
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Public Financial Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this circular.



大眾金融控股有限公司 *

PUBLIC FINANCIAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 626)

PROPOSALS IN RESPECT OF GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES AND RE-ELECTION OF DIRECTORS

A notice convening the annual general meeting of Public Financial Holdings Limited (the “Company”) to be held at Kowloon Room 1, Mezzanine Floor, Kowloon Shangri-La Hotel, 64 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Monday, 23 February 2009 at 10:00 a.m. (the “2009 Annual General Meeting”) is set out on pages 13 to 16 of this circular.

Whether or not you are able to attend the 2009 Annual General Meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong no later than 48 hours before the time appointed for holding the meeting.

* *For identification purpose only*

20 January 2009

LETTER FROM THE BOARD



大眾金融控股有限公司 *

PUBLIC FINANCIAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 626)

Non-executive Directors:

Tan Sri Dato' Sri Dr. Teh Hong Piow (*Chairman*)
Tan Sri Dato' Sri Tay Ah Lek
Dato' Chang Kat Kiam
Chong Yam Kiang

Registered Office:

Clarendon House
Church Street
Hamilton HM 11
Bermuda

Executive Directors:

Tan Yoke Kong
Lee Huat Oon

*Head Office and Principal Place
of Business:*

1105-7 Wing On House
71 Des Voeux Road Central
Hong Kong

Independent Non-executive Directors:

Tan Sri Dato' Thong Yaw Hong (*Co-Chairman*)
Lee Chin Guan
Quah Poh Keat

20 January 2009

To the shareholders

Dear Sir or Madam,

PROPOSALS IN RESPECT OF GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES AND RE-ELECTION OF DIRECTORS

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the 2009 Annual General Meeting of the Company relating to (i) the granting of general mandates to the directors of the Company (the "Directors") to repurchase and issue ordinary shares of the Company (the "Shares"); and (ii) the re-election of retiring Directors.

GENERAL MANDATE TO REPURCHASE SHARES

At the 2009 Annual General Meeting, an ordinary resolution will be proposed that the Directors be granted a general mandate to exercise all the powers of the Company to repurchase on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") the issued and fully-paid Shares of HK\$0.10 each in the capital of the Company, up to a maximum of 10% of the issued share capital of the Company as at the date of the passing of the resolution (the "Share Repurchase Mandate").

* For identification purpose only

LETTER FROM THE BOARD

The information required pursuant to Rule 10.06(1)(b) of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) to be given to the shareholders of the Company is set out in Appendix I to this circular.

GENERAL MANDATE TO ISSUE SHARES

At the 2009 Annual General Meeting, an ordinary resolution will be proposed to renew the general mandate, which will lapse at the conclusion of the 2009 Annual General Meeting, empowering the Directors to allot, issue and deal with additional Shares of up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the resolution (the “Share Issue Mandate”).

The Share Issue Mandate and the Share Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company, or at the expiration of the period within which the next annual general meeting of the Company is required by law to be held, or on revocation or variation of the said resolution by an ordinary resolution of the shareholders of the Company in general meeting, whichever is the earliest.

In addition, if the resolution to authorise the repurchase of Shares is passed, an ordinary resolution will be proposed to authorise the Directors to issue further Shares up to an amount equal to the aggregate nominal amount of the Shares purchased under the authority to repurchase.

The Share Issue Mandate empowers the Directors to allot, issue and deal with additional Shares of up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the resolution as and when required. No Share was issued pursuant to the share issue mandate granted in the 2008 annual general meeting and the Directors have no present intention to issue Shares under the proposed Share Issue Mandate.

RE-ELECTION OF DIRECTORS

In accordance with bye-laws 95, 112(A) and (B) of the Company (the “Bye-laws”), Tan Sri Dato’ Sri Dr. Teh Hong Piow, Tan Sri Dato’ Sri Tay Ah Lek, Mr. Lee Chin Guan, Mr. Quah Poh Keat and Mr. Chong Yam Kiang shall retire at the 2009 Annual General Meeting and, being eligible, offer themselves for re-election.

Details of the Directors who are proposed to be re-elected at the 2009 Annual General Meeting are set out in Appendix II to this circular.

The notice convening the 2009 Annual General Meeting is set out on pages 13 to 16 of this circular.

LETTER FROM THE BOARD

2009 ANNUAL GENERAL MEETING

A form of proxy for use at the 2009 Annual General Meeting is enclosed, a copy of which can also be obtained via the Stock Exchange's website. Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong no later than 48 hours before the time appointed for holding the meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2009 Annual General Meeting should you so desire.

RECOMMENDATION

The Directors consider that the above proposals are in the best interests of the Company and its shareholders as a whole and accordingly recommend you to vote in favour of the resolutions relating thereto.

Yours faithfully,
Tan Sri Dato' Sri Dr. Teh Hong Piow
Chairman

As at 16 January 2009 (the “Latest Practicable Date”), the number of Shares in issue was 1,097,917,618. On the basis that no further Shares are issued or repurchased prior to the date of the passing of this resolution, the Directors would be authorised to repurchase up to 109,791,761 Shares.

Further, shareholders should note that the Share Repurchase Mandate covers repurchases made or agreed to be made only during the period ending on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by any applicable law or the Bye-laws or the date upon which such authority is revoked or varied by an ordinary resolution of the shareholders in a general meeting of the Company.

INFORMATION TO ASSIST SHAREHOLDERS

The following information is provided to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the purchase by the Company of its own Shares:

(a) Reasons for Share Repurchase Mandate

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

(b) Funding of Repurchases

The Company is empowered by its Memorandum of Association and Bye-laws to repurchase its Shares. Repurchases will be funded from the funds legally available for such purpose. Bermuda law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of shares made for such purpose. The amount of premium payable on a repurchase may only be paid out of either the profits that would otherwise be available for distribution by way of dividend or out of the share premium or contributed surplus accounts of the Company. The Directors proposed that the Company would derive the funds from such sources.

(c) Impact on Working Capital or Gearing Position

As compared with the position disclosed in the audited accounts for the financial year ended 31 December 2008, the Directors consider that there will be no material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period. Nevertheless, the Directors do not propose to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

(d) Directors, their Associates and Connected Persons

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their associates has any present intention, in the event that the proposal is approved by shareholders, to sell their Shares to the Company under the proposed Share Repurchase Mandate.

No connected persons of the Company (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company nor have they undertaken not to sell any of the Shares held by them to the Company in the event that the Company is authorised to make purchases of Shares.

(e) Undertaking of the Directors

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of Bermuda, and in accordance with the regulations set out in the Memorandum of Association and Bye-laws of the Company.

(f) Share Repurchases made by the Company

During the six months preceding the Latest Practicable Date, the Company has not repurchased any of its Shares.

(g) Share Prices

During each month from 1 January 2008 to 31 December 2008, the highest and lowest traded prices of the Shares on the Stock Exchange were as follows:

	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2008		
January	6.25	4.98
February	6.85	5.81
March	6.85	5.94
April	7.30	6.58
May	7.59	6.30
June	6.79	5.12
July	5.50	4.33
August	4.48	4.18
September	4.40	3.80
October	4.18	2.22
November	3.15	2.10
December	3.38	2.22

(h) Hong Kong Code on Takeovers and Mergers

If, on the exercise of the power to purchase Shares pursuant to the Share Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such an increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "Code"). As a result, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make mandatory offer in accordance with Rule 26 of the Code.

As at the Latest Practicable Date, Public Bank Berhad ("Public Bank") held a beneficial interest in 804,017,920 Shares, representing approximately 73.23% of the issued share capital of the Company. Tan Sri Dato' Sri Dr. Teh Hong Piow is deemed to be interested in the Shares of the Company to the extent Public Bank has an interest by virtue of his interest in Public Bank. In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to Ordinary Resolution No.5 and if there is no other change in the issued share capital of the Company, the shareholdings of Public Bank as well as Tan Sri Dato' Sri Dr. Teh Hong Piow would be increased to approximately 81.37% of the issued share capital of the Company. The Directors consider that such an increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Code. The Directors are also not aware of any other shareholder, or a group of shareholders acting in concert, who may become obliged to do so in such an event.

However, such increase from 73.23% to 81.37% will mean that less than 25% of the Shares are in public hands and thus will contravene the minimum public float requirement pursuant to Rule 8.08(1) of the Listing Rules. The Directors will not exercise the Share Repurchase Mandate to such extent that may jeopardize the public float requirement.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Tan Sri Dato' Sri Dr. Teh Hong Piow

Tan Sri Dato' Sri Dr. Teh Hong Piow, aged 78, was appointed a Non-executive Director and the Chairman of the Company in September 1991. He is currently the Chairman of the Nomination Committee and Remuneration Committee of the Company.

Tan Sri Dato' Sri Dr. Teh Hong Piow has 59 years of experience in the banking and finance industry. He is the founder and the Chairman and is a substantial shareholder of Public Bank, a commercial bank listed on Malaysian stock exchange and the holding company of the Company. He is also the Chairman of LPI Capital Berhad, a public listed company in Malaysia. He has no previous directorships in other public listed companies in the last 3 years.

Tan Sri Dato' Sri Dr. Teh Hong Piow had won both domestic and international acclaim for his outstanding achievements as a banker and as the Chief Executive Officer of a leading financial services group in Malaysia. Tan Sri Dato' Sri Dr. Teh Hong Piow was awarded the Medal 'For the Course of Vietnamese Banking' by the State Bank of Vietnam in 2002 for his contributions to the Vietnamese banking industry over the past years. Tan Sri Dato' Sri Dr. Teh Hong Piow was conferred the Recognition Award 2007 by the National Bank of Cambodia in appreciation of his excellent achievement and significant contribution to the banking industry in Cambodia in the past 15 years.

In recognition of his contributions to society and the economy, he was conferred the Doctor of Laws (Honorary) from the University of Malaya in 1989.

He had served in various capacities in public service bodies in Malaysia; he was a member of the Malaysian Business Council from 1991 to 1993; a member of the National Trust Fund from 1988 to 2001; a founder member of the Advisory Business Council since 2003; and is a member of the IPRM Accreditation Privy Council of Malaysia. He is a Fellow of several institutes which include the Institute of Bankers Malaysia; the Chartered Institute of Bankers, United Kingdom; the Institute of Administrative Management, United Kingdom; the Institute of Chartered Secretaries and Administrators, Australia; and the Malaysian Institute of Management.

There is no service contract signed between Tan Sri Dato' Sri Dr. Teh Hong Piow and the Company. He has no fixed term of service with the Company, but is subject to retirement by rotation and re-election at annual general meeting of the Company pursuant to the Bye-laws of the Company. Tan Sri Dato' Sri Dr. Teh Hong Piow was entitled to a director's fee of HK\$120,000 for 2008, which was determined with reference to his duties and responsibilities with the Company.

There are no other matters in relation to the re-election of Tan Sri Dato' Sri Dr. Teh Hong Piow that need to be brought to the attention of the shareholders of the Company and there is no information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

As at 31 December 2008, Tan Sri Dato' Sri Dr. Teh Hong Piow has no relationship with any directors, senior management or substantial or controlling shareholders of the Company. However, he is deemed to be interested in the following shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance:

- (i) 804,017,920 shares in the Company, representing approximately 73.2312% interest thereof;
- (ii) 807,992,846 shares in Public Bank, representing approximately 22.8768% interest thereof;
- (iii) 3,850,000 shares in CampuBank Lonpac Insurance Plc, a fellow subsidiary of the Company, representing approximately 55.0000% interest thereof; and
- (iv) 15,500 shares in Winsure Company, Limited, a non wholly-owned subsidiary of the Company, representing approximately 96.8750% interest thereof.

Tan Sri Dato' Sri Tay Ah Lek

Tan Sri Dato' Sri Tay Ah Lek, aged 66, has 48 years of experience in the banking and finance industry. He was appointed a Non-executive Director of the Company in January 1995 and is a member of the Audit Committee, Remuneration Committee, Nomination Committee and Risk Management Committee. He is the Managing Director/Chief Executive Officer of Public Bank, a company listed on the Malaysian stock exchange, and a Non-executive Director of Public Bank (Hong Kong) Limited and Public Finance Limited. He also holds directorships in several other companies in the Public Bank Group and has no previous directorships in other public listed companies in the last 3 years.

Tan Sri Dato' Sri Tay holds a Master's degree in Business Administration from Henley, United Kingdom and attended the Advanced Management Program at Harvard Business School. He is a Fellow of the Financial Services Institute of Australasia, the Institute of Bankers Malaysia and the Malaysian Institute of Management.

He is presently the Chairman of the Association of Finance Companies of Malaysia and the Association of Hire Purchase Companies Malaysia. He is also a member of the National Payments Advisory Board in Malaysia.

There is no service contract signed between Tan Sri Dato' Sri Tay and the Company. He has no fixed term of service as a director with the Company, but is subject to retirement by rotation and re-election at annual general meeting pursuant to the Bye-laws of the Company. Tan Sri Dato' Sri Tay was entitled to a director's fee of HK\$100,000 for 2008, which was determined with reference to his duties and responsibilities with the Company.

There are no other matters in relation to the re-election of Tan Sri Dato' Sri Tay that need to be brought to the attention of the shareholders of the Company and there is no information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

As at 31 December 2008, Tan Sri Dato' Sri Tay does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company and save as disclosed below, he does not hold any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance:

- (i) 8,949,591 shares in Public Bank, representing approximately 0.2534% interest thereof;
- (ii) 350,000 shares in the Company, representing approximately 0.0319% interest thereof; and
- (iii) 1,230,000 options to subscribe for shares in the Company.

Mr. Lee Chin Guan

Mr. Lee Chin Guan, aged 50, has 16 years of experience in the legal practice, principally in commercial and corporate matters. He was appointed an Independent Non-executive Director of the Company in September 2004 and is a member of the Audit Committee, Remuneration Committee, Nomination Committee and Risk Management Committee. He is also an Independent Non-executive Director of Public Bank (Hong Kong) Limited and Public Finance Limited.

Mr. Lee was, in the last 3 years, an Independent Non-executive Director of Public Bank and LPI Capital Berhad, public listed companies in Malaysia, and an Executive Director of Transmile Group Berhad, which is also a public listed company in Malaysia. He resigned from the boards of directors of these three companies on 3 July 2007, 9 October 2007 and 15 November 2007 respectively.

Mr. Lee qualified as a Barrister-at-Law from the Middle Temple, United Kingdom in 1982. He also holds a Bachelor Degree in Science (Hons) from the University of Manchester Institute of Science and Technology, England and Degrees in Law from Cambridge University, Oxford University and Chicago-Kent College of Law.

There is no service contract signed between Mr. Lee and the Company. Mr. Lee has no fixed term of service with the Company, but is subject to retirement by rotation and re-election at annual general meeting pursuant to the Bye-laws of the Company. Mr. Lee was entitled to a director's fee of HK\$100,000 for 2008, which was determined with reference to his duties and responsibilities with the Company.

There are no other matters in relation to the re-election of Mr. Lee that need to be brought to the attention of the shareholders of the Company and there is no information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

As at 31 December 2008, Mr. Lee does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company and save as disclosed below, he does not hold any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance:

- (i) 1,170,000 shares in Public Bank, representing approximately 0.0331% interest thereof; and
- (ii) 350,000 options to subscribe for shares in the Company.

Mr. Quah Poh Keat

Mr. Quah Poh Keat, aged 56, has 35 years of experience in auditing, tax and insolvency practices and had worked in Malaysia and United Kingdom; his experiences include restructuring, demergers and privatisation. Mr. Quah was appointed a Non-executive Director of the Company in July 2008 and re-designated as an Independent Non-executive Director on 13 January 2009. He is currently a member of the Audit Committee and Risk Management Committee. He is an Independent Non-executive Director of Public Bank, Public Investment Bank Bhd, Public Bank (Hong Kong) Limited and Public Finance Limited.

Mr. Quah is also an Independent Non-executive Director of LPI Capital Berhad, IOI Corporation Berhad, IOI Properties Berhad, PLUS Expressways Berhad and Telekom Malaysia Berhad, which are public listed companies in Malaysia.

Mr. Quah is a fellow of the Malaysian Institute of Taxation and the Association of Chartered Certified Accountants. He is also a member of the Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants and Chartered Institute of Management Accountants.

Mr. Quah was a partner of KPMG Malaysia since 1 October 1982 and appointed Senior Partner (also known as Managing Partner in other practices) in October 2000 until 30 September 2007. He retired from the firm on 31 December 2007.

There is no service contract signed between Mr. Quah and the Company. His appointment with the Company has no fixed term, but is subject to retirement by rotation and re-election at annual general meeting pursuant to the Bye-laws of the Company. Mr. Quah was entitled to a director's fee of HK\$41,667 which was on pro-rata basis for the year 2008, which was determined with reference to his duties and responsibilities with the Company.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

There are no other matters in relation to the re-election of Mr. Quah that need to be brought to the attention of the shareholders of the Company and there is no information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

As at 31 December 2008, Mr. Quah does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company and he does not hold any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Chong Yam Kiang

Mr. Chong Yam Kiang, aged 58, has 39 years of experience in the banking and finance industry. He holds a diploma in Management from Malaysian Institute of Management.

Mr. Chong was appointed a Non-executive Director of the Company in January 2009 and is an Executive Director/Alternate Chief Executive of Public Bank (Hong Kong) Limited and a Non-executive Director of Public Finance Limited. He also holds directorship in several other companies in the Group. He has no previous directorships in other public listed companies in the last three years.

There is no service contract signed between Mr. Chong and the Company. His appointment with the Company has no fixed term, but is subject to retirement by rotation and re-election at annual general meeting pursuant to the Bye-laws of the Company. Mr. Chong did not receive director's fee for 2008.

There are no other matters in relation to the re-election of Mr. Chong that need to be brought to the attention of the shareholders of the Company and there is no information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

As at 31 December 2008, Mr. Chong does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company and save as disclosed below, he does not hold any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance:

- (i) 35,856 shares in Public Bank, representing approximately 0.0010% interest thereof;
and
- (ii) 20,000 shares in the Company, representing approximately 0.0018% interest thereof.



大眾金融控股有限公司*

PUBLIC FINANCIAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 626)

NOTICE IS HEREBY GIVEN that the annual general meeting of shareholders of Public Financial Holdings Limited (the “Company”) will be held at Kowloon Room 1, Mezzanine Floor, Kowloon Shangri-La Hotel, 64 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Monday, 23 February 2009 at 10:00 a.m. for the following purposes:

As Ordinary Business:

1. To receive and consider the audited financial statements and the reports of the directors and the auditors for the year ended 31 December 2008.
2. To re-elect directors and to authorise the Board of Directors to fix directors’ remuneration.
3. To re-appoint Messrs. Ernst & Young as auditors and to authorise the Board of Directors to fix their remuneration.

As Special Business:

Ordinary Resolutions

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

“THAT:

- (a) subject to the following provisions of this Resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) 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 or options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved to the exclusion of any existing specific authority;
- (b) the approval in paragraph (a) of this Resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements or options which would or might require the exercise of such powers after the end of the Relevant Period;

* For identification purpose only

(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) of this Resolution, otherwise than pursuant to (i) a Rights Issue; (ii) the exercise of warrants, if any, to subscribe for shares of the Company or the exercise of options granted under any share option scheme adopted by the Company; (iii) an issue of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the Company's bye-laws; or (iv) an issue of shares made pro rata to holders of shares in the Company on a fixed record date, shall not exceed 20% 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 said approval shall be limited accordingly; and

(d) for the purpose 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 any applicable law or the bye-laws of the Company to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to the holders of shares 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 restriction or obligation under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

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

“THAT:

- (a) the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares to be repurchased pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% 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 said approval shall be limited accordingly; and
- (c) for the purpose 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 any applicable law or the bye-laws of the Company to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

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

“THAT, subject to the passing of Ordinary Resolutions Nos. 4 and 5 as set out in this notice of annual general meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot shares be and is hereby extended by the additions to the aggregate nominal amount of share capital 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 shares in the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution No. 5

set out in this notice of annual general meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution.”

By Order of the Board

Tan Yoke Kong

Company Secretary

Hong Kong, 20 January 2009

Notes:

1. The register of members will be closed from Thursday, 19 February 2009 to Monday, 23 February 2009, both days inclusive, during which period no transfer of shares will be registered. In order to be entitled to attend and vote at the forthcoming annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 18 February 2009.
2. A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company. In order to be valid, proxies in the prescribed form must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, no later than 48 hours before the time appointed for holding the meeting.
3. Concerning Resolution No. 4 of this notice, approval is being sought from members for a general mandate to authorise allotment of shares in the capital of the Company in order to give flexibility to the directors in the event it becomes desirable to issue any additional shares of the Company. The directors have no immediate plan to issue any new shares of the Company pursuant to such approval.
4. Concerning Resolution No. 5 of this notice, approval is being sought from members for a general mandate to be given to the directors to repurchase shares.
5. Concerning Resolution No. 6 of this notice, approval is being sought from members for an extension of the general mandate sought to be granted to the directors of the Company to allot shares by adding to it the number of shares which shall have been repurchased under the authority granted pursuant to Resolution No. 5 of this notice.
6. An explanatory statement containing the information regarding Resolution No. 5 of this notice is contained in the circular accompanying this notice.