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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, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **HKR International Limited** (the “Company”), you should at once hand this circular and the enclosed form of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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HKR

INTERNATIONAL LTD.
香港興業國際集團

HKR INTERNATIONAL LIMITED

香港興業國際集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00480)

**PROPOSALS IN RELATION TO
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
AMENDMENTS TO MEMORANDUM AND ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at Harbour View Ballroom I, Level 4, Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong on Thursday, 3 September 2009 at 10:30 a.m. is set out on pages 19 to 26 of this circular. Whether or not you are able to attend the annual general meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Investor Communications Centre of the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. **Completion and return of the form of proxy shall not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting thereof should you so wish.**

30 July 2009

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Appendix I - Brief Biographical Details of the Directors for Re-election	8
Appendix II - Explanatory Statement	15
Notice of Annual General Meeting	19

DEFINITIONS

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

“AGM”	annual general meeting of the Company or any adjournment thereof;
“2009 AGM”	the AGM to be held at Harbour View Ballroom I, Level 4, Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong on Thursday, 3 September 2009 at 10:30 a.m.;
“2009 AGM Notice”	the notice convening the 2009 AGM as set out on pages 19 to 26 of this circular;
“Articles”	the amended new articles of association of the Company adopted on 24 August 2006;
“Board”	board of directors of the Company;
“Bonds”	the zero coupon convertible bonds due 2010 (bond code: 02517) issued by the Company on 26 April 2005, the aggregate outstanding nominal amount of which was HK\$646,960,000 as at the Latest Practicable Date;
“Bondholder(s)”	holder(s) of the Bonds;
“CG Code”	the Code of Corporate Governance Practices under Appendix 14 of Listing Rules;
“Company”	HKR International Limited (香港興業國際集團有限公司*), a company incorporated in the Cayman Islands with limited liability and the securities of which are listed on the main board of the Stock Exchange;
“Director(s)”	director(s) of the Company from time to time;
“Group”	the Company and its subsidiaries;
“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;
“Latest Practicable Date”	24 July 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained therein;

**Registered under Part XI of the Companies Ordinance, Chapter 32 of the laws of Hong Kong*

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
“M&A”	the amended memorandum and amended new articles of association of the Company adopted on 24 August 2006;
“Share Repurchases Code”	the Hong Kong Code on Share Repurchases, as amended from time to time;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended from time to time;
“Shares”	shares of all classes and securities which carry a right to subscribe or purchase shares issued directly or indirectly by the Company;
“Shareholder(s)”	holder(s) of ordinary share(s) of par value of HK\$0.25 each in the capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers, as amended from time to time.

LETTER FROM THE BOARD

HKR

INTERNATIONAL LTD.
香港興業國際集團

HKR INTERNATIONAL LIMITED
香港興業國際集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00480)

Directors:

Mr CHA Mou Sing Payson (*Chairman*)

Mr CHA Mou Zing Victor (*Deputy Chairman*
& *Managing Director*)

Mr CHEUNG Tseung Ming

Mr CHUNG Sam Tin Abraham^o

Mr TANG Moon Wah

The Honourable Ronald Joseph ARCULLI[#]

Mr CHA Mou Daid Johnson[#]

Mr CHEUNG Wing Lam Linus[#]

Ms HO Pak Ching Loretta[#]

Ms WONG CHA May Lung Madeline[#]

Dr CHENG Kar Shun Henry[△]

Dr The Honourable CHEUNG Kin Tung Marvin[△]

Dr QIN Xiao[△]

Registered Office:

P.O. Box 309, Uglan House
Grand Cayman
KY1-1104, Cayman Islands

*Principal Place of Business in
Hong Kong:*

23/F, China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

30 July 2009

^o Also alternate to Mr CHA Mou Sing Payson

[#] Non-executive Directors

[△] Independent Non-executive Directors

To Shareholders and for information of Bondholders

Dear Sir or Madam,

**PROPOSALS IN RELATION TO
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
AMENDMENTS TO MEMORANDUM AND ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with 2009 AGM Notice and information regarding the resolutions to be proposed at the meeting relating to (i) the re-election of Directors who are going to retire at 2009 AGM; (ii) the grant to the Directors of general mandates to issue and repurchase Shares and the extension of the mandate to issue Shares repurchased; and (iii) the amendments to M&A.

* Registered under Part XI of the Companies Ordinance, Chapter 32 of the laws of Hong Kong

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Pursuant to Article 116, at each AGM one-third of the Directors for the time being (which presently includes any Director who may be required to retire at the same AGM under other provisions of Articles), or if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. Article 116 also requires that the Directors to retire in every year shall be those who have been longest in office since their appointment or last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. In addition, code provision A.4.2 of CG Code provides, inter alia, that every Director should be subject to retirement by rotation at least once every three years.

Pursuant to Article 99, any Director appointed by the Directors from time to time either to fill a casual vacancy or as an addition to the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following AGM (in the case of an addition to the Board), and shall then be eligible for re-election at the general meeting. Accordingly, Dr QIN Xiao, being appointed as an independent non-executive director of the Company with effect from 22 July 2009 to fill the vacancy caused by the re-designation of Mr CHEUNG Wing Lam Linus from independent non-executive director to non-executive director of the Company with effect from 4 December 2008, shall retire by rotation at 2009 AGM.

In accordance with the above provisions of Articles and CG Code, Mr CHA Mou Zing Victor, Dr CHENG Kar Shun Henry, Mr CHEUNG Wing Lam Linus, Dr QIN Xiao and Ms WONG CHA May Lung Madeline shall retire by rotation at 2009 AGM.

All of the above-named retiring Directors are eligible for re-election and have expressed their willingness to stand for re-election at 2009 AGM. Brief biographical details of each of the above-named retiring Directors are set out in Appendix I to this circular.

Any Shareholder acting on his own or together with other persons whose shareholding interests in the Company in aggregate represent not less than 5% of the issued share capital of the Company (other than the person to be proposed) may nominate a person to stand for election as a Director at 2009 AGM in accordance with Article 120. Any Shareholder wishing to do so must serve (i) a written notice of intention to propose such person for election as a Director; (ii) a notice executed by that person of his willingness to be elected; and (iii) the information of that person as required to be disclosed under rule 13.51(2) of Listing Rules to the Company's principal place of business in Hong Kong at 23/F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong before 5:30 p.m. on Wednesday, 26 August 2009. If a valid notice in accordance with Article 120 from any Shareholder to propose a person to stand for election as a Director at 2009 AGM is received after the despatch of this circular, the Company shall issue an announcement and/or a supplementary circular to inform the Shareholders the biographical details of the additional candidate proposed.

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the last AGM held on 5 August 2008, general mandates were given to the Directors to exercise the powers of the Company to issue Shares and repurchase issued and fully paid shares. These general mandates will lapse at the conclusion of 2009 AGM and therefore, ordinary resolutions will be proposed at 2009 AGM to grant the general mandates as follows:

- (a) to grant to the Directors a general and unconditional mandate to allot, issue, grant, distribute and otherwise deal with additional Shares not exceeding twenty per cent (20%) of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of the relevant resolution (the “**Issue Mandate**”);
- (b) to grant to the Directors a general and unconditional mandate to exercise all the powers of the Company to purchase or repurchase Shares not exceeding ten per cent (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of the relevant resolution (the “**Repurchase Mandate**”); and
- (c) conditional upon the passing of the resolutions to grant the Issue Mandate and the Repurchase Mandate, to extend the Issue Mandate such that the Directors be authorised to exercise the powers to allot, issue, grant, distribute and otherwise deal with additional Shares pursuant to the Issue Mandate to the extent to include the aggregate nominal amount of Shares purchased or repurchased by the Company pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, the issued share capital of the Company was HK\$337,568,591.75 divided into 1,350,274,367 fully paid shares of a par value of HK\$0.25 each. Subject to the passing of the ordinary resolution for approving the Issue Mandate at 2009 AGM and on the basis that no further shares will be issued or repurchased prior to 2009 AGM, the Company would be allowed under the Issue Mandate to issue a maximum of 270,054,873 shares during the period in which the Issue Mandate remains in force.

Full text of each of the relevant ordinary resolutions in relation to the general mandates described in (a), (b) and (c) above is set out as resolutions numbered 4, 5 and 6 respectively in 2009 AGM Notice. An explanatory statement, as required under Listing Rules, containing all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution numbered 5 to approve the Repurchase Mandate is set out in Appendix II to this circular.

AMENDMENTS TO M&A AND ADOPTION OF THE REPRINTED M&A

In light of the recent amendments to Listing Rules which became effective on 1 January 2009 and in order to bring the provisions set out in M&A in line with such amendments, the Directors propose to amend the relevant provisions in M&A to give effect to the following:

- (a) to update the registered office address of the Company in the Cayman Islands;

LETTER FROM THE BOARD

- (b) to allow the Company to use the Company's website and other electronic means to send or make available notices or documents to the Shareholders, subject to compliance with the Listing Rules and applicable laws of the Cayman Islands;
- (c) to specify that (i) an AGM and a meeting called for the passing of a special resolution shall be called by written notice of not less than 21 days or not less than 20 business days (whichever is longer); (ii) a meeting other than an AGM or a meeting for the passing of a special resolution shall be called by written notice of not less than 14 days and not less than 10 business days (whichever is longer);
- (d) to specify that all resolutions at general meetings of the Company shall be decided by poll; and
- (e) to re-define the basis for determining the number of directors to retire at AGM.

Full text of the special resolutions containing details of the proposed amendments to M&A and the adoption of the reprinted M&A incorporating the proposed amendments and all previous amendments made in the past years since its last printed version in 2006 is set out as resolutions numbered 7, 8 and 9 in 2009 AGM Notice.

Shareholders are advised that M&A is available in English only and the Chinese translation of the proposed amendments to M&A as set out in this circular and 2009 AGM Notice is solely for reference purposes. In case of any inconsistency, the English version shall prevail.

VOTING AT AGM

Pursuant to rule 13.39(4) of Listing Rules, the vote of Shareholders at 2009 AGM will be taken by poll and the Company shall announce the results of the poll in the manner prescribed under rule 13.39(5) of Listing Rules.

Pursuant to Article 85, on a poll, every member present in person or by proxy or (being a corporation) is present by a duly authorised representative or a proxy shall have one vote for every fully-paid share of which he is the holder. On a poll, a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

AGM

The notice convening 2009 AGM to be held at Harbour View Ballroom I, Level 4, Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong on Thursday, 3 September 2009 at 10:30 a.m. is set out on pages 19 to 26 of this circular.

Enclosed with this circular is the form of proxy for use at 2009 AGM. Whether or not you are able to attend 2009 AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Investor Communications Centre of the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and

LETTER FROM THE BOARD

in any event not less than 48 hours before the time appointed for holding 2009 AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at 2009 AGM or any adjourned meeting thereof should you so wish.

RECOMMENDATION

The Board is pleased to recommend the re-election of the retiring Directors at 2009 AGM whose brief biographical details are set out in Appendix I to this circular. The Board also considers that the proposed resolutions set out in 2009 AGM Notice, including the grant of the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate, the proposed amendments to M&A and the adoption of the reprinted M&A are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the proposed resolutions at 2009 AGM.

Yours faithfully,
By order of the Board
CHA Mou Zing Victor
Deputy Chairman & Managing Director

Set out below are the biographical details of the retiring Directors who are eligible and willing to stand for re-election at 2009 AGM:

1. CHA Mou Zing Victor *BA, MBA (Aged 59)*

Positions held and length of service

Mr CHA was appointed executive director in 1989, the managing director in September 2001 and the deputy chairman of the Company on 15 May 2007. He is also a member of the remuneration committee of the Company. Mr CHA was appointed the joint managing director of HKR Asia-Pacific Pte Ltd in 1996 and has been serving as director of a number of other subsidiaries of the Group with the earliest appointment back to 1978. Mr CHA is responsible for the overall and day-to-day management of the Group.

Experience

Mr CHA has been involved in the textile manufacturing and real estate businesses for 30 years. Mr CHA is an independent non-executive director of SOHO China Limited, an alternate independent non-executive director of New World Development Company Limited, both companies are listed on Stock Exchange and a director of United Nigeria Textiles PLC which is listed on the Nigerian Stock Exchange. Mr CHA is also a member of the Chinese People's Political Consultative Committee of Zhejiang Province and a council member of The Hong Kong Polytechnic University.

Relationships with directors, senior management, substantial or controlling shareholders of the Company

Mr CHA is a brother of Ms WONG CHA May Lung Madeline, Mr CHA Mou Sing Payson and Mr CHA Mou Daid Johnson who are also directors of the Company. He is a member of certain classes of discretionary beneficiaries of certain discretionary trusts of which some of the substantial shareholders of the Company are the trustees.

Interests in Shares

As at the Latest Practicable Date, Mr CHA was interested in 666,333,673 shares of par value of HK\$0.25 each of the Company within the meaning of Part XV of SFO.

Director's remuneration and term of office

Mr CHA received a director's fee of HK\$254,450 from a subsidiary of the Company for the year ended 31 March 2009. He is entitled to salary and discretionary bonus that is subject to individual and the Company's performance and contribution to retirement scheme under his employment contract with the Company as managing director. Mr CHA received emoluments in a total sum of HK\$7.49 million for the year ended 31 March 2009. Such sum was determined with reference to market terms, his duties and responsibilities in the Group and the Group's remuneration policy and has been reviewed and approved by the remuneration committee of the Company as delegated by the Board.

For the year ending 31 March 2010, the directors' emoluments (save for directors' fees which are subject to the Shareholders' approval at general meeting) payable to the executive directors of the Company will be reviewed and approved by the remuneration committee of the Company as delegated by the Board.

Mr CHA was not appointed for a specific term or any proposed length of services and his directorship is subject to retirement by rotation and re-election at AGMs at least once every three years in accordance with Article 116 and code provision of A.4.2 of CG Code.

In relation to the re-election of Mr CHA as an executive director of the Company, save as disclosed above, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of Listing Rules, and there is no other matter concerning Mr CHA that need to be brought to the attention of the Shareholders.

2. CHENG Kar Shun Henry *GBS, BA, MBA, DBA (Hons), LLD (Hons) (Aged 62)*

Positions held and length of service

Dr CHENG was appointed as director in 1989 and re-designated as independent non-executive director of the Company in 1993. He is also the chairman of the audit committee and the remuneration committee of the Company.

Experience

Dr CHENG is the managing director of New World Development Company Limited, chairman and managing director of New World China Land Limited, chairman of NWS Holdings Limited, chairman and non-executive director of New World Department Store China Limited, chairman of Taifook Securities Group Limited and International Entertainment Corporation and non-executive director of Lifestyle International Holdings Limited, all companies are listed on Stock Exchange. He is also director of a number of private companies in Hong Kong and overseas. Dr CHENG is the chairman of the advisory council for The Better Hong Kong Foundation and standing committee member of the Eleventh Chinese People's Political Consultative Conference of the People's Republic of China.

Relationships with directors, senior management, substantial or controlling shareholders of the Company

Dr CHENG is not related to any directors, senior management, substantial or controlling shareholders of the Company.

Interests in Shares

As at the Latest Practicable Date, Dr CHENG did not have any interests in the Shares of the Company within the meaning of Part XV of SFO.

Director's remuneration and term of office

There is no director's service contract entered into between Dr CHENG and the Company. Dr CHENG will receive director's fee as determined by the Board, pursuant to the authority given by the Shareholders at general meeting from time to time, with reference to his duties and responsibilities in the Company and the prevailing market situation. For the year ended 31 March 2009, a total sum of HK\$300,000 comprising a basic fee of HK\$100,000 per annum for acting as an independent non-executive director and the additional fee of HK\$100,000 per annum per committee for acting as chairman and member of each of the audit committee and the remuneration committee of the Company was paid to Dr CHENG. The total director's fees paid to Dr CHENG for the year ended 31 March 2009 had been approved by the Shareholders at the last AGM held on 5 August 2008.

Subject to Shareholders' approval at 2009 AGM, Dr CHENG will receive for the year ending 31 March 2010 director's fees for his services as an independent non-executive director and chairman and member of each of the audit committee and the remuneration committee on the same basis generally set out in the preceding paragraph. Such basic and additional fees are subject to adjustments as from time to time determined by the remuneration committee of the Company and the Board with reference to the duties and responsibilities of individual independent non-executive director and committee member and the prevailing market situation.

Dr CHENG was not appointed for a specific term or any proposed length of services and his directorship is subject to retirement by rotation and re-election at AGMs at least once every three years in accordance with Article 116 and code provision of A.4.2 of CG Code.

In relation to the re-election of Dr CHENG as an independent non-executive director, save as disclosed above, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of Listing Rules, and there is no other matter concerning Dr CHENG that need to be brought to the attention of the Shareholders.

3. CHEUNG Wing Lam Linus *BSSc, JP (Aged 61)***Positions held and length of service**

Mr CHEUNG was appointed independent non-executive director in January 2006 and re-designated as non-executive director of the Company on 4 December 2008. He is also a member of the audit committee and remuneration committee of the Company.

Experience

Mr CHEUNG is an independent non-executive director of China Unicom (Hong Kong) Limited, a company listed on Stock Exchange, and Taikang Life Insurance Co. Ltd. He is also the chairman of Asia Television Limited, which is controlled by certain directors of the Company.

Mr CHEUNG was the chief executive of Hongkong Telecom from 1994 to 2000. After Hongkong Telecom's merger with PCCW Limited in August 2000, he became the deputy chairman of PCCW Limited until February 2004. Mr CHEUNG is the chairman of the board of directors of HKU School of Professional and Continuing Education.

Relationships with directors, senior management, substantial or controlling shareholders of the Company

Mr CHEUNG is not related to any directors, senior management, substantial or controlling shareholders of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr CHEUNG did not have any interests in the Shares of the Company within the meaning of Part XV of SFO.

Director's remuneration and term of office

There is no director's service contract entered into between Mr CHEUNG and the Company. Mr CHEUNG will receive director's fee as determined by the Board, pursuant to the authority given by the Shareholders at general meeting from time to time, with reference to his duties and responsibilities in the Company and the prevailing market situation. For the year ended 31 March 2009, a total sum of HK\$300,000 comprising a basic fee of HK\$100,000 per annum for acting as an independent non-executive director or a non-executive director and the additional fee of HK\$100,000 per annum per committee for acting as a member of each of the audit committee and the remuneration committee of the Company was paid to Mr CHEUNG. The total director's fees paid to Mr CHEUNG for the year ended 31 March 2009 had been approved by the Shareholders at the last AGM held on 5 August 2008.

Subject to the Shareholders' approval at 2009 AGM, Mr CHEUNG will receive for the year ending 31 March 2010 director's fees for his services as a non-executive director and a member of the audit committee and remuneration committee on the same basis generally set out in the preceding paragraph. Such basic and additional fees are subject to adjustments as from time to time determined by the remuneration committee of the Company and the Board with reference to the duties and responsibilities of individual non-executive director and committee member and the prevailing market situation.

Mr CHEUNG was not appointed for a specific term or any proposed length of services and his directorship is subject to retirement by rotation and re-election at AGMs at least once every three years in accordance with Article 116 and code provision of A.4.2 of CG Code.

In relation to the re-election of Mr CHEUNG as a non-executive director of the Company, save as disclosed above, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of Listing Rules, and there is no other matter concerning Mr CHEUNG that need to be brought to the attention of the Shareholders.

4. Dr QIN Xiao *PhD Econ. (Aged 62)*

Positions held and length of service

Dr QIN was appointed independent non-executive director, member of the audit committee and the remuneration committee of the Company on 22 July 2009.

Experience

Dr QIN is the chairman and non-executive director of China Merchants Bank Co., Ltd. (“CMB”) and independent non-executive director of China Telecom Corporation Limited (“CTC”), both of which are listed on Stock Exchange. CMB is also listed on Shanghai Stock Exchange and CTC is also listed on the New York Stock Exchange. He is also the chairman of China Merchants Group. Dr QIN is a member of the Eleventh Chinese People’s Political Consultative Conference and honorary chairman of Hong Kong Chinese Enterprises Association, guest professor at the School of Economics and Management of Tsinghua University and the Graduate School of the People’s Bank of China. Before joining China Merchants Group, he served as president and vice chairman of China International Trust and Investment Corporation (“CITIC”), and chairman of CITIC Industrial Bank. He was a deputy to the Ninth National People’s Congress, an advisor on the Foreign Currency Policy of the State Administration of Foreign Exchange, and a member of Toyota International Advisory Board, he also served as chairman of APEC Business Advisory Council for the Year 2001. He is the author of several papers and books in the fields of economics and management. Dr QIN received a PhD degree in economics from University of Cambridge.

Relationships with directors, senior management, substantial or controlling shareholders of the Company

Dr QIN is not related to any directors, senior management, substantial or controlling shareholders of the Company.

Interests in Shares

As at the Latest Practicable Date, Dr QIN did not have any interests in the Shares of the Company within the meaning of Part XV of SFO.

Director's remuneration and term of office

There is no director service contract entered into between Dr QIN and the Company. He will receive a director's fee as determined by the Board, pursuant to authority given by the shareholders of the Company at general meeting from time to time, with reference to his duties and responsibilities at the Company and the prevailing market situation. By reference to the basic fee of HK\$100,000 per annum paid to each non-executive director and additional fees of HK\$100,000 per annum paid to each member of each of the audit committee and remuneration committee of the Company for the year ended 31 March 2009, he will receive comparable amount in proportion to the term of service for acting as an independent non-executive director and members of both the audit and remuneration committees of the Company for the year ending 31 March 2010.

Subject to the Shareholders' approval at 2009 AGM, Dr QIN will receive for the year ending 31 March 2010 director's fees for his services as an independent non-executive director and member of each of the audit committee and remuneration committee on the same basis generally set out in the preceding paragraph. Such basic and additional fees are subject to adjustments as from time to time determined by the remuneration committee of the Company and the Board with reference to the duties and responsibilities of individual independent non-executive director and committee member and the prevailing market situation.

Dr QIN was not appointed for a specific term or any proposed length of services and his directorship is subject to retirement by rotation and re-election at AGMs at least once every three years in accordance with Article 116 and code provision of A.4.2 of CG Code.

In relation to the re-election of Dr QIN as an independent non-executive director of the Company, save as disclosed above, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of Listing Rules, and there is no other matter concerning Dr QIN that need to be brought to the attention of the Shareholders.

5. WONG CHA May Lung Madeline (Aged 69)**Positions held and length of service**

Ms WONG was appointed director of the Company in 1989 and re-designated as non-executive director in December 2004. She has been serving as director of a number of subsidiaries of the Group since its inception in 1977.

Experience

Ms WONG is also director of a number of other public and private companies in Hong Kong and overseas, including Hon Kwok Land Investment Company, Limited and Chinney Investments, Limited which are listed on Stock Exchange and United Nigeria Textiles PLC which is listed on the Nigerian Stock Exchange.

Relationships with directors, senior management, substantial or controlling shareholders of the Company

Ms WONG is a sister of Mr CHA Mou Sing Payson, Mr CHA Mou Zing Victor and Mr CHA Mou Daid Johnson who are also directors of the Company. She is also director of CCM Trust (Cayman) Limited, CDW Holdings Limited and LBJ Regents Limited, all of them are substantial shareholders of the Company under Part XV of the SFO. Ms WONG is a settlor of a discretionary trust and member of certain classes of discretionary beneficiaries of certain discretionary trusts of which some of the substantial shareholders of the Company are the trustees.

Interests in Shares

As at the Latest Practicable Date, Ms WONG was interested in 673,521,815 shares of par value of HK\$0.25 of the Company within the meaning of Part XV of the SFO.

Director's remuneration and term of office

There is no director's service contract entered into between Ms WONG and the Company. Ms WONG will receive director's fee as determined by the Board, pursuant to the authority given by the Shareholders at general meeting from time to time, with reference to her duties and responsibilities in the Company and the prevailing market situation. For the year ended 31 March 2009, a sum of HK\$100,000 representing the basic fee of HK\$100,000 per annum for acting as a non-executive director of the Company was paid to Ms WONG. The director's fee paid to Ms WONG for the year ended 31 March 2009 had been approved by the Shareholders at the last AGM held on 5 August 2008.

Subject to the Shareholders' approval at the 2009 AGM, Ms WONG will receive for the year ending 31 March 2010 a director's fee for her service as a non-executive director on the same basis generally set out in the preceding paragraph. Such basic fee is subject to adjustment as from time to time determined by the remuneration committee of the Company and the Board with reference to the duties and responsibilities of individual non-executive director and the prevailing market situation.

Ms WONG was not appointed for a specific term or any proposed length of services and her directorship is subject to retirement by rotation and re-election at the AGMs at least once every three years in accordance with Article 116 and code provision A.4.2 of CG Code.

In relation to the re-election of Ms WONG as a non-executive director of the Company, save as disclosed above, there is no information which is discloseable nor is/was she involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of Listing Rules, and there is no other matter concerning Ms WONG that need to be brought to the attention of the Shareholders.

This appendix serves as an explanatory statement, as required under Listing Rules, to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision as to whether to vote for or against the ordinary resolution to be proposed at 2009 AGM in connection with the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was HK\$337,568,591.75 divided into 1,350,274,367 fully paid shares of par value of HK\$0.25 each and the aggregate outstanding principal amount of the Bonds was HK\$646,960,000 convertible into a maximum of 105,885,433 shares of par value of HK\$0.25 each of the Company at the current conversion price of HK\$6.11 per share prior to the maturity date of Bonds on 26 April 2010.

Subject to the passing of the ordinary resolution numbered 5 set out in 2009 AGM Notice for approving the Repurchase Mandate and on the basis that no further Shares will be issued or repurchased prior to 2009 AGM, the Company would be allowed under the Repurchase Mandate to repurchase Shares up to a maximum of 135,027,436 shares of par value of HK\$0.25 each during the period in which the Repurchase Mandate remains in force.

2. REASONS FOR REPURCHASES

The Directors believe that the proposed grant of the Repurchase Mandate is in the interests of the Company and the Shareholders as a whole. The Repurchase Mandate will give the Company the flexibility to repurchase Shares as and when the Company deems appropriate. Such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net assets and/or earnings per share or may otherwise be in the interests of the Company. The Directors will decide on the number of Shares to be repurchased on each occasion and the price and other terms upon which the same is repurchased at the relevant time having regard to the circumstances then pertaining and they will do so only when they believe that such repurchases will benefit the Company and the Shareholders. At present, the Directors have no intention to repurchase any Shares.

3. FUNDING OF REPURCHASES

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with its M&A and the laws of the Cayman Islands.

The Company is empowered by its M&A to repurchase Shares. M&A and the applicable laws of the Cayman Islands provide that, subject to solvency, the purchase price of the Shares may be paid out of the profits available for distribution, the Company's capital and share premium account.

The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing position of the Company which in the opinion of the Directors is from time to time appropriate for the Company. However, based on the audited consolidated financial statements for the year ended 31 March 2009 of the Company (being the date to which the latest published consolidated financial statements of the Company were made up), there might be a material adverse impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate is exercised in full.

4. UNDERTAKING

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

The Board has undertaken to Stock Exchange that, so far as the same be applicable, it will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with Listing Rules, M&A and the applicable laws of the Cayman Islands.

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

5. EFFECT OF TAKEOVERS CODE

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of rule 32 of Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of Takeovers Code), could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with rule 26 of Takeovers Code.

For the purpose of Takeovers Code, CCM Trust (Cayman) Limited, LBJ Regents Limited and CDW Holdings Limited (all being substantial shareholders of the Company within the meaning of SFO) and Mr CHA Mou Sing Payson, Mr CHA Mou Zing Victor, Mr CHA Mou Daid Johnson and Ms WONG CHA May Lung Madeline (all being Directors) are taken as parties acting in concert, and as at the Latest Practicable Date, they together had an aggregate interest in 686,284,267 shares of par value of HK\$0.25 of the Company, representing approximately 50.83% of the issued share capital of the Company. Among them, 594,733,375 shares were held by CCM Trust (Cayman) Limited (including those held indirectly through its controlled corporations, namely, CDW Holdings Limited (holding 72,405,057 shares), 86,573,432 shares were held by LBJ Regents Limited and 4,977,460 shares were held as personal and corporate interests by Mr CHA Mou Sing Payson. In the event that the Directors exercise in full the

powers to repurchase Shares pursuant to the Repurchase Mandate, then (if the present shareholdings otherwise remained the same) the aggregate attributable shareholdings of the said parties would be increased to approximately 56.47% of the issued share capital of the Company. In the opinion of the Directors, such increase will not give rise to an obligation to make a mandatory offer under rule 26 of Takeovers Code.

In the event that the Repurchase Mandate is exercised in full, the number of shares held by the public will not fall below 25% of the total number of shares in issue.

6. SHARE PRICES

The highest and lowest prices at which shares of the Company were traded on the Stock Exchange during each of the previous twelve calendar months before and the period up to the Latest Practicable Date were as follows:

	Price per share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2008		
July	3.96	3.41
August	3.75	3.01
September	3.70	2.20
October	3.00	1.67
November	1.96	1.33
December	1.81	1.36
2009		
January	2.08	1.62
February	1.76	1.50
March	1.96	1.46
April	2.30	1.85
May	3.60	2.05
June	3.80	2.91
July (up to the Latest Practicable Date)	3.30	2.90

7. SHARE PURCHASES MADE BY THE COMPANY

The Company did not purchase any of the shares of par value of HK\$0.25 each (whether on Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

However, the Company had repurchased off-the-market and cancelled part of Bonds in the aggregate principal amount of HK\$145,000,000, which are exempt share repurchases under Share Repurchases Code, during the six months immediately preceding the Latest Practicable Date and details of which are as follows:

Date of repurchases	Principal amount of Bonds repurchased <i>HK\$</i>	Price paid (as a percentage to the principal amount of Bonds)	Price paid <i>HK\$</i>
11 February 2009	20,000,000	116.00%	23,200,000
20 February 2009	20,000,000	116.00%	23,200,000
24 February 2009	5,000,000	116.75%	5,837,500
26 February 2009	<u>100,000,000</u>	118.00%	<u>118,000,000</u>
Total	<u><u>145,000,000</u></u>		<u><u>170,237,500</u></u>

NOTICE OF ANNUAL GENERAL MEETING

HKR

INTERNATIONAL LTD.
香港興業國際集團

HKR INTERNATIONAL LIMITED 香港興業國際集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00480)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of HKR International Limited (the “Company”) will be held at Harbour View Ballroom I, Level 4, Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong on Thursday, 3 September 2009 at 10:30 a.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements and the reports of the directors and the independent auditor of the Company for the year ended 31 March 2009;
2. To re-elect the following retiring directors of the Company and authorise the board of directors of the Company to fix the directors’ fees
 - (i) to re-elect Mr CHA Mou Zing Victor as an executive director;
 - (ii) to re-elect Dr CHENG Kar Shun Henry as an independent non-executive director;
 - (iii) to re-elect Mr CHEUNG Wing Lam Linus as a non-executive director;
 - (iv) to re-elect Dr QIN Xiao as an independent non-executive director;
 - (v) to re-elect Ms WONG CHA May Lung Madeline as a non-executive director; and
 - (vi) to authorise the board of directors of the Company to fix the fees of all directors (including any new director who may be appointed) for the year ending 31 March 2010;
3. To re-appoint Messrs Deloitte Touche Tohmatsu as the independent auditor for the ensuing year and to authorise the board of directors of the Company to fix their remuneration;

NOTICE OF ANNUAL GENERAL MEETING

As special business, to consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions and special resolutions of the Company respectively:

ORDINARY RESOLUTIONS

4. **“THAT:**

- (A) subject to paragraph (C) of this resolution numbered 4 and all applicable laws, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue, grant, distribute and otherwise deal with additional shares in the capital of the Company and to make, issue or grant offers, agreements and options including warrants, bonds, debentures, notes and other securities which carry rights of subscription for or conversion into shares of the Company, be and is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution numbered 4 shall authorise the directors of the Company during the Relevant Period to make, issue or grant offers, agreements and options including warrants, bonds, debentures, notes and other securities which carry rights of subscription for or conversion into shares of the Company, which would or might require the exercise of such powers after the end of the Relevant Period;
- (C) the aggregate nominal amount of share capital allotted, issued, granted, distributed or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued, granted, distributed or otherwise dealt with (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (A) of this resolution numbered 4, otherwise than pursuant to or in consequence of:
 - (i) a Rights Issue (as hereinafter defined); or
 - (ii) the exercise of any options under any share option scheme or similar arrangement for the time being adopted by the Company in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the grant or issue of shares or rights to acquire shares in the Company; or
 - (iii) the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes or other securities issued by the Company; or
 - (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in the Company in accordance with the articles of association of the Company from time to time; or
 - (v) a special authority granted by the shareholders of the Company in general meeting;

NOTICE OF ANNUAL GENERAL MEETING

shall not exceed the aggregate of twenty per cent (20%) of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution numbered 4; and the said approval shall be limited accordingly; and

(D) for the purpose of this resolution numbered 4:

“Relevant Period” means the period from (and including) the date of the passing of this resolution numbered 4 until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any other applicable laws to be held; or
- (iii) the revocation or variation of the authority given under this resolution numbered 4 by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares in the Company, or an offer of warrants, options or other securities which carry rights to subscribe for or purchase shares of the Company, open for a period fixed by the directors of the Company to holders of shares of the Company on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company (or, where appropriate, such other securities) (subject in all cases to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any jurisdiction or territory outside Hong Kong);”

5. **“THAT:**

- (A) subject to paragraph (B) of this resolution numbered 5 and all applicable laws, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase or repurchase shares of all classes and securities which carry a right to subscribe or purchase shares issued directly or indirectly by the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares or securities of the Company may be listed and is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

(B) the aggregate nominal amount of the shares of all classes and securities which carry a right to subscribe or purchase shares issued directly or indirectly by the Company which may be purchased or repurchased by the Company pursuant to the approval in paragraph (A) of this resolution numbered 5 shall not exceed ten per cent (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution numbered 5, and the said approval shall be limited accordingly; and

(C) for the purpose of this resolution numbered 5:

“Relevant Period” means the period from (and including) the date of the passing of this resolution numbered 5 until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any other applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this resolution numbered 5 by an ordinary resolution of the shareholders of the Company in general meeting;”

6. “**THAT** conditional upon the passing of resolutions numbered 4 and 5 set out in the notice of this meeting, the general mandate granted to the directors of the Company pursuant to resolution numbered 4 set out in the notice of this meeting and for the time being in force to exercise the powers of the Company to allot, issue, grant, distribute and otherwise deal with additional shares in the capital of the Company and to make, issue or grant offers, agreements and options including warrants, bonds, debentures, notes and other securities which carry rights of subscription for or conversion into shares of the Company be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares of all classes and securities which carry a right to subscribe or purchase shares issued directly or indirectly by the Company purchased or repurchased by the Company under the authority granted by resolution numbered 5 set out in the notice of this meeting, provided that such extended amount shall not exceed ten per cent (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution;”

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTIONS

7. “**THAT** the memorandum of association of the Company be and are hereby amended in the following manner:
- (i) by deleting Clause 2 in its entirety and substituting therewith the following as new Clause 2;
 - 2. The registered office of the Company shall be at the offices of Maples Corporate Services Limited located at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands or at such other place as the Directors may from time to time decide.
 - (ii) the reference to “Section 190 of the Companies Law” in Clause 8 be amended to “Section 193 of the Companies Law”;
8. “**THAT** the articles of association of the Company (the “Articles”) be and are hereby amended in the following manner, all expressions used in this resolution numbered 8 have the same meanings as set out in the Articles unless defined herein:
- (i) by redefining the definitions of “business day” and “electronic” and adding a new definition of “Electronic Transactions Law” in existing Article 2.(a) as follows:
 - 1.1 “business day” shall mean any day on which the Stock Exchange is open for the business of dealing in securities;
 - 1.2 “electronic” shall have the meaning given to it in the Electronic Transactions Law;
 - 1.3 “Electronic Transactions Law” shall mean the Electronic Transactions Law (2003 Revision) of the Cayman Islands and any amendment thereto or re-enactment thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;
 - (ii) by adding new paragraphs to the following existing Articles;
 - 2.(c) Section 8 of the Electronic Transactions Law shall not apply.
 - 165.(f) by publishing it on the Company’s own website, provided that the Company has obtained either (i) the member’s prior express positive confirmation in writing; or (ii) the member’s deemed consent, in the manner specified in the Listing Rules.
 - 167.(f) if published on the Company’s website shall be deemed to have been served (i) on the date on which the notification required under the Listing Rules is sent; or (ii) if later, the date on which the corporate communication first appears on the website after that notification is sent.

NOTICE OF ANNUAL GENERAL MEETING

(iii) by deleting the existing Articles 73, 80 to 84, 166, 167(e) in their entirety and substituting therewith the following as new Articles 73, 80 to 84, 166 and 167(e);

73. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty business days' notice or twenty-one days' notice (whichever is longer) in writing at the least, and a meeting of the Company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by ten business days' notice or fourteen days' notice (whichever is longer) in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, particulars of the resolutions to be considered at the meeting, and shall be given in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting to such persons as are, under these Articles, entitled to receive such notices from the Company provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:—

(i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and

(ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. in nominal value of the shares giving that right.

80. At any general meeting a resolution put to the vote at the meeting must be decided on a poll.

81. A poll shall (subject as provided in Article 82) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than thirty days from the date of the meeting or adjourned meeting as the Chairman directs. No notice need to be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting.

82. A poll on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.

83. In the case of an equality of votes, the Chairman of the meeting shall be entitled to a second or casting vote.

84. The requirement of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been required.

NOTICE OF ANNUAL GENERAL MEETING

166. A member shall be entitled to have notice served on him at any address within Hong Kong or by any electronic means in compliance with these Articles, legislation and the Listing Rules and any applicable laws, rules or regulations. Any member who has not given an express positive confirmation in writing or a deemed confirmation to the Company in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the Office or published on the Company's website and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed or published on the Company's website, provided that, without prejudice to the other provisions of these Articles, nothing in this Article 166 shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.
- 167.(e) if published by electronic means (excluding publication on the Company's website) shall be deemed to have been served on the day on which the notice or document is so published.
- (iv) by deleting the relevant phrases in the following existing Articles;
6. "and that any holder of the shares of the class present in person or by proxy may demand a poll";
85. "on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative duly authorised pursuant to Article 96 shall have one vote, and on a poll" in the first sentence and "On a poll" in the last sentence therefrom;
88. ",whether on a show of hands or on a poll," and "on a poll";
90. "On a show of hands or on a poll,";
92. "or on a poll demanded at a meeting or an adjourned meeting in cases";
94. "to demand or join in demanding a poll and".
- (v) by amending the word "include" to "exclude" in Article 116.";"and

NOTICE OF ANNUAL GENERAL MEETING

9. “**THAT** the reprinted memorandum and articles of association of the Company including the amendments made by passing the resolutions numbered 7 and 8, a copy of which has been produced to the meeting marked “A” and signed by the chairman of the meeting for identification purpose, be and is hereby approved and adopted.”

By order of the Board
LO Tai On
Company Secretary

Hong Kong, 30 July 2009

Notes:

1. Any member of the Company entitled to attend and vote at the annual general meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.
2. In case of joint registered holders of any share in the Company, any one of such persons may vote at the annual general 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 the annual general meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. The form of proxy and 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 other authority shall be deposited at the Investor Communications Centre of the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai Hong Kong not less than 48 hours before the time appointed for holding the annual general meeting or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude a member from attending and voting in person at the annual general meeting or any adjourned meeting thereof should he so wish.
4. With regard to the proposed resolution numbered 2 of this notice, the board of directors of the Company recommends that the retiring directors, namely, Mr CHA Mou Zing Victor, Dr CHENG Kar Shun Henry, Mr CHEUNG Wing Lam Linus, Dr QIN Xiao and Ms WONG CHA May Lung Madeline be re-elected as directors of the Company.
5. With regard to the proposed resolutions numbered 4 to 6 above, the directors of the Company wish to state that they have no immediate plans to issue any new securities or repurchase any shares of the Company pursuant to the general mandates referred to thereunder.
6. The registration of the annual general meeting will start at 9:45 a.m. on Thursday, 3 September 2009. In order to ensure the meeting can start on time, shareholders or their proxies are encouraged to arrive for registration at least 15 minutes before the meeting starts.

As at the date of this notice, the board of directors of the Company comprises:

Chairman

Mr CHA Mou Sing Payson

Deputy Chairman & Managing Director

Mr CHA Mou Zing Victor

Executive Directors

Mr CHEUNG Tseung Ming

Mr CHUNG Sam Tin Abraham

Mr TANG Moon Wah

Non-executive Directors

The Honourable Ronald Joseph ARCULLI

Mr CHA Mou Daid Johnson

Mr CHEUNG Wing Lam Linus

Ms HO Pak Ching Loretta

Ms WONG CHA May Lung Madeline

Independent Non-executive Directors

Dr CHENG Kar Shun Henry

Dr The Honourable CHEUNG Kin Tung Marvin

Dr QIN Xiao

** Registered under Part XI of the Companies Ordinance, Chapter 32 of the laws of Hong Kong*