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

If you have sold or transferred all your shares in **TERMBRAY INDUSTRIES INTERNATIONAL (HOLDINGS) LIMITED**, you should at once hand this circular, 2009 annual report and proxy form 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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**TERMBRAY INDUSTRIES INTERNATIONAL (HOLDINGS) LIMITED**

(Incorporated in Bermuda with limited liability)

(Stock Code: 0093)

**PROPOSALS INVOLVING
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE SHARES
RE-ELECTION OF DIRECTORS AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Termbray Industries International (Holdings) Limited (the "Company") to be held at Flat B, 8th Floor, Waylee Industrial Centre, 30-38 Tsuen King Circuit, Tsuen Wan, New Territories, Hong Kong on Friday, 25 September 2009 at 10:00 a.m. is set out on pages 13 to 16 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the head office and principal place of business of the Company at Flat B, 8th Floor, Waylee Industrial Centre, 30-38 Tsuen King Circuit, Tsuen Wan, New Territories, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not prevent shareholders of the Company from attending and voting at the meeting if they so wish.

Hong Kong, 23 July 2009

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held on Friday, 25 September 2009 at 10:00 a.m., notice of which is set out on pages 13 to 16 of this circular
“Bye-laws”	the bye-laws of the Company for the time being
“Companies Act”	the Companies Act 1981 of the laws of Bermuda
“Company”	Termbray Industries International (Holdings) Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Stock Exchange
“Directors” or “Board”	the board of directors of the Company for the time being
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of The People’s Republic of China
“Latest Practicable Date”	17 July 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 of Hong Kong Limited
“Repurchase Proposal”	the proposal to give a general mandate to the Directors to exercise the powers of the Company to repurchase Shares up to a maximum of 10 percent of the issued share capital of the Company as at the date of the passing of the Repurchase Resolution
“Repurchase Resolution”	the proposed ordinary resolution as referred to in item 4 of the notice of the Annual General Meeting
“Share(s)”	share(s) of HK\$0.08 each in the share capital of the Company

DEFINITIONS

“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers and Share Repurchases
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

LETTER FROM THE CHAIRMAN



TERMBRAY INDUSTRIES INTERNATIONAL (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0093)

Directors:

Executive Directors:

Lee Lap (*Chairman*)

Leung Lai Ping

Tommy Lee (*Vice Chairman*)

Wang Jinlong (*Chief Executive Officer*)

Wong Shiu Kee

Independent Non-Executive Directors:

Chan Siu Kang

Lo Yiu Hee

Tong Hin Wor

Non-Executive Director:

Lee Ka Sze, Carmelo

Registered Office:

Clarendon House

Church Street

Hamilton HM 11

Bermuda

Head Office and Principal

Place of Business:

Flat B, 8th Floor

Waylee Industrial Centre

30-38 Tsuen King Circuit

Tsuen Wan, New Territories

Hong Kong

Hong Kong, 23 July 2009

To the shareholders

Dear Sir or Madam,

**PROPOSALS INVOLVING
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE SHARES
RE-ELECTION OF DIRECTORS AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information and to seek your approval for the proposals involving general mandates to repurchase Shares and to allot, issue and deal with Shares and re-election of Directors at the Annual General Meeting.

LETTER FROM THE CHAIRMAN

2. GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 5 September 2008, resolutions of the shareholders were passed giving general unconditional mandates to the Directors to:

- (i) to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolution;
- (ii) allot, issue and otherwise deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company in issue as at the date of passing such resolution; and
- (iii) add to the general mandate for issuing Shares as mentioned in paragraph (ii) above an amount representing the total nominal amount of the issued share capital of the Company repurchased by the Company under the general mandate granted to the Directors to repurchase Shares as mentioned in paragraph (i) above.

The above general mandates which were adopted on 5 September 2008 will lapse at the conclusion of the forthcoming Annual General Meeting. It is therefore proposed to seek your approval of the ordinary resolutions to be proposed at the Annual General Meeting to give fresh general mandates to the Directors.

The Directors propose to seek your approval of the Repurchase Proposal to be proposed at the Annual General Meeting, details of which are set out in ordinary resolution no.4 of the notice of Annual General Meeting. Subject to the passing of ordinary resolution no.4 and on the basis that no further Shares are issued or repurchase prior to the Annual General Meeting, the Shares which may be repurchased pursuant to the Repurchase Proposal are 195,764,305 Shares representing not more than 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the ordinary resolution approving the Repurchase Proposal.

An explanatory statement which is required to be sent to shareholders of the Company under the Listing Rules to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange will provide requisite information to you for your consideration of the Repurchase Proposal and is set out in Appendix I hereto.

3. GENERAL MANDATE TO ISSUE NEW SHARES

Two ordinary resolutions will also be proposed at the Annual General Meeting namely ordinary resolutions nos.5 and 6 granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20 percent of the issued share capital of the Company as at the date of passing the resolution (i.e. not exceeding 391,528,610 shares based on the issued share capital of the Company of 1,957,643,050 shares as at the Latest Practicable Date and assuming that such issued share capital remains the same as at the date of passing the resolution) and

LETTER FROM THE CHAIRMAN

adding to such general mandate so granted to the Directors any Shares representing the aggregate nominal amount of the Shares repurchased by the Company after the granting of the general mandate to repurchase Shares up to 10 percent of the issued share capital of the Company as at the date of the passing of the Repurchase Resolution.

4. RE-ELECTION OF DIRECTORS

The Board currently consists of nine Directors, namely Mr. Lee Lap, Mdm. Leung Lai Ping, Mr. Tommy Lee, Mr. Wang Jinlong, Mr. Wong Shiu Kee, Mr. Chan Siu Kang, Mr. Lo Yiu Hee, Mr. Tong Hin Wor and Mr. Lee Ka Sze, Carmelo.

Pursuant to the Bye-laws of the Company, Mr. Chan Siu Kang, Mr. Lo Yiu Hee and Mr. Tong Hin Wor shall retire by rotation from office and Mr. Lee Lap, the chairman of the Board, shall subject to re-election at the Annual General Meeting. These directors shall be eligible and offer themselves for re-election. Details of these Directors proposed for re-election at the Annual General Meeting are set out in the Appendix II to this circular.

5. ANNUAL GENERAL MEETING

On pages 13 to 16 of this circular, you will find a notice convening the Annual General Meeting at which the following resolutions will be proposed:

- an ordinary resolution to grant to the Directors a general mandate to exercise all powers of the Company to repurchase Shares representing up to 10 percent of the issued share capital of the Company as at the date of the passing of the Repurchase Resolution;
- an ordinary resolution to grant to the Directors a general mandate to authorise the Directors to issue, allot and deal with Shares representing up to 20 percent of the issued share capital of the Company as at the date of the passing of such resolution; and
- an ordinary resolution to extend the general mandate which will be granted to the Directors to issue, allot and deal with additional Shares by adding to it the number of Shares repurchased under the Repurchase Proposal after the granting of the general mandate.

6. ACTION TO BE TAKEN

A proxy form for use at the Annual General Meeting is enclosed herewith. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the proxy form and return it to the head office and principal place of business of the Company at Flat B, 8th Floor, Waylee Industrial Centre, 30-38 Tsuen King Circuit, Tsuen Wan, New Territories, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not prevent shareholders of the Company from attending and voting at the Annual General Meeting if they so wish.

LETTER FROM THE CHAIRMAN

7. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the shareholders at the Annual General Meeting must be taken by poll. The chairman of the meeting will therefore demand a poll for every resolution put to the vote at the Annual General Meeting pursuant to the Bye-laws of the Company and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

8. RECOMMENDATION

The Directors are pleased to recommend Mr. Lee Lap, Mr. Chan Siu Kang, Mr. Lo Yiu Hee and Mr. Tong Hin Wor, details of whom are set out in Appendix II of this circular, for re-election at the Annual General Meeting. The Directors believe that the Repurchase Proposal, the general mandate for Directors to issue new Shares and the extension of the general mandate to issue Shares are all in the best interests of the Company and its shareholders. Accordingly, the Directors recommend that all shareholders should vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

By Order of the Board
Lee Lap
Chairman

This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the Repurchase Proposal.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,957,643,050 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 195,764,305 Shares representing 10% of the issued share capital of the Company as at the Latest Practicable Date.

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Proposal is in the best interests of the Company and its shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and bye-laws and the applicable laws of Bermuda. Bermuda law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of the capital paid up on the relevant shares, or the funds of the Company that would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the share premium account of the Company. Further, a company cannot purchase its own shares if on the date on which the purchase is to be effected, there are reasonable grounds for believing that the Company is, or after the purchase would be, unable to pay its liabilities as they become due.

The Directors at present have not decided which proposed source of funding is to be used when the Repurchase Proposal is exercised.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 March 2009 in the event that the Repurchase Proposal was to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date are as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
July 2008	1.18	1.09
August 2008	1.18	1.10
September 2008	1.11	0.94
October 2008	0.97	0.89
November 2008	0.92	0.87
December 2008	0.92	0.89
January 2009	0.93	0.86
February 2009	0.91	0.87
March 2009	0.91	0.86
April 2009	0.91	0.86
May 2009	0.96	0.86
June 2009	1.02	0.92
July 2009 (up to the Latest Practicable Date)	1.00	0.96

5. GENERAL

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Resolution and in accordance with the Listing Rules and the applicable laws of Bermuda and Hong Kong.

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 if the Repurchase Proposal is approved by the shareholders of the Company.

No connected persons (as defined in the 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 Proposal is approved by the shareholders of the Company.

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Resolution, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a shareholder or group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Lee & Leung (B.V.I.) Limited held on a beneficial basis a total of 1,252,752,780 shares representing approximately 63.99% of the issued share capital of the Company. Based on such shareholdings and in the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchases Proposal, the aggregate shareholdings of Lee & Leung (B.V.I.) Limited would be increased to approximately 71.1% of the issued share capital of the Company. The Directors are not aware of any consequences which may arise under the Takeover Code as a result of any repurchases made under the Repurchase Proposal. In the event that the Repurchase Proposal is exercised in full, the number of Shares held by the public would not fall below 25%.

6. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

The following are the particulars of the Directors proposed to be re-elected at the Annual General Meeting to be held on 25 September 2009:

1. **Mr. Lee Lap**, aged 66, is the Chairman of the Company. He is also the chairman of the remuneration committee of the Company. He is the founder of the Group and has been actively involved in the printed circuit board and electronics industry in Hong Kong since 1968. He is responsible for overall policy and decision making and business development of the Group. Mr. Lee is an honorary citizen of Zhongshan, Shenzhen and Guangzhou in the People's Republic of China.

Lee & Leung (B.V.I.) Limited owns 1,252,752,780 shares of the Company. Lee & Leung (B.V.I.) Limited is wholly-owned by First Trend Management (PTC) Limited (formerly known as First Trend Management Limited) as trustee for Lee & Leung Family Unit Trust. All the units in Lee & Leung Family Unit Trust are held by HSBC International Trustee Limited as trustee for Lee & Leung Family Trust. Mr. Lee Lap is the settlor of the Lee & Leung Family Trust. The discretionary beneficiaries of the Lee & Leung Family Trust are his wife, Mdm. Leung Lai Ping, the children of Mr. Lee Lap and Mdm. Leung Lai Ping (including their son, Mr. Tommy Lee) and the offspring of such children. Mr. Lee is accordingly interested in 1,252,752,780 shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed herein, Mr. Lee is and was not connected with any directors, senior management or substantial or controlling shareholders of the Company.

In accordance with the service agreement between the Company and Mr. Lee, he is not appointed for a specific term and is subject to re-election requirements at annual general meeting pursuant to the Bye-laws of the Company. He is entitled to annual remuneration of HK\$2,000,000 and management bonus which will be determined by the Board with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation. For the year ended 31 March 2009, the total emoluments paid to Mr. Lee amounted to HK\$3,147,000.

Mr. Lee Lap is also the director of certain subsidiaries of the Company. Save as disclosed, Mr. Lee does not hold any other positions in the Company or any of its subsidiaries and did not hold any other major appointments or qualifications and has not held any directorships in any other listed public companies in the last three years.

2. **Mr. Chan Siu Kang**, aged 72, was appointed as an independent non-executive director in 2004. He is also a member of the audit committee and remuneration committee of the Company. Mr. Chan is a graduate of the National Taiwan University with bachelor's degree in Electrical Engineering. Mr. Chan has 30 years' manufacturing and senior management experience in the electronics industry. Among which, he has held 20 years in the role as general manager and director.

Pursuant to a letter of appointment between Mr. Chan and the Company, his term of as an independent non-executive director with the Company is for a period of two years from

1 January 2009 and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws of the Company. His director's fee is to be determined by the board of directors and to be authorized by the shareholders of the Company at the annual general meeting with reference to the prevailing market practice, the Company's remuneration policy, his duties and responsibilities with the group and his contribution to the group. He received director's fee of HK\$100,000 for the year ended 31 March 2009.

Mr. Chan is and was not connected with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Chan does not have any interest in Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Chan does not hold any directorship in other listed public companies in the last three years. Save as disclosed above, he does not hold any other position with the Company and other members of the Company's group.

3. **Mr. Lo Yiu Hee**, aged 51, was appointed as an independent non-executive director in 2004. He is also the Chairman of the audit committee and a member of the remuneration committee of the Company. Mr. Lo holds bachelor and master degrees in business administration from the Chinese University of Hong Kong. Mr. Lo is a fellow member of the Hong Kong Institute of Certified Public Accountants and CPA Australia. Mr. Lo has over 20 years of experience in finance and accounting in various listed companies. He was the Vice President of CPA Australia, Hong Kong China Division for 2000/01 and 2003/04, and councillor from 1997 to 2006. He is presently the Chief Financial Officer & Company Secretary of a listed apparel manufacturing company and member of the Disciplinary Panel of CPA Australia.

Save as disclosed, Mr. Lo does not hold any directorship in other listed public companies in the last three years and save as disclosed above, he does not hold any other position with the Company and other members of the Company's group.

Pursuant to a letter of appointment between Mr. Lo and the Company, his term of as an independent non-executive director with the Company is for a period of two years from 1 January 2009 and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws of the Company. His director's fee is to be determined by the board of directors and to be authorized by the shareholders of the Company at the annual general meeting with reference to the prevailing market practice, the Company's remuneration policy, his duties and responsibilities with the group and his contribution to the group. He received director's fee of HK\$100,000 for the year ended 31 March 2009.

Mr. Lo is and was not connected with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Lo does not have any interest in Shares within the meaning of Part XV of the Securities and Futures Ordinance.

4. **Mr. Tong Hin Wor**, aged 64, was appointed as an independent non-executive director in 2008 and is a member of the audit committee of the Company. Mr. Tong holds a diploma in management studies from Hong Kong Polytechnic University. Mr. Tong has over 30 years of working experience in financial management. Mr. Tong was the financial controller of Termbray Electronics Company Limited in 1991. He was the financial controller of Karrie Industrial Company Limited, a company principally engaged in electronics and sheet metal manufacturing in 1993, the group controller of Elec & Eltek (International) Limited in 1995 and the group vice president of Elec & Eltek Corporate Services Limited from 1995 to 2004.

Mr. Tong does not hold any directorship in other listed public companies in the last three years. Save as disclosed above, he does not hold any other position with the Company and other members of the Company's group.

Pursuant to a letter of appointment between Mr. Tong and the Company, his term of as an independent non-executive director with the Company is for a period of two years from 1 January 2009 and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws of the Company. His director's fee is to be determined by the board of directors and to be authorized by the shareholders of the Company at the annual general meeting with reference to the prevailing market practice, the Company's remuneration policy, his duties and responsibilities with the group and his contribution to the group. He received director's fee of HK\$50,000 for the year ended 31 March 2009.

Mr. Tong is and was not connected with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Tong does not have any interest in Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, there are no other matters that need to be brought to the attention of the shareholders in connection with the re-election of the above retiring directors and there are no information that should be disclosed pursuant to rules 13.51(2) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



TERMBRAY INDUSTRIES INTERNATIONAL (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0093)

NOTICE IS HEREBY GIVEN that the annual general meeting of Termbray Industries International (Holdings) Limited (the “Company”) will be held at Flat B, 8th Floor, Waylee Industrial Centre, 30-38 Tsuen King Circuit, Tsuen Wan, New Territories, Hong Kong on Friday, 25 September 2009 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements together with the directors’ report and the independent auditor’s report for the year ended 31 March 2009.
2. To re-elect the directors and to authorise the board of directors to fix the remuneration of directors.
3. To re-appoint auditor and to authorise the board of directors to fix the remuneration of auditor.
4. As special business, to consider and, if thought fit, to pass the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.08 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and 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 the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10 percent of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purposes of this Resolution,

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the bye-laws of the Company to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”

5. As special business, to consider and, if thought fit, to pass the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (a) subject to paragraph (c) below, 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 and deal with additional shares of HK\$0.08 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than (i) a Rights Issue (as hereinafter defined), (ii) an issue of shares as scrip dividends pursuant to the bye-laws of the Company from time to time, (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company; or (iv) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company, shall not exceed 20 percent of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this Resolution,

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the bye-laws of the Company to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company; and

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

6. As special business, to consider and, if thought fit, to pass the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“**THAT** subject to the passing of the Resolutions set out in items 4 and 5 of the notice convening this meeting, the general mandate granted to the directors of the Company to allot, issue and deal with additional shares pursuant to the Resolution set out in item 5 of the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to the Resolution set out in item 4 of the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10 percent of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the said Resolution.”

By Order of the Board
LO Tai On
Secretary

Hong Kong, 23 July 2009

NOTICE OF ANNUAL GENERAL MEETING

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 than one proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the head office and principal place of business of the Company at Flat B, 8th Floor, Waylee Industrial Centre, 30-38 Tsuen King Circuit, Tsuen Wan, New Territories, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. With regard to item no.2 in this notice, the board of directors of the Company recommends Mr. Lee Lap, Mr. Chan Siu Kang, Mr. Lo Yiu Hee and Mr. Tong Hin Wor to be re-elected as directors of the Company. Details of the said directors are set out in Appendix II of the circular to shareholders dated 23 July 2009.