

---

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

---

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

**If you have sold** all your shares in SNP Leefung Holdings Limited, you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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.

---



**SNP LEEFUNG HOLDINGS LIMITED**

**利豐雅高印刷集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**CONNECTED TRANSACTION  
PURSUANT TO SHARE AWARD SCHEMES**

**Independent financial adviser to the Independent Board Committee**



---

A notice convening a special general meeting of SNP Leefung Holdings Limited to be held at Harbour Room, Level 56, Island Shangri-la Hotel, Pacific Place, Supreme Court Road, Admiralty, Hong Kong on Thursday, 18 March, 2004 at 11:30 a.m. is set out on page 38 of this circular. Whether or not you are able to attend the special general meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the principal place of business of the Company in Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the special general meeting. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

\* For identification purposes only

---

# CONTENTS

---

	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b>	
1. Introduction .....	4
2. The Schemes .....	5
3. Special General Meeting .....	6
4. General Information .....	6
<b>LETTER FROM THE INDEPENDENT BOARD COMMITTEE</b> .....	7
<b>LETTER FROM THE INDEPENDENT FINANCIAL ADVISER</b> .....	9
<b>APPENDIX I – SUMMARY TERMS OF THE SCHEMES</b> .....	15
<b>APPENDIX II – GENERAL INFORMATION</b> .....	22
<b>NOTICE OF SPECIAL GENERAL MEETING</b> .....	38

---

## DEFINITIONS

---

*In this circular and the Appendix to it, the following expressions have the following meanings unless the context requires otherwise:*

“Adoption Date”	the date on which the Schemes is adopted by the Company which is expected to be 18 March, 2004;
“Assets”	cash and/or Shares;
“business day”	a day (other than a Saturday) on which the Stock Exchange is open for trading and on which banks are open for general banking business in Hong Kong;
“Board of Directors”	board of directors of the Company;
“bye-laws”	the bye-laws of the Company from time to time;
“Committee”	the Board of Directors or any executive resources compensation committee or sub-committee of the Board of Directors (comprising in majority non-executive directors and/or independent non-executive directors) delegated with the power and authority to administer the Schemes;
“Company”	SNP Leefung Holdings Limited;
“connected person”	has the meaning ascribed thereto under the Listing Rules;
“Employee”	any bona fide employee (whether full time or part time (i.e. working more than 15 hours per week)) of the Company or of any Subsidiary of the Company (whether seconded or otherwise) who has obtained 21 years of age, but including executive directors and chief executives of the Company and any Subsidiary of the Company, provided always that such term shall exclude any person who at the relevant time has tendered his resignation or who is working out his period of notice pursuant to his employment contract or otherwise;
“ERCC”	Executive Resources Compensation Committee;

---

## DEFINITIONS

---

“ERCC (Performance) Agreement”	the agreement to be entered into between the Company and the Committee on 18 March, 2004 in relation to the administration of the Performance Related Incentive Award Scheme. The ERCC (Performance) Agreement essentially makes provision on the handling of Shares and/or cash by the Committee pursuant to the Schemes; voting of interested directors; and compliance issues under the Model Code for Securities Transaction by Directors of Listed Companies and the Code of Best Practice under the Listing Rules;
“ERCC (Time-Based) Agreement”	the agreement to be entered into between the Company and the Committee on 18 March, 2004 in relation to the administration of the Time-Based Incentive Award Scheme. The ERCC (Time-Based) Agreement essentially makes provision on the handling of Shares and/or cash by the Committee pursuant to the Schemes; voting of interested directors; and compliance issues under the Model Code for Securities Transaction by Directors of Listed Companies and the Code of Best Practice under the Listing Rules;
“Group”	the Company and its Subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Board Committee”	the independent Board committee comprising John Robert Walter, Edmund, Cheng Wai Wing and Kyle Arnold Shaw Junior;
“Independent Financial Adviser”	Tai Fook Capital Limited, a corporation licensed under the transitional arrangement to carry out Type 6 activity for the purpose of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and the independent financial adviser to the Independent Board Committee;
“Independent Shareholders”	being Shareholders who are not the Employees or connected persons (if any) who are interested in the Schemes and the associates of such connected persons;
“Latest Practicable Date”	27 February, 2004;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

---

## DEFINITIONS

---

“Performance Related Incentive Award Scheme”	the performance related share incentive award scheme proposed to be adopted by the Company, a summary of the principal terms of which is set out in Appendix I to this circular;
“Schemes”	collectively the Performance Related Incentive Award Scheme and the Time-Based Incentive Award Scheme;
“Selected Employees”	those Employees selected by the Committee for participation in the Schemes;
“SGM”	the special general meeting of the Company to be held on 18 March, 2004;
“Shareholders”	holders of Shares;
“Shares”	ordinary shares of HK\$0.10 each in the capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time);
“SNP”	SNP Corporation Ltd, a company incorporated in Singapore with limited liability whose shares are listed on the Singapore Exchange Securities Trading Limited;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)) of the Company, whether incorporated in Hong Kong or elsewhere; and
“Time-Based Incentive Award Scheme”	the time-based share incentive award scheme proposed to be adopted by the Company, a summary of the principal terms of which is set out in Appendix I to this circular.

---

## LETTER FROM THE BOARD

---



### SNP LEEFUNG HOLDINGS LIMITED

利豐雅高印刷集團有限公司\*

*(Incorporated in Bermuda with limited liability)*

*Executive Directors:*

Yeo Chee Tong  
Peter, Yang Sze Chen

*Non-executive Directors:*

Maria Yang  
Tay Siew Choon

*Independent non-executive Directors:*

John Robert Walter  
Edmund, Cheng Wai Wing  
Kyle Arnold Shaw Junior

*Registered Office:*

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

*Principal place of business  
in Hong Kong:*

Room 1001-3, 10th Floor  
Wing On House  
71 Des Voeux Road Central  
Central  
Hong Kong

2 March, 2004

*To the Shareholders*

Dear Sir or Madam,

### CONNECTED TRANSACTION PURSUANT TO SHARE AWARD SCHEMES

#### 1. INTRODUCTION

This circular sets out the details of the Schemes; the opinion and recommendation of the Independent Board Committee in respect of the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes as advised by the Independent Financial Adviser; to set out the letter of advice from the Independent Financial Adviser to the Independent Board Committee with respect to the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes; and to seek the Independent Shareholders' approval at the SGM to be convened in relation to the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes.

\* For identification purposes only

---

## LETTER FROM THE BOARD

---

### 2. THE SCHEMES

#### **Details of The Schemes**

In order to recognise the loyalty of certain Employees and to give incentives thereto in order to retain them for the continual operation and development of the Group, to attract suitable personnel for further development of the Group and to enable Employees to participate in similar share award schemes adopted by SNP for its employees, the Directors propose the adoption of the Schemes. As directors and chief executives of the Group are Employees (as defined in the Schemes), the allotment and issue of Shares to them pursuant to the Schemes would constitute a connected transaction of the Company under Chapter 14 of the Listing Rules and therefore require the approval of Independent Shareholders in general meeting. A summary of the principal terms of the Schemes is set out in Appendix I to this circular.

The Schemes do not constitute share option schemes pursuant to Chapter 17 of the Listing Rules.

#### **Recommendation on the Schemes**

The Company will convene the SGM at which, inter alia, an ordinary resolution will be proposed to approve the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes.

The Independent Board Committee has been appointed to advise the Independent Shareholders in respect of the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes and the Independent Financial Adviser has been appointed to advise the Independent Board Committee regarding the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes.

Based on the terms of the Schemes, details of which are more particularly set out in Appendix I to this circular, the Independent Board Committee believes that the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes are in the interests of the Company and the Shareholders as a whole. The Independent Board Committee therefore recommends the Independent Shareholders to vote in favour of the resolution to be proposed at the SGM to approve the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes.

The Employees (being Shareholders), and any connected persons who are interested in the Schemes and any associates of such connected persons, will abstain from voting on the resolution regarding allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes at the SGM.

---

## LETTER FROM THE BOARD

---

### General

Your attention is drawn to the text of the letter from the Independent Board Committee (set out on pages 7 to 8 of this circular) which contains the recommendation of the Independent Board Committee to the Independent Shareholders concerning the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes, and the letter from the Independent Financial Adviser to the Independent Board Committee (set out on pages 9 to 14 of this circular) which contains the recommendation of the Independent Financial Adviser to the Independent Board Committee in relation to the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes and the factors considered by the Independent Financial Adviser in arriving at its recommendation.

### 3. SPECIAL GENERAL MEETING

The notice of the SGM is set out on page 38 of this circular. At the SGM, resolutions will be proposed to approve the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes.

A form of proxy for use at the SGM is enclosed with this circular. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at the Company's principal place of business at Room 1001-3, 10th Floor, Wing On House, 71 Des Voeux Road Central, Central, Hong Kong, not less than 48 hours before the time appointed for holding the SGM. Completion and delivery of the form of proxy will not preclude you from attending and voting at the SGM if you so wish.

### 4. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular and the SGM notice.

An announcement on the results of the SGM will be made on the business day following the SGM.

Yours faithfully,  
By Order of the Board  
**Lo Kin Cheung**  
*Company Secretary*





**SNP LEEFUNG HOLDINGS LIMITED**

**利豐雅高印刷集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

2 March, 2004

*To the Independent Shareholders*

Dear Sir or Madam,

**CONNECTED TRANSACTION  
PURSUANT TO SHARE AWARD SCHEMES**

**INTRODUCTION**

We, being the independent non-executive Directors comprising the Independent Board Committee, are writing to you to set out our recommendation in respect of the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes. Terms and expressions defined in the circular dated 2 March, 2004 of SNP Leefung Holdings Limited (the “Circular”, of which this letter forms part) shall have the same meanings when used herein.

The Independent Board Committee has been appointed by the Board to advise you as an Independent Shareholder whether in its view the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes is in the best interests of the Company and the Independent Shareholders as a whole. The Independent Financial Adviser has been appointed to advise the Independent Board Committee in this relation.

The terms of the Schemes are summarised in Appendix I of the Circular. In addition, the Independent Board Committee was advised by the Independent Financial Adviser in reviewing the terms of the Schemes in particular in relation to allotting and issuing Shares to executive directors and chief executives of the Group thereunder. You are strongly urged to read the Independent Financial Adviser’s letter to the Independent Board Committee, which is set out on pages 9 to 14 of the Circular. As referred to in the Letter from the Board, the Employees (being Shareholders) and other connected persons, if any, who are interested in the Schemes and the associates of such connected persons, will abstain from voting on the ordinary resolution to be proposed at the SGM for approving the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes.

\* *For identification purposes only*

---

## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

---

### RECOMMENDATION

Being members of the Independent Board Committee, we have discussed with the management of the Company the reasons for the Schemes. We have also discussed with the Independent Financial Adviser the bases of its advice to us.

Taking into account the principal factors and reasons considered, and the recommendation given, by the Independent Financial Adviser, the Independent Board Committee considers that the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes are fair and reasonable and in the best interests of the Independent Shareholders as a whole.

Accordingly, the Independent Board Committee recommends that you vote in favour of the ordinary resolution set out in the SGM Notice in relation to the allotment and issue of Shares to executive directors and chief executives of the Group pursuant to the Schemes.

Yours faithfully,

THE INDEPENDENT BOARD COMMITTEE

**John Robert Walter,**

**Edmund, Cheng Wai Wing**

and

**Kyle Arnold Shaw Junior**

*Independent Non-Executive Directors*

---

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

---



Tai Fook Capital Limited  
25/F New World Tower  
16-18 Queen's Road Central  
Hong Kong

2 March, 2004

The Independent Board Committee  
SNP Leefung Holdings Limited  
Rooms 1001-03, Wing On House  
71 Des Voeux Road Central  
Hong Kong

Dear Sirs,

### **CONNECTED TRANSACTION PURSUANT TO SHARE AWARD SCHEMES**

We refer to our appointment to advise the Independent Board Committee in respect of the award of Shares to executive directors and chief executives of the Group pursuant to the Performance Related Incentive Award Scheme and the Time-Based Incentive Award Scheme (the "Schemes"), details of which are set out in the letter from the Board contained in the circular of the Company dated 2 March, 2004 (the "Circular") of which this letter forms part. Terms defined in the Circular shall have the same meanings in this letter unless the context of this letter otherwise requires.

In formulating our recommendations, we have reviewed the Schemes, the ERCC (Performance) Agreement and the ERCC (Time-Based) Agreement, and we have relied on the accuracy of the information and representations provided to us by the directors of the Company and management of the Group and contained in the Circular for which the directors of the Company have taken full responsibility. We have also assumed that such information and representations are true and accurate at the time they were made and will continue to be so at the date of the SGM. We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to believe that any relevant material information has been withheld or omitted or to question the truth or accuracy or completeness of the information provided. We have not, however, conducted an in-depth investigation into the businesses and affairs of the Group.

---

# LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

---

## REASONS FOR THE SCHEMES

Pursuant to the Schemes, the Committee may grant shares to any employee of the Group (including executive directors and chief executives of the Group). As stated in the Schemes, the purpose of the Schemes is to recognize the performance/contribution by certain Employees and to give incentives thereto in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

## PRINCIPAL TERMS OF THE SCHEMES

### 1. Duration

The Schemes are valid for a term of 10 years commencing on the Adoption Date. However, the Committee may terminate the operation of the Schemes at any time provided that such termination shall not affect any subsisting rights of any Selected Employee.

### 2. Participants and eligibility of participants

The Committee has the absolute discretion (having regards to an Employee's seniority, performance and work ethics) to select any Employee to participate in the Schemes, except those who are residents of places having laws or regulations to prohibit the setting aside of sums of money and/or Shares and/or the subscription of Shares pursuant to the terms of the Schemes for their benefit.

Any Selected Employee who has been terminated by the Group for cause, been summarily dismissed by the Group, become bankrupt, been convicted for any criminal offence involving his integrity or honesty or been charged, convicted or held liable for any offence under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or any other applicable laws or regulations in force from time to time shall not be entitled to any of the Number of Awarded Shares which interest has not been vested with him.

### 3. Scheme limit

The number of Shares administered under the Schemes and any other scheme of a similar nature adopted by the Company and/or any of its subsidiaries would not exceed 5% of the issued share capital of the Company as at the date of the SGM and the number of Shares administered under the Schemes for executive directors and chief executives of the Group would not exceed 50% of such limit. Based on the total number of issued Shares of the Company as at the Latest Practicable Date of 402,726,918 Shares and assuming no new Shares will be issued by the Company during the period from the Latest Practicable Date to the date of the SGM, the maximum number of Shares administered under the Schemes for all Employees and for executive directors and chief executives of the Group are approximately 20,136,345 Shares and 10,068,172 Shares respectively.

#### 4. Operation of the Schemes

##### *(1) Determination of the value of the award*

Pursuant to the rules of the Schemes, the Committee has absolute discretion to determine a notional number of Shares (the “Number of Awarded Shares”) which shall constitute a bonus referable to each Selected Employee. The relevant Number of Awarded Shares will be transferred from the Committee’s resources to the Selected Employee after satisfaction of the vesting criteria, namely performance criteria determined by the Committee at its discretion in the case of the Performance Related Incentive Award Scheme and time-based criteria determined by the Committee at its discretion in the case of the Time-Based Incentive Award Scheme. In determining the Number of Awarded Shares, the Committee may take into consideration matters including (without limitation) the general financial condition of the Group, the Group’s overall business objectives and future development plan and the rank of the Selected Employee. The Schemes also provide that the value of Awarded Shares will be determined by the Committee at the time of grant having regards to the last 7 days average closing price of the Shares on the Stock Exchange immediately before the date of grant and the selected Employee’s remuneration provided that the value of the maximum number of Awarded Shares referable to an Employee in any year shall not exceed 100% of the value of such Employee’s annual remuneration for that year.

The Company may pay the equivalent cash amount of the Number of Awarded Shares to the Committee for purchase and/or subscription of the Shares. The Committee may in its absolute discretion upon the Selected Employee satisfying the vesting criteria to either (i) transfer a cash amount equivalent to the value of the Number of Awarded Shares or (ii) transfer a combination of Shares and cash equivalent to the value of a part of the Number of Awarded Shares in lieu of the Number of Awarded Shares to the Selected Employee.

The Schemes also provide that any executive director of the Company who is a member of the Committee shall not participate in the determination of the number of and the vesting criteria for the Shares to be awarded to him pursuant to the Schemes.

##### *(2) Acquisition and subscription of shares*

Where an acquisition/subscription of Shares is required to obtain the Number of Awarded Shares for a Selected Employee, the Committee shall apply the relevant cash amount towards the acquisition of Shares at the prevailing market price and/or subscription of Shares at par as the case may be at the discretion of the Committee. However, no payment shall be made to the Committee and no instructions to subscribe/acquire Shares shall be given to the Committee under the Schemes where any member of the Committee is in possession of unpublished price sensitive information in relation to the Company or where dealings by directors are prohibited under the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange.

## PRINCIPAL FACTORS CONSIDERED

### 1. Rationale for awarding Shares to executive directors and chief executives of the Group

As stated in the Schemes, the purpose of the Schemes is to recognize the performance/contribution by selected Employees and to give incentives to retain them. As further stated in the letter from the Board contained in the Circular, the Schemes are in line with similar share award schemes adopted by SNP for its employees (including its directors). The Directors therefore consider adoption of the Schemes will enable Employees to participate in similar share award schemes adopted by SNP for its employees. In this regard, we are of the view that allowing executive directors and chief executives of the Group (who are the key drivers for the Group's performance and success) to participate in the Schemes is fair and reasonable.

### 2. Scheme limit

Pursuant to the terms of the Schemes, the number of Shares administered under the Schemes and any other scheme of a similar nature adopted by the Company and/or any of its subsidiaries would not exceed 5% of the issued share capital of the Company as at the date of the SGM and the maximum number of Shares administered under the Schemes for executive directors and chief executives of the Group shall not exceed 50% of such limit. Based on the total number of issued Shares of the Company as at the Latest Practicable Date of 402,726,918 Shares and assuming no new Shares will be issued by the Company during the period from the Latest Practicable Date to the date of the SGM, the maximum number of Shares that can be awarded to executive directors and chief executives of the Group during the ten-year duration of the Schemes is approximately 10,068,172 Shares. The value of such Shares, using the average closing price of the Shares for the seven trading days ended on the Latest Practicable Date of HK\$1.43 per Share as reference, amounts to approximately HK\$14.4 million, which equals to, on average, approximately HK\$1.44 million per annum. The amount, representing approximately 19% of the average annual aggregate emoluments of the executive directors of the Company (the Company has 6, 4 and 2 executive directors as at 31 December, 2001, 2002 and 2003 respectively) for the three financial years ended 31 December, 2003 of approximately HK\$7.5 million and approximately 4.6% of the average profit attributable to shareholders for the past two years, is considered not substantial. The value as calculated above may increase in proportion to the increase in the Share price. However, we consider that any such increase is justifiable on the grounds that executive directors and chief executives of the Group should be rewarded for their effort in improving the price performance of the Shares.

---

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

---

### **3. Cap on value of Awarded Shares referable to an Employee**

Pursuant to the terms of the Schemes, the value of Awarded Shares referable to an Employee (including executive directors and chief executives of the Group) in any year shall not exceed 100% of the value of such Employee's annual remuneration for that year. We consider such provision while allowing the Committee with sufficient flexibility in determining the value of Awarded Shares to be awarded to a Selected Employee serves as a safeguard measure in setting a limit on the reward which an Employee will receive in any single year.

We further consider that the annual limit of reward to a selected Employee, which is further subject to the overall limit of not more than 10,068,172 Shares (assuming no new Shares will be issued by the Company during the period from the Latest Practicable Date to the date of the SGM), equivalent to an aggregate value of approximately HK\$14.4 million based on the seven-day average closing price ended on the Latest Practicable Date, that can be awarded to all executive directors and chief executives of the Group throughout the lifetime of the Schemes, is reasonable.

### **4. Possible dilution effect to the shareholders**

Pursuant to the terms of the Schemes, the Committee shall apply the relevant cash amount towards the acquisition of Shares at the prevailing market price and/or subscription of Shares at par at its discretion. When the Committee chooses to allot and issue new Shares at par and which is below the prevailing market price at the time, there will be a dilution effect to the existing shareholders of the Company. Nonetheless, considering the fact that the maximum number of Shares that can be awarded to executive directors and chief executives of the Group throughout the ten-year lifetime of the Schemes will not exceed 2.5% of the issued share capital of the Company as at the date of the SGM, the maximum aggregate dilution effect to the existing shareholders of the Company throughout the ten-year lifetime of the Schemes will only be 2.5%. As such, we are of the view that the dilution effect arising from the award of Shares to executive directors and chief executives of the Group is not significant.

### **5. Impartiality of the Committee members**

As stated in the Schemes, the members of the Committee will be composed of directors of the Company with the majority being non-executive directors and/or independent non-executive directors of the Company, who are not eligible to participate in the Schemes. The Schemes also provide that any executive director of the Company who is a member of the Committee shall not participate in the determination of the number of and the vesting criteria for the Shares to be awarded to him pursuant to the Schemes. We consider that the above provisions will help to safeguard the impartiality of the Committee members in determining the awards for each Selected Employee.

---

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

---

### RECOMMENDATION

Having taken into account the principal factors referred to above, we are of the view that the award of Shares to executive directors and chief executives of the Group pursuant to the Schemes are in the interests of the Company and the Independent Shareholders as a whole. We, therefore, recommend the Independent Board Committee to advise the Independent Shareholders the same accordingly.

Yours faithfully,  
For and on behalf of  
**Tai Fook Capital Limited**  
**Derek C. O. Chan**  
*Deputy Managing Director*



*The following is a summary of the principal terms and conditions of the Time-Based Incentive Award Scheme and Performance Related Incentive Award Scheme which are subject to and conditional upon the approval of the Committee:*

## **SUMMARY OF THE PRINCIPAL TERMS OF THE SCHEMES**

### **1. Purpose**

The purpose of the Schemes is to recognise, inter alia, the loyalty of certain Employees and to give incentives thereto in order to retain them for the continual operation and development of the Group; and to attract suitable personnel for further development of the Group.

### **2. Duration**

The term of the Schemes is valid for 10 years commencing on the relevant Adoption Date save and except early termination contemplated in the Schemes.

### **3. Administration**

The Schemes shall be subject to the administration of the Committee in accordance with the provisions of the relevant Scheme and the ERCC (Time-Based) Agreement (in the case of the Time-Based Incentive Award Scheme) or ERCC (Performance) Agreement (in the case of the Performance Related Incentive Award Scheme).

### **4. Eligibility**

The Committee has the absolute discretion (having regards to an Employee's seniority, performance and work ethics) to select any Employee (a "Selected Employee") to participate in the Schemes. However, no Employee shall be entitled to participate in the Schemes and there shall be excluded from the term Selected Employee any Employee who is resident in a place where the setting aside of sums of money and/or Shares and/or the subscription of Shares pursuant to the terms of the Schemes is not permitted under the laws and regulations of such place or where in the view of the Committee compliance with applicable laws and regulations in such place make it necessary or expedient to exclude such Employees.

### **5. Operation of the Schemes**

#### *Determination of the value of the Bonus Award*

Pursuant to the rules of the Schemes, the Committee has the absolute discretion to determine at any time a notional number of Shares (the "Number of Awarded Shares") which shall constitute a bonus referable to each Selected Employee pursuant to the Schemes. The Number of Awarded Shares to the Selected Employee will be transferred from the Committee's resources of Shares and/or cash held after satisfaction of the

vesting criteria (such as performance and/or time related), and at the same time the Company will submit an application to the Stock Exchange for the listing of, and permission to deal in, such Shares, in the case of the number of Awarded Shares comprises new Shares.

The Company may pay the equivalent cash amount of the Number of Awarded Shares valued as at the date of the granting of the award, to the Committee for purchase and/or subscription of the Shares. If a purchase of Shares is required, the purchase price will be determined by reference to the closing price of the Shares on the Stock Exchange on the vesting date. If a subscription of new Shares is required, the subscription price will be determined by reference to, *inter alia*, the then financial position of the Company. In any event, whether Shares are to be purchased or subscribed will be determined by the Committee in its absolute discretion having regards to, *inter alia*, the financial position of the Company, cash position of the Company, business of the Company, market price of the Shares and market sentiment at the relevant time. The Committee may in its absolute discretion upon Selected Employee satisfying the vesting criteria to either (i) transfer a cash amount equivalent to the value of the Number of Awarded Shares or (ii) transfer a combination of Shares and cash equivalent to the value of a part of the Number of Awarded Shares in lieu of the Number of Awarded Shares to the Selected Employee. In any event, the Committee will notify a Selected Employee of any award in writing substantially in the form set out in the Schemes. No Director who is on the Committee shall participate in the decision relating to an award of Shares to him.

The value of Awarded Shares will be determined by the Committee at the date of grant having regards to the last 7 days trading average of the Shares on the Stock Exchange immediately before the date of grant and the selected Employee's remuneration provided that the value of the maximum number of Awarded Shares referable to an Employee in any year shall not exceed 100% of the value of such Employee's annual remuneration.

#### *Matters considered by the Committee*

In determining the Number of Awarded Shares, the Committee may take into consideration matters including (without limitation), the general financial condition (such as net profit, interim results, cash on hand) of the Group, the Group's overall business objectives (such as expansion plans) and future development plan and the years of service (in the case of the Time-Based Incentive Award Scheme) or the rank and performance (in the case of the Performance Related Incentive Award Scheme) of the Selected Employee.

#### *Conditions imposed by the Committee*

The Committee is entitled to impose both time-based and performance related (in the case of the Time-Based Incentive Award Scheme) or only performance related (in the case of the Performance Related Incentive Award Scheme) conditions, as it deems appropriate with respect to the entitlement of the Selected Employee to the Shares, provided that the relevant condition is communicated to such Selected Employee at the same time as he is granted the award pursuant to the rules of the relevant Schemes.

*Acquisition and Subscription of Shares*

Where an acquisition/subscription of Shares is required to obtain the Number of Awarded Shares for a Selected Employee, the Committee shall, as soon as practicable after vesting (or such longer period as may be required in the event the listing of the Shares are suspended from trading for any reason), apply the relevant cash amount towards the acquisition and/or subscription of Shares at the prevailing market price or at par as the case may be at the discretion of the Committee. The Committee shall acquire/subscribe for the relevant number of Shares taking into account all costs and expenses associated with such a subscription and/or acquisition. No Shares shall be allotted in respect of a subscription unless and until the Company shall have, where new Shares are involved, received from the Stock Exchange a grant of the listing of, and permission to deal in, such relevant new Shares. All allotments and/or acquisitions shall have been approved by the Committee.

Any Number of Awarded Shares which are referable to a Selected Employee shall be subject to any time-based (in the case of the Time-Based Incentive Award Scheme) or performance related (in the case of the Performance Related Incentive Award Scheme) criteria determined by the Committee at its discretion at the date on which that Selected Employee is selected pursuant to the terms of the Schemes, provided that the conditions referred to in the relevant Schemes have been and remain satisfied at the relevant dates, and provided further that none of the events set out in the Schemes has arisen (the date or each such date on which Shares are to vest as set out in such timetable being hereinafter referred to as a “Vesting Date”).

The events referred to above shall be deemed to have arisen under the Schemes where the Selected Employee:

- (i) has been terminated by the Company or any Subsidiary for cause, for the purposes of the Schemes such cause shall mean:
  - (a) dishonesty or serious misconduct, whether or not in connection with his employment; wilful disobedience or non-compliance with the terms of his employment contract with the Company or the Subsidiary or any lawful orders or instructions given by the Company or the Subsidiary;
  - (b) incompetence or negligence in the performance of his duties; or
  - (c) doing anything in the conclusive opinion of the Company, adversely affects his ability to perform his duties properly or bring the Company or the Group into disrepute;
- (ii) has been summarily dismissed by the Company (or by the relevant Subsidiary, as the case may be);
- (iii) has become bankrupt or failed to pay his debts within a reasonable time after they become due; or has made any arrangement or composition with his creditors generally;

- (iv) has been convicted for any criminal offence involving his integrity or honesty;  
or
- (v) has been charged, convicted or held liable for any offence under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or any other applicable laws or regulations in force from time to time.

#### *Conditions of the Schemes*

The conditions of the Schemes are as follows:

- (i) that the Employee has satisfied the relevant vesting criteria and such further conditions (if any) as the Committee at its discretion may have stipulated and which have been communicated to the Selected Employee in writing on or before the date on which the Employee is notified of the award hereunder; and
- (ii) that the Selected Employee remains at all times after and on the Vesting Date (or, as the case may be, on each relevant Vesting Date) an Employee of the Group.

For the avoidance of doubt, in the event that a Selected Employee ceases to be an Employee by reason of redundancy, severance or unfair dismissal or because he has tendered his resignation, then such person will (subject to rules of the Schemes) be deemed to have ceased to be an Employee for the purposes of the Schemes and the condition referred to therein shall fail to have been satisfied.

In the event that the Company, the Subsidiary or the business division of the Group by which a Selected Employee is employed ceases to be a Subsidiary or business division of the Group or ceases to be a Selected Employee by reason of ill health, injury, disability death or bankruptcy, then any award made to such Selected Employee shall subject to the absolute discretion of the Committee be preserved in part or in its entirety.

Notwithstanding any other provision of the Schemes (but subject to any applicable laws), the Committee shall be at liberty to waive any conditions (other than those in relation to the limit on the number of Shares which can be awarded to executive directors and chief executives of the Group and that which can be granted under the Schemes) referred to in the Schemes.

#### *Vesting Notice*

- (i) When Shares vest in a Selected Employee in accordance with the rules of the Scheme, the Committee shall send to the relevant Selected Employee (with a copy to the Company) a vesting notice substantially in the form set out in the Schemes; and
- (ii) the Committee shall, within 5 business days of the sending of a notice or such longer period as is reasonably required by the Committee, having regards to, *inter alia*,

time required to obtain listing approval for new Shares where applicable, transfer the relevant cash and/or Shares to the relevant Selected Employee.

*Award is personal to the Selected Employee*

Any award made under the Schemes shall be personal to the Selected Employee to whom it is made and shall not be assignable and no Employee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to or in connection with the Number of Awarded Shares.

For the avoidance of doubt, a Selected Employee shall hold an interest in the Assets which are held pursuant to the Schemes and which are referable to him, provided that such interest shall be subject to (i) the vesting of such Assets in accordance with the rules of the Schemes, (ii) the satisfaction of conditions referred to in the rules of the Schemes (and their remaining satisfied).

*Payment*

No payment shall be made to the Committee pursuant to the Schemes and no instructions to subscribe/acquire Shares shall be given to the Committee by the Company under the Schemes where any member of the Committee is in possession of unpublished price sensitive information in relation to the Company or where dealings by directors are prohibited under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules.

*Disclosure obligations*

In respect of the Schemes, the Company shall disclose in its annual report (i) the aggregate number of Awarded Shares; (ii) the aggregate amount of cash utilised by the Company for the Awarded Shares; (iii) the name and position of each grantee; (iv) whether the Awarded Shares were purchased or subscribed and the basis of such determination (v) the effect if any of the awards on the profit and loss account of the Company and any dilution effect on the earnings per Share.

## **6. Takeover**

If an offer by way of takeover, merger, scheme of arrangement, share repurchase or otherwise is made to all the holders of Shares (or all such holders other than the offeror, any person controlled by the offeror and any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional (i.e. all conditions to which such transaction is subject have been satisfied) prior to the vesting of the Assets in the Selected Employee pursuant to the rules of the Schemes, then notwithstanding the performance timetable for vesting such Assets may immediately vest (whether in whole or in part) in the Selected Employee at the absolute discretion of the Committee.

**7. Scheme Limit**

No sum of money shall be set aside for acquisition or subscription and no Shares shall be subscribed/acquired pursuant to the Schemes, if, as a result of such subscription/acquisition, the number of Shares administered under the Schemes and any other scheme of a similar nature adopted by the Company and/or any of its subsidiaries would represent in excess of five per cent of the issued share capital of the Company as at the date of approval of the Schemes, being 20,136,344 Shares as at the Latest Practicable Date and assuming no new Shares will be issued by the Company from the Latest Practicable Date to the date of the SGM. The maximum number of Shares administered under the Schemes for directors and chief executives of the Group shall in no event exceed two and a half per cent. of the issued share capital of the Company as at the date of approval of the Schemes, being 10,068,172 Shares as at the Latest Practicable Date and assuming no new Shares will be issued by the Company from the Latest Practicable Date to the date of the SGM.

**8. Disputes**

Any dispute arising in connection with the Schemes shall be referred to the decision of the Committee and whose decision shall be final and binding.

**9. Alteration**

(A) The Schemes (other than the maximum number of Shares administered and the maximum number of Shares granted to executive directors and chief executives of the Group) may be altered in any respect by a resolution of the Committee provided that no such alteration shall operate to affect adversely any subsisting rights of any Selected Employee under the Schemes except with:

- (i) the consent in writing of the relevant Selected Employees; or
- (ii) the sanction of a special resolution passed at a meeting of the Selected Employees.

(B) To any such meeting of Selected Employees referred to in paragraph 9(A) above all the provisions of the bye-laws for the time being of the Company as to general meetings of the Company shall mutatis mutandis apply except that:

- (i) not less than 5 days' notice of such meeting shall be given;
- (ii) a quorum at any such meeting shall be two Selected Employees present in person or by proxy;
- (iii) every Selected Employee present in person or by proxy at any of such meeting shall be entitled on a show of hands to one vote, and on a poll, to one vote for each Number of Awarded Shares then held;

- (iv) any Selected Employee present in person or by proxy may demand a poll; and
- (v) if any such meeting is adjourned for want of a quorum, such adjournment shall be to such date and time, not being less than 7 or more than 14 days thereafter, and to such place as may be appointed by the chairman of the meeting. At any adjourned meeting those Selected Employees who are then present in person or by proxy shall form a quorum and at least 7 days' notice of any adjourned meeting shall be given in the same manner as for an original meeting and such notice shall state that those Selected Employees who are then present in person or by proxy shall form a quorum.

## **10. Termination**

The Committee may by resolution terminate the operation of the Schemes at any time provided that such termination shall not affect any subsisting rights of any Selected Employee under the Schemes.

## **11. Governing Law**

The Schemes shall be governed by and construed in accordance with the laws of Hong Kong.

**1. RESPONSIBILITY STATEMENT**

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

**2. MATERIAL ADVERSE CHANGE**

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2003, being the date to which the latest published audited consolidated accounts of the Group were made up.

**3. DISCLOSURE OF INTERESTS**

As at the Latest Practicable Date, the following Directors were interested, or were deemed to be interested in the following long and short positions in the Shares, underlying Shares of equity derivatives and debentures of the Company or any associated corporation (within the meaning of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange:

**(1) Long positions in shares and underlying shares of the Company***(a) Ordinary shares of HK\$0.10 each of the Company*

<b>Name of director</b>	<b>Capacity</b>	<b>Number of shares held</b>	<b>Percentage of issued share capital</b>
Peter, Yang Sze Chen	Beneficial owner	900,000	0.22%
	Held by controlled corporation ( <i>Note</i> )	<u>16,514,867</u>	<u>4.10%</u>
		<u>17,414,867</u>	<u>4.32%</u>
Kyle Arnold Shaw Junior	Beneficial owner	<u>324,000</u>	<u>0.08%</u>
		<u><u>17,738,867</u></u>	<u><u>4.40%</u></u>

*Note:* These shares were held through Team Long Development Limited, a company that was wholly owned by Mr. Peter, Yang Sze Chen.



**(1) Long positions in shares and underlying shares of the Company (continued)***(b) Share options*

Name of director	Capacity	Number of share options held	Number of underlying shares	Exercise price HK\$
Yeo Chee Tong	Beneficial owner	<u>450,000</u>	<u>450,000</u>	<u>1.45</u>

The options granted during the year may be exercised in accordance with the terms of the relevant scheme as to:

- (i) 25% of the options will be exercisable after the expiry of 12 months from the date of grant (the “First Exercise Date”);
- (ii) 25% of the options will be exercisable after the expiry of each successive 12 months period from the First Exercise Date; and
- (iii) the options will expire on 8 October 2013.

**(2) Long positions in shares and underlying shares of the associated corporation of the Company, SNP Corporation Ltd (“SNP”)***(a) Ordinary shares of S\$0.50 each of SNP*

Name of directors	Capacity	Number of shares held	Percentage of issued share capital
Yeo Chee Tong	Beneficial owner	582,000	0.50%
	Held by spouse	20,000	0.02%
	Held by controlled corporate ( <i>Note</i> )	<u>100,000</u>	<u>0.09%</u>
		702,000	0.61%
Edmund, Cheng Wai Wing	Beneficial owner	<u>35,000</u>	<u>0.03%</u>
		<u><u>737,000</u></u>	<u><u>0.64%</u></u>

*Note:* These shares were held through tangerine.com Investments Pte Ltd, a company in which Mr. Yeo Chee Tong has 97% shareholdings.

## (2) Long positions in shares and underlying shares of the associated corporation of the Company, SNP Corporation Ltd (“SNP”) (continued)

## (b) Share options of SNP

Name of directors	Capacity	Number of share options held	Number of underlying shares	Exercise price S\$	Exercisable period
Peter, Yang Sze Chen	Beneficial owner	1,250	1,250	1.31	15 October 2004 to 14 October 2013
		1,250	1,250	1.31	15 October 2005 to 14 October 2013
		1,250	1,250	1.31	15 October 2006 to 14 October 2013
		1,250	1,250	1.31	15 October 2007 to 14 October 2013
		5,000	5,000		
Yeo Chee Tong	Beneficial owner	10,000	10,000	0.50	23 April 2002 to 22 April 2011
		10,000	10,000	0.50	23 April 2003 to 22 April 2011
		10,000	10,000	0.50	23 April 2004 to 22 April 2011
		10,000	10,000	0.50	23 April 2005 to 22 April 2011
		10,000	10,000	0.50	11 October 2002 to 10 October 2011
		10,000	10,000	0.50	11 October 2003 to 10 October 2011
		10,000	10,000	0.50	11 October 2004 to 10 October 2011
		10,000	10,000	0.50	11 October 2005 to 10 October 2011
		20,000	20,000	0.71	17 April 2003 to 16 April 2012
		20,000	20,000	0.71	17 April 2004 to 16 April 2012
		20,000	20,000	0.71	17 April 2005 to 16 April 2012
		20,000	20,000	0.71	17 April 2006 to 16 April 2012
20,000	20,000	0.63	23 October 2003 to 22 October 2012		

## (2) Long positions in shares and underlying shares of the associated corporation of the Company, SNP Corporation Ltd (“SNP”) (continued)

## (b) Share options of SNP (continued)

Name of directors	Capacity	Number of share options held	Number of underlying shares	Exercise price S\$	Exercisable period
Yeo Chee Tong	Beneficial owner	20,000	20,000	0.63	23 October 2004 to 22 October 2012
		20,000	20,000	0.63	23 October 2005 to 22 October 2012
		20,000	20,000	0.63	23 October 2006 to 22 October 2012
		20,000	20,000	0.61	15 April 2004 to 14 April 2013
		20,000	20,000	0.61	15 April 2005 to 14 April 2013
		20,000	20,000	0.61	15 April 2006 to 14 April 2013
		20,000	20,000	0.61	15 April 2007 to 14 April 2013
		20,000	20,000	1.31	15 October 2004 to 14 October 2013
		20,000	20,000	1.31	15 October 2005 to 14 October 2013
		20,000	20,000	1.31	15 October 2006 to 14 October 2013
		20,000	20,000	1.31	15 October 2007 to 14 October 2013
		<u>400,000</u>	<u>400,000</u>		
Tay Siew Choon	Beneficial owner	5,000	5,000	0.50	23 April 2002 to 22 April 2011
		5,000	5,000	0.50	23 April 2003 to 22 April 2011
		5,000	5,000	0.50	23 April 2004 to 22 April 2011
		5,000	5,000	0.50	23 April 2005 to 22 April 2011
		50,000	50,000	0.71	17 April 2003 to 16 April 2007
		50,000	50,000	0.61	15 April 2004 to 14 April 2008
		<u>120,000</u>	<u>120,000</u>		

## (2) Long positions in shares and underlying shares of the associated corporation of the Company, SNP Corporation Ltd (“SNP”) (continued)

## (b) Share options of SNP (continued)

Name of directors	Capacity	Number of share options held	Number of underlying shares	Exercise price S\$	Exercisable period
Edmund, Cheng Wai Wing	Beneficial owner	30,000	30,000	0.61	15 April 2004 to 14 April 2008
		<u>30,000</u>	<u>30,000</u>		
John Robert Walter	Beneficial owner	30,000	30,000	0.50	23 April 2002 to 22 April 2006
		30,000	30,000	0.71	17 April 2003 to 16 April 2007
		30,000	30,000	0.61	15 April 2004 to 14 April 2008
		<u>90,000</u>	<u>90,000</u>		
		<u>645,000</u>	<u>645,000</u>		

## (3) Long positions in shares and underlying shares of other associated corporations of the Company

## (i) Shares

Name of directors and company in which interest is held	Capacity	Number of shares held	Percentage of issued share capital
(a) Interest in Singapore Technologies Engineering Ltd			
Ordinary shares of S\$0.10 each			
Yeo Chee Tong	Beneficial owner	2,568	0.00%
(b) Interest in ST Assembly Test Services Ltd			
Ordinary shares of S\$0.25 each			
Tay Siew Choon	Beneficial owner	4,000	0.00%

**(3) Long positions in shares and underlying shares of other associated corporations of the Company (continued)***(i) Shares (continued)*

Name of directors and company in which interest is held	Capacity	Number of shares held	Percentage of issued share capital
(c) Interest in Raffles Holdings Limited			
Ordinary shares of S\$0.50 each			
Tay Siew Choon	Beneficial owner	10,000	0.00%
(d) Interest in Vertex Investment (II) Ltd			
Ordinary shares of US\$1.00 each			
Tay Siew Choon	Beneficial owner	2	0.03%
(e) Interest in Vertex Technology Fund Ltd			
Ordinary shares of US\$1.00 each			
Tay Siew Choon	Beneficial owner	20	0.02%
(f) Interest in Vertex Technology Fund (II) Ltd			
Ordinary shares of US\$1.00 each			
Tay Siew Choon	Beneficial owner	500	0.33%
Redeemable preference shares of US\$0.01 each			
Tay Siew Choon	Beneficial owner	500	0.33%
(g) Interest in SembCorp Industries Ltd			
Ordinary shares of S\$0.25 each			
Tay Siew Choon	Beneficial owner	54,598	0.00%
(h) Interest in Singapore Food Industries Limited			
Ordinary shares of S\$0.05 each			
Tay Siew Choon	Beneficial owner	100,000	0.02%
	Held by spouse	531,000	0.11%
		631,000	0.13%

**(3) Long positions in shares and underlying shares of other associated corporations of the Company (continued)***(i) Shares (continued)*

Name of directors and company in which interest is held	Capacity	Number of shares held	Percentage of issued share capital
(i) Interest in Singapore Computer Systems Limited			
Ordinary shares of S\$0.25 each			
Tay Siew Choon	Beneficial owner	271,000	0.18%
	Held by spouse	500,000	0.32%
		771,000	0.50%
(j) Interest in Singapore Telecommunications Ltd			
Ordinary shares of S\$0.15 each			
Tay Siew Choon	Beneficial owner	1,680	0.00%
	Held by spouse	1,540	0.00%
		3,220	0.00%
Yeo Chee Tong	Beneficial owner	6,020	0.00%
	Held by spouse	1,740	0.00%
		7,760	0.00%
(k) Interest in SMRT Corporation Ltd			
Ordinary shares of S\$0.10 each			
Tay Siew Choon	Beneficial owner	30,000	0.00%
(l) Interest in Hiap Moh Corporation Ltd			
Ordinary shares of S\$0.25 each			
Yeo Chee Tong	Held by spouse	1,750	0.00%

## (3) Long positions in shares and underlying shares of other associated corporations of the Company (continued)

## (ii) Share Options

Name of directors and company in which interest is held	Capacity	Number of share options held	Number of underlying shares	Exercise Price S\$	Exercisable period
(m) Interest in Chartered Semiconductor Manufacturing Ltd					
Tay Siew Choon	Beneficial owner	23,443	23,443	4.26	15 August 2002 to 15 August 2006
		29,304	29,304	3.46	22 February 2003 to 22 February 2007
		234,439	234,439	3.88	1 May 2002 to 1 May 2007
		46,887	46,887	1.86	30 August 2003 to 30 August 2007
		25,000	25,000	0.72	28 February 2004 to 28 February 2008
		35,000	35,000	1.10	29 August 2004 to 29 August 2008
		<u>394,073</u>	<u>394,073</u>		
(n) Interest in Capital and Limited					
Tay Siew Choon	Beneficial owner	13,462	13,462	2.54	13 June 2001 to 11 June 2005
		13,463	13,463	2.54	13 June 2002 to 11 June 2005
		13,462	13,462	2.54	13 June 2003 to 11 June 2005
		13,463	13,463	2.54	13 June 2004 to 11 June 2005
		12,500	12,500	2.50	19 June 2002 to 18 June 2006
		12,500	12,500	2.50	19 June 2003 to 18 June 2006
		12,500	12,500	2.50	19 June 2004 to 18 June 2006
		12,500	12,500	2.50	19 June 2005 to 18 June 2006
		10,000	10,000	1.71	11 May 2003 to 10 May 2007
		10,000	10,000	1.71	11 May 2004 to 10 May 2007
		10,000	10,000	1.71	11 May 2005 to 10 May 2007
		10,000	10,000	1.71	11 May 2006 to 10 May 2007

## (3) Long positions in shares and underlying shares of other associated corporations of the Company (continued)

## (ii) Share Options (continued)

Name of directors and company in which interest is held	Capacity	Number of share options held	Number of underlying shares	Exercise Price S\$	Exercisable period
Tay Siew Choon	Beneficial owner	4,750	4,750	1.02	1 March 2004 to 28 February 2013
		4,750	4,750	1.02	1 March 2005 to 28 February 2013
		4,750	4,750	1.02	1 March 2006 to 28 February 2013
		4,750	4,750	1.02	1 March 2007 to 28 February 2013
		<u>162,850</u>	<u>162,850</u>		
(o) Interest in The Ascott Group Limited					
Tay Siew Choon	Beneficial owner	2,500	2,500	0.37	21 December 2001 to 20 December 2010
		2,500	2,500	0.37	21 December 2002 to 20 December 2010
		2,500	2,500	0.37	21 December 2003 to 20 December 2010
		2,500	2,500	0.37	21 December 2004 to 20 December 2010
		3,000	3,000	0.32	30 June 2002 to 29 June 2011
		3,000	3,000	0.32	30 June 2003 to 29 June 2011
		3,000	3,000	0.32	30 June 2004 to 29 June 2011
		3,000	3,000	0.32	30 June 2005 to 29 June 2011
		3,000	3,000	0.35	5 May 2003 to 4 May 2012
		3,000	3,000	0.35	5 May 2004 to 4 May 2012
		3,000	3,000	0.35	5 May 2005 to 4 May 2012
		3,000	3,000	0.35	5 May 2006 to 4 May 2012
		5,750	5,750	0.32	10 May 2004 to 9 May 2013
		5,750	5,750	0.32	10 May 2005 to 9 May 2013
		5,750	5,750	0.32	10 May 2006 to 9 May 2013
5,750	5,750	0.32	10 May 2007 to 9 May 2013		
		<u>57,000</u>	<u>57,000</u>		



## (3) Long positions in shares and underlying shares of other associated corporations of the Company (continued)

## (ii) Share Options (continued)

Name of directors and company in which interest is held	Capacity	Number of share options held	Number of underlying shares	Exercise Price S\$	Exercisable period
(p) Interest in STT Communication Limited					
Tay Siew Choon	Beneficial owner	25,000	25,000	1.42	19 September 2001 to 18 September 2010
		25,000	25,000	1.42	19 September 2002 to 18 September 2010
		25,000	25,000	1.42	19 September 2003 to 18 September 2010
		25,000	25,000	1.42	19 September 2004 to 18 September 2010
		3,750	3,750	0.92	28 April 2002 to 27 April 2011
		3,750	3,750	0.92	28 April 2003 to 27 April 2011
		3,750	3,750	0.92	28 April 2004 to 27 April 2011
		3,750	3,750	0.92	28 April 2005 to 27 April 2011
		7,500	7,500	0.50	24 November 2002 to 23 November 2011
		7,500	7,500	0.50	24 November 2003 to 23 November 2011
		7,500	7,500	0.50	24 November 2004 to 23 November 2011
		7,500	7,500	0.50	24 November 2005 to 23 November 2011
		20,000	20,000	0.50	29 June 2003 to 28 June 2012
		20,000	20,000	0.50	29 June 2004 to 28 June 2012
		20,000	20,000	0.50	29 June 2005 to 28 June 2012
		20,000	20,000	0.50	29 June 2006 to 28 June 2012
		25,000	25,000	0.57	30 July 2004 to 29 July 2013
		25,000	25,000	0.57	30 July 2005 to 29 July 2013
		25,000	25,000	0.57	30 July 2006 to 29 July 2013
		25,000	25,000	0.57	30 July 2007 to 29 July 2013
		<u>325,000</u>	<u>325,000</u>		

## (3) Long positions in shares and underlying shares of other associated corporations of the Company (continued)

## (ii) Share Options (continued)

Name of directors and company in which interest is held	Capacity	Number of share options held	Number of underlying shares	Exercise Price S\$	Exercisable period
(q) Interest in SembCorp Industries Ltd					
Tay Siew Choon	Beneficial owner	500,000	500,000	2.26	20 May 2001 to 19 May 2009
		125,000	125,000	1.99	27 June 2001 to 26 June 2010
		125,000	125,000	1.99	27 June 2002 to 26 June 2010
		125,000	125,000	1.99	27 June 2003 to 26 June 2010
		125,000	125,000	1.99	27 June 2004 to 26 June 2010
		12,500	12,500	1.55	20 April 2002 to 19 April 2006
		12,500	12,500	1.55	20 April 2003 to 19 April 2006
		12,500	12,500	1.55	20 April 2004 to 19 April 2006
		12,500	12,500	1.55	20 April 2005 to 19 April 2006
		6,250	6,250	1.59	8 May 2003 to 7 May 2007
		6,250	6,250	1.59	8 May 2004 to 7 May 2007
		6,250	6,250	1.59	8 May 2005 to 7 May 2007
		6,250	6,250	1.59	8 May 2006 to 7 May 2007
		6,250	6,250	0.98	18 October 2003 to 17 October 2007
		6,250	6,250	0.98	18 October 2004 to 17 October 2007
		6,250	6,250	0.98	18 October 2005 to 17 October 2007
		6,250	6,250	0.98	18 October 2006 to 17 October 2007
		6,250	6,250	1.14	3 June 2004 to 2 June 2008
		6,250	6,250	1.14	3 June 2005 to 2 June 2008
		6,250	6,250	1.14	3 June 2006 to 2 June 2008
		6,250	6,250	1.14	3 June 2007 to 2 June 2008
		6,250	6,250	1.29	19 November 2004 to 18 November 2008
		6,250	6,250	1.29	19 November 2005 to 18 November 2008
		6,250	6,250	1.29	19 November 2006 to 18 November 2008
		6,250	6,250	1.29	19 November 2007 to 18 November 2008
		<u>1,150,000</u>	<u>1,150,000</u>		

## (3) Long positions in shares and underlying shares of other associated corporations of the Company (continued)

## (ii) Share Options (continued)

Name of directors and company in which interest is held	Capacity	Number of share options held	Number of underlying shares	Exercise Price S\$	Exercisable period
(r) Interest in ST Assembly Test Services Limited					
Tay Siew Choon	Beneficial owner	17,500	17,500	1.99	6 August 2004 to 5 August 2013
		17,500	17,500	1.99	6 August 2005 to 5 August 2013
		17,500	17,500	1.99	6 August 2006 to 5 August 2013
		17,500	17,500	1.99	6 August 2007 to 5 August 2013
		<u>70,000</u>	<u>70,000</u>		
(s) Interest in Singapore Food Industries Limited					
Tay Siew Choon	Beneficial owner	50,000	50,000	0.55	24 August 2004 to 23 August 2005
		<u>50,000</u>	<u>50,000</u>		
(t) Interest in Singapore Computer Systems Limited					
Tay Siew Choon	Beneficial owner	20,000	20,000	2.20	19 October 2001 to 18 October 2005
		20,000	20,000	2.20	19 October 2002 to 18 October 2005
		20,000	20,000	2.20	19 October 2003 to 18 October 2005
		20,000	20,000	2.20	19 October 2004 to 18 October 2005
		25,000	25,000	2.08	15 March 2002 to 14 March 2006
		25,000	25,000	2.08	15 March 2003 to 14 March 2006
		25,000	25,000	2.08	15 March 2004 to 14 March 2006
		25,000	25,000	2.08	15 March 2005 to 14 March 2006
		18,750	18,750	1.55	8 March 2003 to 7 March 2007
		18,750	18,750	1.55	8 March 2004 to 7 March 2007
		18,750	18,750	1.55	8 March 2005 to 7 March 2007
		18,750	18,750	1.55	8 March 2006 to 7 March 2007
		18,750	18,750	0.86	22 February 2004 to 21 February 2008
		18,750	18,750	0.86	22 February 2005 to 21 February 2008
		18,750	18,750	0.86	22 February 2006 to 21 February 2008
		18,750	18,750	0.86	22 February 2007 to 21 February 2008
		<u>330,000</u>	<u>330,000</u>		

**(3) Long positions in shares and underlying shares of other associated corporations of the Company (continued)***(ii) Share Options (continued)*

Name of directors and company in which interest is held	Capacity	Number of share options held	Number of underlying shares	Exercise Price S\$	Exercisable period
(u) Interest in Green Dot Internet Services Pte Ltd					
Tay Siew Choon	Beneficial owner	4,156	4,156	1.00	12 March 2003 to 11 March 2013
		4,157	4,157	1.00	12 March 2004 to 11 March 2013
		4,157	4,157	1.00	12 March 2005 to 11 March 2013
		4,157	4,157	1.00	12 March 2006 to 11 March 2013
		16,627	16,627		

*(iii) Conditional Awards under the Restricted Stock Plan*

Name of director and company in which interest is held	Capacity	Number of Share held	Number of underlying shares
(a) Award under Green Dot Capital Restricted Stock Plan			
Interest in Singapore Computer Systems Limited			
Tay Siew Choon	Beneficial owner	400,000	400,000

Save as disclosed in this circular, as at the Latest Practicable Date, none of Directors were interested, or were deemed to be interested in the long and short positions in the shares, underlying Shares of equity derivatives and debentures of the Company or any associated corporation (within the meaning of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors for Listed Companies to be notified to the Company and the Stock Exchange.

#### 4. SERVICE CONTRACT

As at the Latest Practicable Date, no Director has any existing or proposed service contract with the Company or any of its subsidiaries which is not expiring or determinable by the employing company within one year without the payment of compensation (other than statutory compensation).

#### 5. SUBSTANTIAL SHAREHOLDERS

So far as is known to the Directors, as at the Latest Practicable Date, the following persons, in addition to those interests disclosed above in respect of the Directors, had an interest in the following long positions in the Shares and underlying Shares of equity derivatives which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO, or who was directly and indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group:

##### Ordinary shares of HK\$0.10 each of the Company

Name of shareholder	Capacity	Number of ordinary shares	%
SNP	Beneficial owner	282,343,988	70.11
Green Dot Capital Pte Ltd	Held by controlled corporation ( <i>Note</i> )	282,343,988	70.11
Singapore Technologies Pte Ltd. (“STPL”)	Held by controlled corporation ( <i>Note</i> )	282,343,988	70.11
Temasek Holdings (Pte) Ltd	Held by controlled corporation ( <i>Note</i> )	282,343,988	70.11

*Note:* These shares were held through SNP, a company in which Green Dot Capital Pte Ltd, a wholly owned subsidiary of STPL, has a 55% shareholding. STPL is a wholly owned subsidiary of Temasek Holdings (Pte) Ltd.

#### 6. LITIGATION

Neither the Company nor any of its subsidiaries is engaged in any litigation or claims of material importance and, so far as the Director are aware, no litigation or claim of material importance is pending or threatened by or against the Company or any of its subsidiaries.

**7. EXPERT'S DISCLOSURE OF INTEREST AND CONSENT**

- (a) Tai Fook Capital Limited ("Tai Fook") is a corporation licensed under the transitional arrangement to carry out Type 6 activity for the purposes of The Securities and Futures Ordinance.
- (b) As at the Latest Practicable Date, Tai Fook does not have any shareholding in any member of the Group nor any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.
- (c) Tai Fook has given consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they appear.
- (d) The letter and recommendation given by Tai Fook are given as of the date of this circular for incorporation herein.
- (e) Tai Fook has, or has had, no direct or indirect interest in any assets which have been acquired or disposed of by, or leased to, or which are proposed to be acquired or disposed of by, or leased to, the Company or any of its subsidiaries since 31 December 2003, being the date to which the latest published audited consolidated accounts of the Group were made up.

**8. MATERIAL INTERESTS IN CONTRACTS AND ASSETS**

- (a) Save as disclosed herein, as at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting at such date which was significant in relation to the business of the Group taken as a whole.
- (b) As at the Latest Practicable Date, none of the Directors has any direct or indirect interest in any asset acquired or disposed of by or leased to any member of the Group, or proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2003, being the date to which the latest published audited accounts of the Group were made up.

**9. GENERAL**

- (a) The Secretary of the Company is Mr. Lo Kin Cheung. Mr. Lo is a fellow member of both the Hong Kong Society of Accountants and the Association of Chartered Certified Accountants.
- (b) The head office of the Company is at Room 1001-3, 10th Floor, Wing On House, 71 Des Voeux Road Central, Central, Hong Kong.

- (c) The registered office of the Company is Canon's Court, 22 Victoria Street, Hamilton, HM12, Bermuda.
- (d) The share registrar of the Company in Hong Kong is Tengis Limited at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong.
- (e) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

## **10. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the principal place of business of the Company at Room 1001-3, 10th Floor, Wing On House, 71 Des Voeux Road Central, Central, Hong Kong during normal business hours on any weekday (public holidays excepted) up to and including 18 March 2004:

- (a) the Schemes;
- (b) the letter from the Independent Board Committee, the text of which is set out in this circular;
- (c) the letter from Tai Fook, the text of which is set out in this circular; and
- (d) the memorandum of association and bye-laws of the Company.

---

## NOTICE OF SPECIAL GENERAL MEETING

---



### SNP LEEFUNG HOLDINGS LIMITED

利豐雅高印刷集團有限公司\*

*(Incorporated in Bermuda with limited liability)*

**NOTICE IS HEREBY GIVEN** that a Special General Meeting of the Company will be held at Harbour Room, Level 56, Island Shangri-la Hotel, Pacific Place, Supreme Court Road, Admiralty, Hong Kong on Thursday, 18 March 2004 at 11:30 a.m. for the following purposes:

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

“**THAT** the allotment and issue of shares in the Company to executive directors and chief executives of the Company and its subsidiaries pursuant to the Company’s time-based incentive award scheme and the performance related incentive award scheme be and are hereby approved and confirmed.”

By Order of the Board  
**Lo Kin Cheung**  
*Company Secretary*

Hong Kong, 2 March, 2004

*Principal place of business:*

Room 1001-3, 10th floor

Wing On House

71 Des Voeux Road Central

Central

Hong Kong

*Notes:*

1. A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him and vote on his behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. To be effective, the instrument appointing a 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 of attorney or authority, must be deposited at the principal place of business of the Company at Room 1001-3, 10th Floor, Wing On House, 71 Des Voeux Road Central, Central, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting.

\* *For identification purposes only*