital of the Company
“Shareholders”	holders of Shares in the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE CHAIRMAN



CITIC PACIFIC

**CITIC Pacific Limited**

**中信泰富有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 267)**

*Directors:*

Larry Yung Chi Kin (*Chairman*)  
Henry Fan Hung Ling (*Managing Director*)  
Peter Lee Chung Hing (*Deputy Managing Director*)  
Carl Yung Ming Jie (*Deputy Managing Director*)  
Leslie Chang Li Hsien (*Deputy Managing Director*)  
Vernon Francis Moore (*Executive Director*)  
Li Shilin (*Executive Director*)  
Liu Jifu (*Executive Director*)  
Chau Chi Yin (*Executive Director*)  
Milton Law Ming To (*Executive Director*)  
Wang Ande (*Executive Director*)  
Kwok Man Leung (*Executive Director*)  
Willie Chang\*  
Hamilton Ho Hau Hay\*\*  
Alexander Reid Hamilton\*\*  
Hansen Loh Chung Hon\*\*  
Norman Ho Hau Chong\*\*  
André Desmarais\*  
Chang Zhenming\*  
Peter Kruyt#

*Registered Office:*

32nd Floor  
CITIC Tower  
1 Tim Mei Avenue  
Central  
Hong Kong

\* *Non-executive Director*

\*\* *Independent Non-executive Director*

# *Alternate Director to André Desmarais*

14 April 2008

*To the Shareholders,*

Dear Sir or Madam,

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE SHARES AND  
TO REPURCHASE SHARES,  
RE-ELECTION OF DIRECTORS AND  
INCREASE IN DIRECTORS' FEES OF NON-EXECUTIVE DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with the Notice and the information in connection with the proposals at the Annual General Meeting to (i) grant the general mandates to issue Shares and to repurchase Shares, (ii) re-elect the retiring Directors and (iii) increase the directors' fees of Non-executive Directors of the Company.

## LETTER FROM THE CHAIRMAN

### **2. PROPOSED GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES**

At the annual general meeting of the Company held on 16 May 2007, ordinary resolutions were passed giving general mandates to the Directors (i) to allot, issue and dispose of additional Shares not exceeding twenty per cent of the aggregate nominal amount of the issued share capital of the Company as at 16 May 2007 and to extend the general mandate to allot Shares by adding repurchased securities to the twenty per cent general mandate; and (ii) to purchase or otherwise acquire Shares of the Company on the Stock Exchange not exceeding ten per cent of the aggregate nominal amount of the issued share capital of the Company as at 16 May 2007.

The purpose of the general mandates was to enable the Directors to issue additional Shares and to repurchase Shares should the need arise. The Directors have no present intention to exercise the general mandates to issue Shares and to repurchase Shares of the Company.

Under the terms of the Companies Ordinance and the Listing Rules, these general mandates will lapse upon the conclusion of the forthcoming Annual General Meeting of the Company to be held on 8 May 2008, unless renewed at that meeting. These general mandates will continue in force during the period from the passing of the resolutions at the Annual General Meeting until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting of the Company is required by law to be held or until these general mandates are revoked or varied by ordinary resolutions of the Shareholders in general meeting, whichever is the earlier. To keep in line with current corporate practice, resolutions will be proposed to renew these mandates and the explanatory statement and memorandum regarding the repurchase resolution as required under the Listing Rules is set out in Appendix I to this circular.

### **3. PROPOSED RE-ELECTION OF DIRECTORS**

In accordance with Article 95 of the Articles of Association of the Company, Mr. Kwok Man Leung is a Director appointed by the Board since the last annual general meeting who shall hold office only until the forthcoming Annual General Meeting and shall be eligible for re-election. In accordance with Article 104(A) of the Articles of Association of the Company, Messrs. Henry Fan Hung Ling, Carl Yung Ming Jie, Leslie Chang Li Hsien, Li Shilin, Hamilton Ho Hau Hay and André Desmarais shall retire by rotation in the Annual General Meeting and, all being eligible, shall offer themselves for re-election. Details of the Directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

## LETTER FROM THE CHAIRMAN

#### 4. PROPOSED INCREASE IN DIRECTORS' FEES OF NON-EXECUTIVE DIRECTORS

At the 2004 annual general meeting, shareholders resolved that the director's fee of each Director of the Company be fixed at HK\$150,000 per annum. In view of the increasing part the Non-executive Directors play in good governance of the Company, an ordinary resolution will be proposed to increase the director's fee of each of the Non-executive Directors of the Company from HK\$150,000 per annum to HK\$200,000 per annum.

#### 5. ANNUAL GENERAL MEETING

The Notice is set out in Appendix III to this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the general mandates to issue Shares and to repurchase Shares, the re-election of Directors and the increase in directors' fees of Non-executive Directors of the Company.

Pursuant to Article 75 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 a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the Chairman of the meeting; or
- (ii) by at least three members present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any member or members present in person 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 a member or members present in person 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.

The results of the poll will be published on the websites of the Company and the Stock Exchange on the day of the above meeting.

A proxy form for use at the Annual General Meeting is enclosed. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's registered office at 32nd Floor, CITIC Tower, 1 Tim Mei Avenue, Central, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the meeting. Completion and return of the proxy form will not preclude Shareholders from attending and voting at the Annual General Meeting if they so wish.

## LETTER FROM THE CHAIRMAN

### 6. RECOMMENDATION

The Directors believe that the ordinary resolutions to be proposed at the Annual General Meeting regarding the general mandates to issue Shares and to repurchase Shares, the re-election of Directors and the increase in the directors' fees of the Non-executive Directors are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders shall vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
**Larry Yung Chi Kin**  
*Chairman*

This is an explanatory statement and memorandum of the terms of the proposed repurchases given to the Shareholders relating to a resolution to approve the Company repurchasing its own Shares (“Buyback Mandate”) to be proposed at the Annual General Meeting.

This explanatory statement contains the information required under rule 10.06(1)(b) of the Listing Rules. Its purpose is to provide Shareholders with all the information reasonably necessary for them to make an informed decision as to whether or not to vote in favour of the resolution approving the Buyback Mandate and it also forms the memorandum of the terms of the proposed repurchases given under Section 49BA(3)(b) of the Companies Ordinance.

**i. SHARE CAPITAL**

As at 7 April 2008, the Latest Practicable Date, the issued share capital of the Company was 2,196,966,160 Shares.

Subject to the passing of the resolution approving the Buyback Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Buyback Mandate to repurchase a maximum of 219,696,616 Shares, representing 10% of the issued share capital of the Company.

**ii. SHAREHOLDER APPROVAL/TRADING RESTRICTIONS**

The Listing Rules provide that all proposed repurchases of securities by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by a specific approval of a particular transaction.

**iii. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from Shareholders to enable the Directors to repurchase the Shares of the Company on the market.

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of the net assets and/or earnings and/or dividend per share.

## iv. FUNDING OF REPURCHASES

Repurchases must be funded out of the funds legally available for the purpose in accordance with the Company's constitutive documents, including memorandum and articles of association, and Hong Kong laws, being profits available for distribution and the proceeds of a fresh issue of shares made for the purpose of the repurchases. It is envisaged that the funds required for any repurchase would be derived from profits available for distribution.

The Directors do not propose to exercise the Buyback 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. However, 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 as at 31 December 2007) in the event that the Buyback Mandate was exercised in full.

## v. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the 12 months preceding the Latest Practicable Date, from 1 April 2007 to 31 March 2008 and from 1 April 2008 to the Latest Practicable Date, were as follows:

		Shares	
		Highest	Lowest
		HK\$	HK\$
2007	April	31.70	28.60
	May	33.40	29.50
	June	39.50	32.60
	July	43.70	38.45
	August	42.95	29.15
	September	50.40	41.00
	October	51.70	45.00
	November	49.70	37.30
	December	47.85	39.35
2008	January	44.10	32.25
	February	43.50	37.90
	March	42.00	31.30
	1 April to 7 April	35.80	32.65

**vi. GENERAL**

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

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases pursuant to the Buyback Mandate in accordance with the Listing Rules and the laws of Hong Kong.

If as the result of a repurchase of Shares a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for purposes of the Hong Kong Code on Takeovers and Mergers and Share Repurchases ("Takeovers Code"). As a result, a shareholder, or group of shareholders acting in concert depending on the level of increase of shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. CITIC Hong Kong (Holdings) Limited ("CITIC HK") together with its directors as parties acting in concert held more than 30% but less than 50% of the issued share capital of the Company during 2007. In January 2008, their aggregate shareholding increased and exceeded 50%. CITIC HK has obtained a ruling from Securities and Futures Commission on 5 December 2001 that before the expiry of a full 12-month period from the date when the aggregate holding of CITIC HK and its concert parties exceed 50%, they are subject to a 2% creeper limit as provided under Rule 26.1 of the Takeovers Code. In the event of full exercise of the Buyback Mandate and the maintenance by CITIC HK and its concert parties of their present shareholding, the percentage of the issued share capital of the Company held by CITIC HK and parties acting in concert would increase from 50.4% as at the Latest Practicable Date by more than 5.6%. If such increase is made before expiry of the aforesaid 12-month period from the date when the aggregate holding of CITIC HK and its concert parties exceed 50%, an obligation to make a general offer to Shareholders under Rules 26 and 32 of the Takeovers Code may accordingly arise. The Directors have no present intention to exercise the Buyback Mandate to such an extent as would result in such takeover obligation arising. CITIC HK is a wholly owned subsidiary of CITIC Group and thus both CITIC HK and CITIC Group are substantial shareholders of the Company. Save as disclosed, the Directors are not aware of any shareholder or group of shareholders acting in concert who will become obliged to make a mandatory offer as a result of a repurchase of Shares.

Details of repurchase of shares made by the Company in the previous six months (the repurchase was made on the Stock Exchange) were as follows:–

<b>Date</b>	<b>Number of Shares Repurchased</b>	<b>Price Per Share or Highest Price Paid</b> <i>HK\$</i>	<b>Lowest Price Paid</b> <i>HK\$</i>
23 November 2007	2,813,000	39.35	38.25
17 January 2008	2,000,000	36.90	35.35
18 January 2008	3,706,000	37.90	36.15
21 January 2008	2,245,000	36.75	35.20
22 January 2008	7,533,000	34.70	32.25

The Listing Rules prohibit the Company from knowingly repurchasing Shares of the Company on the Stock Exchange from a “connected person” (as defined in the Listing Rules) and a connected person is prohibited from knowingly selling his/her Shares to the Company.

No connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Company is authorised to make repurchases of Shares.

The following Directors are subject to retirement by rotation and re-election in accordance with the Company's Articles of Association. The interests in the securities of the Company of the retiring Directors (except for Mr. Kwok Man Leung) are provided in the section "Directors' Report" in the 2007 Annual Report and the 2007 Summary Financial Report. The emoluments of the retiring Directors (except for Mr. Kwok Man Leung) are set out in Note 11 to the accounts contained in the 2007 Annual Report and Note 3 to the summary financial statements contained in the 2007 Summary Financial Report. In general, the emoluments paid to the Directors are determined with reference to the market terms and their duties and responsibilities within the Group. All the retiring directors are not appointed for a specific term but are subject to retirement by rotation at least once every three years pursuant to the Company's Articles of Association. In relation to the re-election of the following Directors, there is no information to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

\* **Henry Fan Hung Ling**, aged 59, a Director since 1990 and became the Managing Director of the Company since 1992. Mr. Fan is a Deputy Chairman of Cathay Pacific Airways Limited ("Cathay") and a Deputy Managing Director of CITIC Hong Kong (Holdings) Limited ("CITIC HK"). He is a non-official member of the Executive Council of the Hong Kong Special Administrative Region, the Chairman of the Mandatory Provident Fund Schemes Authority and a non-executive director of Hong Kong Exchanges and Clearing Limited. Before joining CITIC HK in 1987, Mr. Fan held senior management positions with a number of corporations and also practised law as a barrister. CITIC HK is a wholly owned subsidiary of CITIC Group, a substantial shareholder of the Company. Save as disclosed herein, he has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.

\* **Carl Yung Ming Jie**, aged 39, a Director since 2000, is the Chairman of Shanghai CITIC Square Co., Ltd. and Shanghai New Westgate Garden Property Co., Ltd. He is also an Independent Non-executive Director of China CSSC Holdings Limited, a director of CITIC Pacific China Holdings Limited and other Group companies concerned with property, infrastructure and special steel projects in the PRC. He was previously a director of Cathay. He joined CITIC Pacific in 1993. He is the son of Mr. Larry Yung Chi Kin who is the Chairman of the Company and the brother of Miss Frances Yung Ming Fong who is the director of Group Finance of the Company. He also holds directorship in several subsidiaries of CITIC HK. Apart from this, he has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.

\* **Leslie Chang Li Hsien**, aged 53, a Director since 2005, is a director of CITIC HK, CITIC Guoan Co., Ltd. ("CITIC Guoan"), Hong Kong Transport, Logistics and Management Company Limited, Western Harbour Tunnel Company Limited, CITIC Capital Holdings Limited, CITIC Pacific Mining Management Pty Ltd, Hong Kong Resort Company Limited and other Group companies concerned with financial sector and infrastructure projects. He is also an alternate director to Mr. Henry Fan Hung Ling in Cathay. Before joining CITIC Pacific in 1994, he was a partner at KPMG specializing in the financial services industry and the director of the firm's Chinese Practice in the United States. Save as

disclosed herein, he has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.

\* **Li Shilin**, aged 58, a Director since 2000, is an Executive Director and a Vice President of CITIC Group. He is also the Chairman of CITIC Guoan Group, CITIC Guoan Information Industry Co., Ltd. and CITIC Offshore Helicopter Co., Ltd. Save as disclosed herein, he has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.

# **Hamilton Ho Hau Hay**, aged 57, a Director since 1992, is a Non-executive Director of Dah Chong Hong Holdings Limited (“DCH Holdings”) and King Fook Holdings Limited. He has been a Non-executive Director of New World Development Company Limited since August 2004 and was designated as an Independent Non-executive Director in November 2007. Mr. Ho is also an Executive Director of Honorway Investments Limited and Tak Hung (Holding) Company Limited. He is the brother of Mr. Norman Ho Hau Chong who is a director of the Company. Apart from this, he has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.

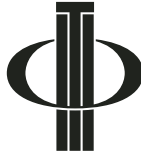
\*\* **André Desmarais**, aged 51, a Director since 1997, is the President and Co-Chief Executive Officer of Power Corporation of Canada. He is also Deputy Chairman and a director of Power Financial Corporation as well as a director of Great-West Lifeco Inc., IGM Financial Inc. and Pargesa Holdings S.A. Formerly, he was a director of Bombardier Inc. and Groupe Bruxelles Lambert. He is a Senior Advisor to the International Advisory Council of China Association for the Promotion of Industrial Development. He is an Officer of the Order of Canada. Save as disclosed herein, he has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.

\* **Kwok Man Leung**, aged 39, a Director with effect from 1 April 2008, is a Non-executive Director of CITIC 1616 Holdings Limited and DCH Holdings, both being subsidiaries of the Company with their shares listed on the Stock Exchange of Hong Kong Limited. He is also a director of Adaltis Inc. (a Canadian listed company), CITIC Guoan, New Hong Kong Tunnel Company Limited and other group companies concerned with special steel and environmental projects. He joined the Company in 1993 after experience in sales and business development with a major Hong Kong listed company. Mr. Kwok has no relationships with any directors, senior management or substantial or controlling shareholders of the Company. He obtained a Master degree in Business Administration (EMBA) from the Chinese University of Hong Kong. He is a Chartered Financial Analyst. As at the Latest Practicable Date, he is interested in 600,000 share options of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Kwok is entitled to receive a monthly salary of HK\$103,500 plus discretionary bonus that is subject to the performance of the Company and the individual.

\* *Executive Director*

\*\* *Non-Executive Director*

# *Independent Non-Executive Director*



CITIC PACIFIC

**CITIC Pacific Limited****中信泰富有限公司***(Incorporated in Hong Kong with limited liability)***(Stock Code: 267)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Company will be held at Island Ballroom, Level 5, Island Shangri-La Hotel, Two Pacific Place, Supreme Court Road, Hong Kong on Thursday, 8 May 2008 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited accounts and the Reports of the Directors and the Auditors for the year ended 31 December 2007.
2. To declare a final dividend for the year ended 31 December 2007.
3. To re-elect retiring Directors.
4. To re-appoint Auditors and authorise the Board of Directors to fix their remuneration.
5. To consider as Special Business and, if thought fit, pass the following resolution as an Ordinary Resolution:

**“THAT:**

- A. subject to paragraph (C), a general mandate be and is hereby unconditionally granted to the Directors of the Company to exercise during the Relevant Period all the powers of the Company to allot, issue and dispose of additional shares in the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers;
- B. the mandate in paragraph (A) shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- C. the aggregate nominal value 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

mandate in paragraph (A), otherwise than pursuant to (i) Rights Issue or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company or (iii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company pursuant to the Articles of Association of the Company from time to time, shall not exceed twenty per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of this Resolution and the said mandate shall be limited accordingly;

D. for the purpose of this Resolution:

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

- i. the conclusion of the next Annual General Meeting of the Company; or
- ii. the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
- iii. the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion 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 outside Hong Kong).”

6. To consider as Special Business and, if thought fit, pass the following resolution as an Ordinary Resolution:

“THAT:

- A. a general mandate be and is hereby unconditionally given to the Directors of the Company to exercise during the Relevant Period all the powers of the Company to purchase or otherwise acquire shares of the Company

in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, provided that the aggregate nominal amount of shares so purchased or otherwise acquired shall not exceed ten per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of this Resolution;

B. for the purpose of this Resolution:

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

- i. the conclusion of the next Annual General Meeting of the Company; or
- ii. the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
- iii. the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”

7. To consider as Special Business and, if thought fit, pass the following resolution as an Ordinary Resolution:

“**THAT** conditional upon the passing of Resolutions (5) and (6) set out in the Notice convening this Meeting, the aggregate nominal amount of the shares which are purchased or otherwise acquired by the Company pursuant to Resolution (6) shall be added to the aggregate nominal amount of the shares which may be issued pursuant to Resolution (5).”

8. To consider as Special Business and, if thought fit, pass the following resolution as an Ordinary Resolution:

“**THAT** with effect from the financial year ending 31 December 2008, the director’s fee of each of the Non-executive Directors of the Company be fixed at HK\$200,000 per annum, until the Company in general meeting otherwise determines.”

By Order of the Board  
**Stella Chan Chui Sheung**  
*Company Secretary*

Hong Kong, 14 April 2008

Registered Office:  
32nd Floor, CITIC Tower  
1 Tim Mei Avenue  
Central, Hong Kong

*Notes:*

- (i) The Register of Members will be closed from Friday, 2 May 2008 to Thursday, 8 May 2008, both days inclusive, during which period no transfer of shares will be effected.
- (ii) Any member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
- (iii) To be valid, the instrument appointing a proxy and 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 registered office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the person named in such instrument proposes to vote.
- (iv) Concerning item 3 above, Mr. Kwok Man Leung is a Director appointed by the Board since last annual general meeting who shall hold office only until the forthcoming Annual General Meeting and shall then be eligible for re-election pursuant to Article 95 of the Articles of Association of the Company. Messrs. Henry Fan Hung Ling, Carl Yung Ming Jie, Leslie Chang Li Hsien, Li Shilin, Hamilton Ho Hau Hay and André Desmarais shall retire by rotation in the Annual General Meeting pursuant to Article 104(A) of the Articles of Association of the Company and they, all being eligible, shall offer themselves for re-election. Details of the above Directors are set out in Appendix II to this circular.
- (v) Concerning item 5 above, the approval is being sought from members for a general mandate to authorise allotment of shares under Section 57B of the Companies Ordinance and the Listing Rules, in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to issue any shares of the Company up to twenty per cent of the issued share capital of the Company. The Directors wish to state that they have no immediate plans to issue shares in the Company.
- (vi) Concerning item 6 above, the approval is being sought from members for a general mandate to repurchase shares in the Company, in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to repurchase any shares in the Company up to ten per cent of the issued share capital of the Company.
- (vii) Concerning item 7 above, the approval is being sought from members to extend the general mandate to allot shares by adding repurchased securities to the twenty per cent general mandate.
- (viii) Concerning item 8 above, in view of the increasing part the Non-executive Directors play in the good governance of the Company, it is proposed to increase the director's fee of each of the Non-executive Directors of the Company from HK\$150,000 per annum to HK\$200,000 per annum.