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If you have sold or transferred all your shares in Jackin International Holdings Limited, you should at once hand this circular and the enclosed form of proxy to the purchaser(s) or the transferee(s), or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser(s) or the transferee(s).

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JACKIN INTERNATIONAL HOLDINGS LIMITED

輝影國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code : 630)

(I) PROPOSED ISSUE OF CONVERTIBLE BONDS BY A WHOLLY-OWNED SUBSIDIARY;

AND

(II) POSSIBLE MAJOR TRANSACTION RELATING TO DEEMED DISPOSAL OF INTEREST IN A WHOLLY-OWNED SUBSIDIARY

Financial adviser to Jackin International Holdings Limited


Optima Capital Limited

A notice convening the special general meeting of Jackin International Holdings Limited to be held at Unit 3203, 32th Floor, Admiralty Centre I, 18 Harcourt Road, Hong Kong at 9:00 a.m. on Monday, 6 April 2009 (or any adjournment thereof) is set out on pages 25 to 27 of this circular. Form of proxy for use in the special general meeting is enclosed. Whether or not you intend to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding of the special general meeting or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting thereof, should you so desire.

21 March 2009

* For identification purpose only

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DEFINITIONS

In this circular, unless the context otherwise requires, the following terms or expressions shall have the meanings set out below:

“AFEX”	AFEX International (HK) Limited, a company incorporated under the laws of Hong Kong and a direct wholly-owned subsidiary of Ugent
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day(s) (excluding a Saturday and Sunday) on which banks generally are open for business in New York, the British Virgin Islands or Hong Kong
“Calculation Agent”	an independent investment bank or financial institution designated jointly by the Subscriber and Ugent for determining the fair value of the securities of Ugent for the purpose of calculating any adjustments to the Conversion Price under the terms and conditions of the Convertible Bonds
“Company”	Jackin International Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on Main Board of the Stock Exchange
“Completion”	completion of the Subscription Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Conversion Price”	the conversion price of the Convertible Bonds, initially being HK\$41,300 per Ugent Share (subject to adjustments)
“Convertible Bonds”	the HK\$177,000,000 12% secured convertible bonds due 2012 to be issued by Ugent as contemplated under the Subscription Agreement
“Director(s)”	the director(s) of the Company

DEFINITIONS

“EBITDA”	earnings before interest, taxes, depreciation and amortisation
“Existing Bonds”	(i) the First Existing Bonds; and (ii) the HK\$31,200,000 15% guaranteed bonds due 2010 issued by the Company on 10 October 2008 to Martin Currie Fund
“First Existing Bonds”	the HK\$78,000,000 10% bonds due 2010 secured by a fixed charge over 100% of the shares of AFEX issued by the Company on 27 June 2007 to Martin Currie Fund, further details of which are set out in the announcement of the Company dated 21 June 2007
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	17 March 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Martin Currie Fund”	Martin Currie China Hedge Fund L.P.
“MC Funds”	any funds managed by affiliates of Martin Currie (Holdings) Limited from time to time including Martin Currie Fund and the Subscriber
“MC Warrants”	unlisted warrants of the Company conferring rights entitling the holder(s) thereof to subscribe for up to HK\$31,200,000 in aggregate in cash for 56,317,689 new Shares at HK\$0.554 per Share (subject to adjustments), further details of which are set out in the announcement of the Company dated 21 June 2007
“Oakview”	Oakview International Limited, a company incorporated under the laws of the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company

DEFINITIONS

“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company convened to be held for the purpose of considering and approving the Subscription Agreement and the transactions contemplated thereunder including the issue of new Ugent Shares upon conversion of the Convertible Bonds
“Share(s)”	ordinary share(s) of par value HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	The China Fund, Inc.
“Subscription”	the proposed subscription by the Subscriber of the Convertible Bonds as contemplated under the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 6 March 2009 entered into between Ugent and the Subscriber in relation to the Subscription
“Ugent”	Ugent Holdings Limited, a company incorporated under the laws of the British Virgin Islands with limited liability and a wholly-owned subsidiary of Oakview
“Ugent Group”	Ugent and its subsidiaries
“Ugent Share(s)”	ordinary share(s) of par value US\$1.00 each in the share capital of Ugent

DEFINITIONS

“Warrants”	unlisted warrants of the Company outstanding as at the Latest Practicable Date comprising (i) the MC Warrants; and (ii) unlisted warrants of the Company conferring rights entitling the holder(s) thereof to subscribe for up to HK\$260,000 in aggregate in cash for 2,000,000 new Shares at HK\$0.13 per Share (subject to adjustments), further details of which are set out in the announcement of the Company dated 6 January 2006
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



JACKIN INTERNATIONAL HOLDINGS LIMITED

輝影國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code : 630)

Executive Directors:

Ho Yin King, Helena

(Chairman and Managing Director)

Ho Fai Keung, Jacky *(Deputy Chairman)*

Cheung Sze Ming

Lo Suk King

Registered Office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

Independent Non-executive Directors:

Li Sau Hung, Eddy

Leung Ka Kui, Johnny

Chan Kam Kwan, Jason

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

Unit 8, 10th Floor, Riley House

88 Lei Muk Road, Kwai Chung

New Territories, Hong Kong

21 March 2009

*To the Shareholders and, for information only,
holders of the Warrants*

Dear Sir/Madam,

**(I) PROPOSED ISSUE OF CONVERTIBLE BONDS
BY A WHOLLY-OWNED SUBSIDIARY;
AND
(II) POSSIBLE MAJOR TRANSACTION
RELATING TO DEEMED DISPOSAL OF INTEREST
IN A WHOLLY-OWNED SUBSIDIARY**

INTRODUCTION

The Company announced on 10 March 2009 that after trading hours of the Stock Exchange on 6 March 2009, Ugent and the Subscriber entered into the Subscription Agreement in relation to the proposed Subscription of the Convertible Bonds.

* For identification purpose only

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, amongst other things, further details of the Subscription including the principal terms and conditions of the Subscription Agreement and the Convertible Bonds, as well as a notice of the SGM.

THE SUBSCRIPTION AGREEMENT

Date:

6 March 2009

Issuer:

Ugent, an indirectly wholly-owned subsidiary of the Company

Subscriber:

The China Fund, Inc., managed by affiliates of Martin Currie (Holdings) Limited

Aggregate amount of the Convertible Bonds to be subscribed:

Subject to fulfillment of the conditions precedent to the Subscription Agreement, the Subscriber has agreed to subscribe for the Convertible Bonds with an aggregate principal amount of HK\$177 million.

Conditions precedent to the Subscription Agreement:

The Subscriber's obligation to subscribe for the Convertible Bonds is subject to a number of conditions precedent including, among other things,

- (i) the representations and warranties of Ugent in the Subscription Agreement shall be correct in all material respects when made and at the time of Completion;
- (ii) the Subscriber and its professional advisors having completed due diligence on Ugent and its subsidiaries to the satisfaction of the Subscriber;
- (iii) the Subscriber having received opinions in agreed form and substance satisfactory to it from the Hong Kong counsel, Bermuda counsel as well as British Virgin Islands counsel to Ugent in connection with the transactions contemplated under the Subscription Agreement and covering such other matters incidental thereto as the Subscriber may reasonably request;

LETTER FROM THE BOARD

- (iv) the Subscription shall (a) be permitted by the laws and regulations of each jurisdiction to which the Subscriber is subject; (b) not violate any applicable law and regulation; and (c) not subject the Subscriber to any tax, penalty or liability under or pursuant to any applicable law or regulation, which law or regulation was not in effect on the date of the Subscription Agreement;
- (v) there having been no change, event or other matter having any material adverse effect on Ugent and its subsidiaries since 30 June 2008;
- (vi) the necessary approvals, consents and authorisations relating to Ugent, the Company, Oakview or Ugent's subsidiaries necessary for the consummation of the transactions contemplated under the Subscription Agreement shall have been obtained, including but not limited to (a) approval from the holders of the Existing Bonds and the Warrants; (b) approval of the Shareholders pursuant to the requirements of the Listing Rules; and (c) the approvals and consents from the principal bankers and financial creditors of members of the Group to waive certain undertakings;
- (vii) the due execution and delivery by Ugent of documents relating to a charge for 100% of the shares of AFEX and a charge over an interest bearing account to be established by Ugent at the time of Completion to secure the performance of Ugent under the Convertible Bonds, as more particularly disclosed in the sub-paragraph headed "Security" in the paragraph headed "Principal terms and conditions of the Convertible Bonds" below; and
- (viii) the total amount of any inter-company loan(s) granted by Ugent to the Company or any member of the Ugent Group shall not exceed HK\$78 million plus accrued but unpaid interest.

Completion of the Subscription Agreement:

Completion will take place on 6 April 2009 or such later date as may be agreed by Ugent and the Subscriber.

LETTER FROM THE BOARD

PRINCIPAL TERMS AND CONDITIONS OF THE CONVERTIBLE BONDS

The terms and conditions of the Convertible Bonds were determined after arm's length negotiations between the Company, Ugent and the Subscriber and are summarised below:

Principal amount	:	HK\$177 million
Issue price	:	100% of the principal amount of the Convertible Bonds
Security	:	(i) a charge executed by Ugent over 100% of the issued shares of AFEX to secure, amongst others, the performance of Ugent under the Convertible Bonds; and (ii) a charge over an interest bearing account to be established by Ugent for the purpose of securing, amongst others, its performance under the Convertible Bonds, including the remittance of sufficient funding to the Company for settling the First Existing Bonds.
Ranking	:	The Convertible Bonds constitute direct, unconditional, unsubordinated, first ranking and secured senior obligations of Ugent upon issue (subject to the registration of the release of the share charge created in connection with the First Existing Bonds).
Interest	:	12% per annum on the outstanding principal amount of the Convertible Bonds, which shall be payable semi-annually on 30 September and 31 March each year. Due and unpaid interest shall accrue on the overdue sum at the rate of 14% per annum from the due date. Accrued and unpaid interest may be paid in cash or, at the option of the Subscriber, settled in the form of Ugent Shares at the applicable Conversion Price upon the conversion of the Convertible Bonds.
Maturity date	:	The date falling the third anniversary of the issue date of the Convertible Bonds.
Redemption at maturity	:	Unless previously redeemed or converted, Ugent will redeem the Convertible Bonds on the maturity day at the redemption price equal to (i) 100% of the principal amount of the Convertible Bonds; plus (ii) all interest accrued up to the date of the redemption but unpaid.

LETTER FROM THE BOARD

Conversion Price : Initially at HK\$41,300 per Ugent Share, subject to the Conversion Price reset event and Conversion Price adjustments as stated below.

Conversion period : Any time following the issue of and up to the maturity date of the Convertible Bonds.

Conversion Price reset event : In the event that the consolidated EBITDA of Ugent for the financial year ending 31 December 2009 as stated in its audited consolidated accounts is less than or equal to 90% of HK\$145 million (i.e. HK\$130.5 million), the Conversion Price will be adjusted on 30 April 2010 according to the following formula:

$$\text{Adjusted Conversion Price} = \text{HK\$41,300} \times \frac{\text{audited consolidated EBITDA of Ugent for the financial year ending 31 December 2009}}{\text{HK\$145 million}}$$

Conversion Price adjustments : The Conversion Price shall also be subject to customary anti-dilution adjustments on the occurrence of the following events:

- (i) the making of a free distribution or distribution by way of dividend of any shares, interests, rights to purchase, warrants, options, participation or other equivalents of or interests in equity of Ugent (the “Capital Stock”);
- (ii) any sub-division, consolidation and/or re-classification of Ugent Shares;
- (iii) the declaration of any dividend or other distribution by Ugent (other than dividend by way of Capital Stock described in (i) above) including any repurchase or redemption of Ugent Shares to the extent of any excess in the repurchase or redemption price over its fair value (as determined by the Calculation Agent) immediately preceding such declaration;

LETTER FROM THE BOARD

- (iv) the issue of Ugent Shares at a price per share less than the fair value (as determined by the Calculation Agent) immediately prior to the announcement of such issue; and
- (v) the grant, issue or offer of rights or warrants to subscribe for or purchase, or other securities convertible into or exchangeable for, the Capital Stock of Ugent at less than the fair value (as determined by the Calculation Agent) of such Capital Stock immediately prior to such grant, issue or offer.

Ugent Shares to be issued under the Convertible Bonds : Based on the Conversion Price per Ugent Share of HK\$41,300, a total of 4,286 Ugent Shares will be issued upon full conversion of the principal amount of the Convertible Bonds, representing 30% of the enlarged issued share capital of Ugent on a fully diluted basis, assuming there are no accrued and unpaid interest on the Convertible Bonds at such time.

The Ugent Shares to be issued upon conversion shall rank pari passu in all respects with the other Ugent Shares in issue on the relevant date of issuance.

Fractions of Ugent Shares will not be issued on conversion and cash adjustments will be made in respect thereof.

In no event shall any conversion or series of conversions of the Convertible Bonds result in the holder(s) of the Convertible Bonds holding more than 49% of the enlarged issued share capital of Ugent on a fully-diluted basis. Any such conversion that would exceed such limit will not proceed and the principal amount of the Convertible Bonds not so converted shall be deemed to remain outstanding.

Listing : No listing will be sought for the Convertible Bonds on the Stock Exchange or any other stock exchanges.

LETTER FROM THE BOARD

- Early redemption by Ugent** : At any time after the day falling 12 months after the date of issue of the Convertible Bonds until the date of maturity, Ugent may, having given not less than 30 days written notice to the bondholders, redeem the Convertible Bonds in whole (but not in part) at 100% of the principal amount of the Convertible Bonds redeemed plus any accrued and unpaid interest, provided that during such 30 days notice period, the bondholders do not serve any notice to exercise the right to convert the Convertible Bonds.
- Early redemption by the bondholders** : The bondholders may, by giving 2 Business Days' notice to Ugent, require the Convertible Bonds to be immediately redeemed in full (but not in part) at 100% of the principal amount of the Convertible Bonds redeemed plus any accrued and unpaid interest upon the occurrence of (i) a change of control of AFEX (as defined in the Subscription Agreement); or (ii) non-completion of the full redemption of the First Existing Bonds and the release of the existing share charge over the shares of AFEX charged as security for performance of the First Existing Bonds within 10 Business Days from Completion.
- Transferability** : The bondholder(s) may freely transfer the Convertible Bonds provided that any transfer to a connected person of the Company (as defined in the Listing Rules) be notified to the Company in advance and is in compliance with the Listing Rules.

INFORMATION ON THE SUBSCRIBER

According to the information provided by the Subscriber, the Subscriber is a non-diversified, closed-end management investment company whose shares are listed for trading on The New York Stock Exchange, Inc. Martin Currie Inc. has served as the investment manager of the Subscriber with respect to its holdings of listed securities and direct investments. Martin Currie Investment Management Limited and Martin Currie Inc. are wholly-owned subsidiaries of Martin Currie Limited, which is in turn a wholly-owned subsidiary of Martin Currie (Holdings) Limited. Both Martin Currie Investment Management Limited and Martin Currie Inc. act as discretionary investment managers for the MC Funds, including the Martin Currie Fund and the Subscriber.

LETTER FROM THE BOARD

As at the Latest Practicable Date and to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the MC Funds were interested in an aggregate of 68,234,000 Shares, representing approximately 7.48% of the existing issued share capital of the Company, as well as the MC Warrants and the Existing Bonds. Save as aforesaid and to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Subscriber and its ultimate beneficial owner(s) are third parties independent of the Group and its connected persons.

INFORMATION ON UGENT

Ugent is a company incorporated under the laws of the British Virgin Islands with limited liability on 18 May 1993. The current issued and paid-up share capital of Ugent is US\$10,000, which is 100% owned by Oakview, which in turn is a wholly-owned subsidiary of the Company. Ugent is an investment holding company and its principal asset comprises 100% of the issued share capital of AFEX. AFEX is a limited liability company incorporated under the laws of Hong Kong on 4 January 2002 and its current issued and paid-up share capital is HK\$50,000. AFEX is an investment holding company and its principal assets are the holding of 100% of the registered capital in 深圳利滿丰源打印耗材有限公司 (Shenzhen Afex Print Image Ltd.*) and 珠海利滿丰源打印耗材有限公司 (Zhuhai Afex Print Image Ltd.*), each a wholly foreign owned enterprise established under the laws of the PRC. AFEX and its subsidiaries are principally engaged in the operations of remanufactured/recycled toner cartridge production.

The following table sets out the combined EBITDA, net profit before tax, net profit after tax and net assets of the Ugent Group based on the unaudited combined accounts of the Ugent Group which were used for preparing the audited consolidated accounts of the Group for the two years ended 31 December 2006 and 2007 and the latest management accounts of the Ugent Group for the six months ended 30 June 2008:

	For the year		For the six months
	ended 31 December		ended 30 June
	2006	2007	2008
	<i>HK\$'million</i>	<i>HK\$'million</i>	<i>HK\$'million</i>
	(Unaudited)	(Unaudited)	(Unaudited)
EBITDA	31.4	61.9	38.5
Net profit before tax	25.3	47.8	29.6
Net profit after tax	21.5	45.3	29.1
	As at 31 December		As at 30 June
	2006	2007	2008
	<i>HK\$'million</i>	<i>HK\$'million</i>	<i>HK\$'million</i>
	(Unaudited)	(Unaudited)	(Unaudited)
Net assets	22.6	66.1	95.2

LETTER FROM THE BOARD

REASONS FOR THE ISSUE OF THE CONVERTIBLE BONDS AND USE OF PROCEEDS

The Group is principally engaged in the operations of remanufactured/recycled toner cartridge production, computer media production and media products distribution businesses and related businesses and activities.

As disclosed in the Group's 2008 interim report, the Group expects global demand for recycled products to grow fast and strong, particularly for recycled toner cartridges, as the world becomes more conscious about environmental protection. To cope with the growing market, the Group will continue to expand its production capacity and enhance its facilities and research and development capabilities to widen its product lines. The Group will also seek to extend its business coverage to new markets and explore opportunities to collaborate with reputable companies to expand its distribution network. To fulfill the cashflow requirement of expansion, the Group has been actively seeking financing for the business. To this end, the Company intends that the net proceeds (after deducting professional fees and all related expenses) to be raised from the issue of the Convertible Bonds of approximately HK\$175 million shall be used as to HK\$80 million for the repayment of the principal amount and accrued interest of the First Existing Bonds at Completion and as to the remaining balance of approximately HK\$95 million for funding the general working capital requirements of the Ugent Group. On or before Completion, Ugent and the Company will execute a facility agreement, pursuant to which Ugent will provide the Company with an intra-group funding out of the proceeds from the Subscription for the purpose of repaying the principal amount and accrued interest of the First Existing Bonds, upon which the First Existing Bonds will be cancelled and extinguished.

The First Existing Bonds are due to mature in June 2010. The issue of the Convertible Bonds with proceeds therefrom to repay the First Existing Bonds serves to raise more funding for the Group's business requirement for a period extending beyond the maturity date of the First Existing Bonds. The conversion feature of the Convertible Bonds also provides the Group with an opportunity to introduce a financial partner to the Ugent Group. Should the Subscriber choose to convert all or part of the Convertible Bonds into Ugent Shares, the repayment obligation under the Convertible Bonds will be extinguished and the cashflow of the Group would be preserved. In view of the current credit crunch and financial tsunami which have caused unprecedented and adverse repercussions worldwide, the Subscription offers a good opportunity to the Group to strengthen its financial position.

Taking into account of the above, the Directors consider that the terms of the Subscription Agreement, which were arrived at after arm's length negotiations between the Company, Ugent and the Subscriber, are fair and reasonable and the Subscription is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

FINANCIAL EFFECTS OF THE ISSUE OF THE CONVERTIBLE BONDS AND THE POSSIBLE SUBSEQUENT CONVERSION

Assets and liabilities

Upon the issue of the Convertible Bonds, the total assets of the Group will be increased by an amount equal to the excess of the principal amount of the Convertible Bonds over the First Existing Bonds; the total liabilities of the Group will be increased by an amount equal to the excess of the liability component of the Convertible Bonds over the principal amount of the First Existing Bonds; and the total equity of the Group will be increased by the equity component, if any, of the Convertible Bonds.

Earnings

During the term of the Convertible Bonds, the Group will incur interest expenses calculated at 12% per annum on the outstanding principal amount of the Convertible Bonds. For illustration purpose, the estimated gain of the Group to be derived from the deemed disposal of a 30% equity interest in Ugent upon conversion of the Convertible Bonds would be, subject to audit, approximately HK\$148 million based on the unaudited combined net asset value of the Ugent Group as at 30 June 2008 and assuming full conversion of the Convertible Bonds at the Conversion Price and there are no accrued and unpaid interest at such time and no adjustments are required to be made to the Conversion Price.

Status of Ugent

Ugent is currently a wholly-owned subsidiary of the Company. Should the Convertible Bonds be converted in full by the Subscriber at the Conversion Price, the Company's equity interest in Ugent would decrease to 70%. Given that the terms and conditions of the Convertible Bonds limit the maximum number of Ugent Shares to be issued to not more than 49% of Ugent's enlarged issued share capital, Ugent will continue to be at least a 51% subsidiary of the Company and its accounts will continue to be consolidated to the Group's financial statements notwithstanding the possible conversion of the Convertible Bonds to the fullest extent.

LETTER FROM THE BOARD

FINANCIAL AND TRADING PROSPECTS

At present, the business of the Group comprises three main business segments: remanufacture and sale of computer printing and imaging products; manufacture and sale of data media products; and distribution of data media products. As mentioned in the Group's interim report for the six months ended 30 June 2008, the Group maintained leadership in the recycling/environmental protection industry after it decided to focus on the business of reducing, reusing and recycling used toner cartridges. Remanufacture of recyclable toner cartridges has become the core business of the Group and reported continuous significant growth. In August 2008, the Group signed a significant and long-term contract with a US-based multinational company that supplies OEM recycled toner cartridges in its own brand names to customers worldwide. This is expected to generate substantial and stable revenue for the Group starting from 2009. Besides, the Group will seek to extend business coverage to new markets, such as India, Russia and Mainland China. It will also explore opportunities to collaborate with reputable companies and for expanding its distribution network. To cater for increasing orders, the Group will continue to expand production capacity and enhance cost effectiveness. The facilities for recycling toner components at the production plants in Zhuhai and Shenzhen, the PRC is currently under expansion. Following Completion, the proceeds from the issue of the Convertible Bonds would be applied to fulfill the cashflow requirement for the Group's expansion.

IMPLICATIONS OF THE LISTING RULES

The issue of new Ugent Shares to the Subscriber or the holders of the Convertible Bonds (as the case may be) upon conversion of the Convertible Bonds will be deemed to be a disposal of interest in Ugent by the Company under the Listing Rules. The deemed disposal (assuming the maximum number of Ugent Shares representing 49% of the enlarged issued share capital of Ugent is issued upon the full conversion of the Convertible Bonds) shall constitute a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the approval of the Shareholders by way of poll. The SGM will be convened for the Shareholders to consider and, if thought fit, approve the Subscription Agreement and the transactions contemplated thereunder including the issue of new Ugent Shares upon conversion of the Convertible Bonds.

As at the Latest Practicable Date and to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the MC Funds were interested in an aggregate of 68,234,000 Shares, representing approximately 7.48% of the existing issued share capital of the Company, as well as the MC Warrants and the Existing Bonds. The Subscriber and its associates, including the MC Funds, will therefore abstain from voting on the resolution to be proposed at the SGM for approving the Subscription Agreement. Save as disclosed herein, the Directors are not aware of any Shareholders with a material interest in the Subscription who shall thus be required to abstain from voting at the SGM.

LETTER FROM THE BOARD

SGM

A notice convening the SGM is set out on pages 25 to 27 of this circular. The SGM will be convened and held at Unit 3203, 32th Floor, Admiralty Centre I, 18 Harcourt Road, Hong Kong at 9:00 a.m. on Monday, 6 April 2009 at which a resolution will be proposed to the Shareholders to consider and, if thought fit, approve the Subscription Agreement and the transactions contemplated thereunder, including the issue of new Ugent Shares upon conversion of the Convertible Bonds.

Form of proxy for use in the SGM is enclosed. Whether or not you intend to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding of the SGM or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting thereof, should you so desire.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the terms and conditions of the Subscription Agreement and the Convertible Bonds are normal commercial terms that are fair and reasonable so far as the Shareholders are concerned, and the Subscription is in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the Subscription Agreement and the transactions contemplated thereunder.

Your faithfully,
For and on behalf of the Board of
JACKIN INTERNATIONAL HOLDINGS LIMITED
Ho Yin King, Helena
Chairman and Managing Director

1. INDEBTEDNESS STATEMENT**Borrowings**

As at the close of business on 31 January 2009, being the latest practicable date for the purpose of this indebtedness statement, the Group had secured mortgage loans, borrowings and overdrafts of approximately HK\$60,733,000, unsecured borrowings and overdrafts of approximately HK\$112,424,000 and obligations under finance leases of approximately HK\$16,872,000, all of which were guaranteed by the Group. In addition, the Group had secured but unguaranteed notes payable with carrying value of HK\$76,086,000, and unsecured but guaranteed (by a substantial Shareholder) notes payable with carrying value of HK\$31,200,000.

Pledge of assets

As at the close of business on 31 January 2009, the Group had pledged its properties with carrying values of HK\$16,200,000 to secure the general banking facilities granted to the Group.

Pledge of shares

As at the close of business on 31 January 2009, the Group had pledged the shares of Afex to secure the notes payable with carrying value of HK\$76,086,000.

Contingencies

The Group did not have any material contingent liabilities or guarantees as at 31 January 2009.

Disclaimer

Save as aforesaid and apart from intra-group liabilities, as at the close of business on 31 January 2009, the Group had no debt securities, term loans, mortgages, charges, debentures, loan capital, bank loans and overdrafts or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credit, hire purchase or finance lease commitments, guarantees or other material contingent liabilities.

Save as aforesaid, the Directors confirm that there has been no material change to the indebtedness and contingent liabilities of the Group since 31 January 2009 and up to the Latest Practicable Date.

2. SUFFICIENCY OF WORKING CAPITAL

As at the Latest Practicable Date, the Directors, after due and careful enquiry, are of the opinion that, based on available banking facilities and other facilities and internal financial resources of the Group, the Group has sufficient working capital for its present requirements and for the period ending twelve months from the date of this circular.

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. 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. DISCLOSURE OF INTERESTS OF DIRECTORS

Interests in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required pursuant to the Model Code for Securities Transactions by Directors of Listed Companies set out in Appendix 10 to the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

(i) Directors' interests in the Shares and underlying Shares

Name of Director	Capacity	Number of Shares		Number of underlying Shares held under share options	Total	Percentage of the issued share capital of the Company
		Personal interests	Corporate interests			
Ms. Ho Yin King, Helena	Beneficial owner and interest of controlled corporation	22,411,000	178,194,000	6,872,628	207,477,628	22.75%
Mr. Ho Fai Keung, Jacky	Beneficial owner and interest of controlled corporation	20,538,000	178,194,000	6,872,628	205,604,628	22.54%
Mr. Cheung Sze Ming	Beneficial owner	-	-	628	628	0.00%
Dr. Li Sau Hung, Eddy	Beneficial owner	-	-	1,542	1,542	0.00%
Mr. Leung Ka Kui, Johnny	Beneficial owner	1,890,000	-	1,542	1,891,542	0.21%
Mr. Chan Kam Kwan, Jason	Beneficial owner	-	-	1,542	1,542	0.00%

(ii) Directors' interests in the share options of the Company

Name of Director	Date of grant	Number of share options outstanding	Exercise price per Share HK\$	Exercise period
Ms. Ho Yin King, Helena	25.1.2005	6,872,628	0.158	25.1.2005 – 24.1.2015
Mr. Ho Fai Keung, Jacky	25.1.2005	6,872,628	0.158	25.1.2005 – 24.1.2015
Mr. Cheung Sze Ming	25.1.2005	628	0.158	25.1.2005 – 24.1.2015
Dr. Li Sau Hung, Eddy	25.1.2005	1,542	0.158	25.1.2005 – 24.1.2015
Mr. Leung Ka Kui, Johnny	25.1.2005	1,542	0.158	25.1.2005 – 24.1.2015
Mr. Chan Kam Kwan, Jason	25.1.2005	1,542	0.158	25.1.2005 – 24.1.2015

(iii) Directors' interests in the shares of associated corporation

As at Latest Practicable Date, the following Directors held interests in the shares of Jackin Video Cassette (Taiwan) Limited, a 99.9% owned subsidiary of the Company as follows:

Name of Director	Capacity	Number of shares		
		Personal interests	Family interests	Total
Ms. Ho Yin King, Helena	Beneficial owner and interest of spouse	4 (note 1)	4	8
Mr. Ho Fai Keung, Jacky	Beneficial owner and interest of spouse	4 (note 2)	4	8
Ms. Lo Suk King	Beneficial owner and interest of spouse	4 (note 2)	4	8

Notes:

1. The shares are held by the spouse of Ms. Ho Yin King, Helena.
2. Ms. Lo Suk King is the spouse of Mr. Ho Fai Keung, Jacky.

The following Directors held interests in the non-voting deferred shares of two wholly-owned subsidiaries of the Company as at the Latest Practicable Date as follows:

Name of subsidiary	Name of Director	Number of non-voting deferred shares held
Jackin Magnetic Company Limited	Ms. Ho Yin King, Helena	3,600 shares of HK\$100 each
	Mr. Ho Fai Keung, Jacky	3,200 shares of HK\$100 each
Jackin Video Cassette Co. Limited	Ms. Ho Yin King, Helena	330,000 shares of HK\$1 each
	Mr. Ho Fai Keung, Jacky	340,000 shares of HK\$1 each

In addition, a number of Directors held non-beneficial interests in shares in certain subsidiaries of the Company as qualifying shares.

Save as disclosed herein and certain nominee shares in subsidiaries held by Directors in trust for the Group, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO) or were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or 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.

As at the Latest Practicable Date, save for Ms. Ho Yin King, Helena and Mr. Ho Fai Keung, Jacky (both are the Directors) who are also the directors of Sun Union Enterprises Limited (a substantial Shareholder), none of the Directors and chief executive of the Company was a director or employee of a company which had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to the Directors, based on the register maintained by the Company pursuant to Part XV of the SFO, the following persons (other than a Director or chief executive of the Company) had, or were deemed or taken to have interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or were directly or 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 meetings of the members of the Group:

Name of Shareholder	Capacity	Number of Shares held	Percentage of the issued share capital of the Company	Number of underlying Shares held	Percentage of the issued share capital of the Company
Complete Associates Limited	Interest of controlled corporation	178,194,000 <i>(Note 1)</i>	19.54%	–	–
Chiu Kin Lok, Rocko	Beneficial owner and interest of controlled corporation	67,821,817 <i>(Note 2)</i>	7.44%	–	–
Martin Currie (Holdings) Limited	Interest of controlled corporation and investment manager	68,234,000 <i>(Note 3)</i>	7.48%	56,317,689	6.17%
China Enterprise Pension Fund Limited	Beneficial owner	50,000,000	5.48%	–	–

Notes:

- The 178,194,000 Shares are directly held by Sun Union Enterprises Limited which is wholly owned by Complete Associates Limited. The share capital of Complete Associates Limited is beneficially owned as to approximately 61.8% by Ms. Ho Yin King, Helena and as to approximately 38.2% by Mr. Ho Fai Keung, Jacky. Both Ms. Ho Yin King, Helena and Mr. Ho Fai Keung, Jacky are Directors.
- Mr. Chiu Kin Lok, Rocko was interested in 67,821,817 Shares, all of which were held by Art-Tech Enterprises Limited which is wholly owned by Mr. Chiu.
- The 68,234,000 Shares and the MC Warrants conferring rights to subscribe for up to 56,317,689 Shares at HK\$0.554 each (subject to adjustments) are held by Martin Currie Fund. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Martin Currie Investment Management Limited acts as the discretionary investment manager of Martin Currie Fund, and Martin Currie Investment Management Limited is a wholly-owned subsidiary of Martin Currie Limited, which is in turn a wholly-owned subsidiary of Martin Currie (Holdings) Limited.

Save as disclosed above, the Directors are not aware of any person as at the Latest Practicable Date who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or was directly or indirectly interested in 10% or more of the nominal value of the issued share capital carrying rights to vote in all circumstances at general meetings of any members of the Group.

4. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS AND IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have, since 31 December 2007 (being the date to which the latest published audited accounts of the Company were made up), been (i) acquired or disposed of by; or (ii) leased to; or (iii) proposed to be acquired or disposed of by; or (iv) proposed to be leased to, any member of the Group.

None of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which is significant in relation to the business of the Group.

As at the Latest Practicable Date, none of the Directors or their respective associates was interested in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

5. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Group within the two years immediately preceding the Latest Practicable Date which are or may be material:

- (a) a subscription agreement dated 14 June 2007 entered into between the Company as issuer and Martin Currie Fund as subscriber in relation to the issue of the First Existing Bonds and detachable warrants for the subscription of the Shares with an aggregate value of HK\$31,200,000 at the subscription price at HK\$0.552 (subject to adjustments) per Share;
- (b) a supplemental agreement dated 21 June 2007 entered into between the Company and Martin Currie Fund in relation to the amendment of the subscription price of the warrants as set out in the subscription agreement dated 14 June 2007 from HK\$0.552 per Share to HK\$0.554 per Share;

- (c) a subscription agreement dated 6 October 2008 entered into among the Company as issuer, Martin Currie Fund as subscriber, and Sun Union Enterprises Limited as guarantor in relation to the issue of an aggregate principal amount of HK\$31,200,000 15% guaranteed bonds due 2010;
- (d) the placing and subscription agreement dated 11 February 2009 entered into among the Company, Sun Union Enterprises Limited as vendor and CEPA Alliance Securities Limited as placing agent in relation to the top-up placing of up to 80,000,000 Shares at HK\$0.30 per Share on a best effort basis; and
- (e) the Subscription Agreement.

6. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which does not expire or is not determinable by the Group within one year without payment of compensation other than statutory compensation.

7. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or claim of material importance and there was no litigation or claims of material importance was known to the Directors to be pending or threatened against any member of the Group.

8. GENERAL

- (a) The company secretary of the Company is Mr. Chan Kwong Leung, Eric. He is an associate member of the Institute of Chartered Secretaries and Administrators, United Kingdom and the Hong Kong Institute of Chartered Secretaries and a member of the Hong Kong Securities Institute.
- (b) The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.
- (c) The head office and principal place of business of the Company in Hong Kong is at Unit 8, 10th Floor, Riley House, 88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong.

- (d) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Standard Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong.
- (e) The English text of this circular shall prevail over the Chinese text in case of inconsistency.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the office of the Company at Unit 8, 10th Floor, Riley House, 88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong during normal business hours of any business day up to and including the date of the SGM:

- (a) the memorandum of association and the bye-laws of the Company;
- (b) the annual report of the Company for each of the two financial years ended 31 December 2006 and 2007;
- (c) each of the material contracts as referred to in the paragraph headed "Material Contracts" in this appendix; and
- (d) each of the circulars issued by the Company pursuant to the requirements set out in Chapter 14 and/or Chapter 14A of the Listing Rules since 31 December 2007, being the date to which the latest published audited accounts of the Company were made up.

NOTICE OF SGM



JACKIN INTERNATIONAL HOLDINGS LIMITED

輝影國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code : 630)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE HEREBY GIVEN that the special general meeting of Jackin International Holdings Limited (“**Company**”) will be held at 9:00 a.m. on Monday, 6 April 2009 at Unit 3203, 32th Floor, Admiralty Centre I, 18 Harcourt Road, Hong Kong for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** the subscription agreement (the “**Subscription Agreement**”) dated 6 March 2009 entered into between Ugent Holdings Limited (“**Ugent**”), a wholly-owned subsidiary of the Company, and The China Fund Inc. (the “**Subscriber**”) pursuant to which Ugent has agreed to issue, and the Subscriber has agreed to subscribe for, the HK\$177 million principal amount 12% secured convertible bonds (the “**Bonds**”) of Ugent (a copy of which has been produced at this meeting marked “**A**” and initialed by the chairman of this meeting for the purpose of identification) be approved, confirmed and ratified, and all the transactions contemplated thereunder, including without limitation and among other things, the entering into and execution by the Company of:

- (a) the facility agreement (the “**Facility Agreement**”) to be entered into between Ugent and the Company pursuant to which Ugent will grant a facility in the amount of approximately HK\$78 million (plus accrued but unpaid interest) for the purpose of financing the redemption or repurchase of the whole of the outstanding Jackin Bonds (as defined in the Subscription Agreement) upon which the Jackin Bonds will be cancelled and extinguished;
- (b) the escrow agreement (the “**Escrow Agreement**”) to be entered into by (i) Ugent, (ii) the Company and (iii) the escrow agent, account bank and security agent named therein (the “**Agent**”) with respect to the escrow arrangement over a bank account established by Ugent with the Agent; and

* For identification purpose only

NOTICE OF SGM

(c) the letter of indemnity (the “**Indemnity Letter**”) to be issued by the Company in favour of the Subscriber for any breach of representation, warranty, covenant, undertaking or agreement by Ugent under the Subscription Agreement,

(a copy of the final draft of each of the Facility Agreement, the Escrow Agreement and the Indemnity Letter having been produced at this meeting marked “**B**”, “**C**” and “**D**” respectively and initialed by the chairman of this meeting for the purpose of identification) be and the same are hereby approved; and **THAT** any one director of the Company be and he/she is hereby authorised to (i) do all such things and sign, seal, execute, perfect and deliver all such documents (by hand or in the case of execution of document under seal, to do so jointly for and on behalf of the Company with either the secretary or a second director of the Company) which in his, her or their opinion may be necessary, desirable or expedient, for the purposes of or in connection with the implementation and completion of and giving effect to the transactions contemplated under the Subscription Agreement, the Facility Agreement, the Escrow Agreement and the Indemnity Letter, including the issue of the new ordinary shares upon conversion of the Bonds; and (ii) give authorization and/or instructions to the board of directors of Ugent to do all such things and sign, seal, execute, perfect and deliver all such documents as they may in their discretion consider necessary, desirable or expedient, for the purposes of or in connection with the implementation and completion of and/or giving effect to any matters relating to the Subscription Agreement, the Facility Agreement, the Escrow Agreement and Indemnity Letter and all transactions contemplated thereunder, including the issue of the new ordinary shares upon conversion of the Bonds.”

By Order of the Board

Ho Yin King, Helena

Chairman and Managing Director

21 March 2009

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

Unit 8, 10th Floor, Riley House,
88 Lei Muk Road, Kwai Chung,
New Territories,
Hong Kong

NOTICE OF SGM

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
3. A form of proxy for use at the special general meeting is enclosed herewith.
4. The form of proxy and the power of attorney of other authority, if any, under which it is signed or a certified copy of such power of authority must be lodged at the Company's head office and principal place of business in Hong Kong at Unit 8, 10th Floor, Riley House, 88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong, not less than 48 hours before the time appointed for holding the special general meeting or adjourned meeting (as the case may be) and in default the form of proxy shall not be treated as valid. Completion and return of the form of proxy shall not preclude members from attending and voting in person at the special general meeting or at any adjourned meeting (as the case may be) should they so wish.