
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8025)

PROPOSED GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES, PROPOSED RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of Asian Capital Resources (Holdings) Limited to be held at Suite 1101, 11/F, Wing On Plaza, 62 Mody Road, Tsim Sha Tsui East, Hong Kong on Thursday, 24 April 2008 at 11:00 a.m. is set out on pages 11 to 14 of this circular. A form of proxy for the AGM is enclosed herewith. Whether or not you are able to attend the AGM in person, please complete and return the enclosed proxy form in accordance with the instructions printed thereon to the branch share registrar of the Company, Hong Kong Registrars Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting. Completion and return of the proxy forms will not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this circular is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this circular misleading; and (3) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This circular will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting and on the Company's website at www.airnet.com.hk.

31 March 2008

CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

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

“AGM”	The annual general meeting of the Company to be held at Suite 1101, 11/F, Wing On Plaza, 62 Mody Road, Tsim Sha Tsui East, Hong Kong on Thursday, 24 April 2008 at 11:00 a.m.
“Annual Report”	The annual report of the Company for the year ended 31 December 2007
“Company”	Asian Capital Resources (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Directors”	The director(s) of the Company
“GEM”	The Growth Enterprises Market of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM
“Group”	The Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	28 March 2008, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8025)

Executive Directors:

Mr. Xie Xuan (*Chairman*)

Mr. Yang Qiulin

Non-executive Director:

Mr. Lo Mun Lam Raymond (*Vice Chairman*)

Independent Non-executive Directors:

Mr. Wu Jixue

Mr. Yang Zhenhong

Mr. Zhang Daorong

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Head Office and Principal Place of Business:

Suite 1101, 11/F

Wing On Plaza

62 Mody Road

Tsim Sha Tsui East

Hong Kong

31 March 2008

To the Shareholders

Dear Sir or Madam,

**PROPOSED GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE SHARES,
PROPOSED RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you notice of the AGM and information regarding resolutions to be proposed at the AGM relating to (i) the granting to the Directors of general mandates to issue new Shares and repurchase Shares; and (ii) the re-election of Directors.

LETTER FROM THE BOARD

PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES

At the AGM, an ordinary resolution set out in resolution No. 4(A) of the notice of the AGM will be proposed whereby if passed, the Directors will be given a general and unconditional mandate to allot, issue or otherwise deal with additional Shares not exceeding the sum of 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of the resolution and the nominal amount of any Shares repurchased by the Company up to a maximum of 10% of the issued share capital of the Company at the date of passing of the resolution.

The authority conferred by the above resolution will commence at the date of passing of the relevant 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 the Articles of Association of the Company or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation, variation or renewal of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

PROPOSED GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, it is proposed to seek your approval of the ordinary resolution No. 4(B) as set out in the notice of the AGM to give a fresh mandate to the Directors to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company at the date of passing of the resolution (“Repurchase Mandate”).

The authority conferred by the Repurchase Mandate will commence at the date of passing of the relevant 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 the Articles of Association of the Company or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation, variation or renewal of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

An explanatory statement, as required by the relevant rules as set out in GEM Listing Rules to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange, to provide requisite information to you for your consideration of the Repurchase Mandate, is set out in Appendix I to this circular.

LETTER FROM THE BOARD

PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Article 87 of the Articles of Association of the Company, Mr. Xie Xuan (“Mr. Xie”), Mr. Yang Zhenhong (“Mr. Yang”), and Mr. Zhang Daorong (“Mr. Zhang”) shall retire from office by rotation at the AGM. The retiring Directors, being eligible, will offer themselves for re-election at the AGM.

Details of Mr. Xie, Mr. Yang and Mr. Zhang which are required to be disclosed under GEM Listing Rules are set out in Appendix II of this circular.

AGM

A notice convening the AGM is set out on pages 11 to 14 of this circular.

A form of proxy for the AGM is enclosed herewith. Whether or not you are able to attend the AGM in person, please complete and return the enclosed proxy form in accordance with the instructions printed thereon to the branch share registrar of the Company, Hong Kong Registrars Limited, at 46th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting. Completion and return of the proxy forms will not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

PROCEDURE BY WHICH A POLL MAY BE DEMANDED

Article 66 of the Articles of Association of Company sets out the procedure by which Shareholders may demand a poll:

“Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a show of hands every Member present in person (or being a corporation, is present by a representative duly authorized), or by proxy shall have one vote and on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorized representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. Notwithstanding anything contained in these Articles, where more than one proxy is appointed by a Member which is a clearing house (or its nominee), each such proxy shall have one vote on a show of hands. A resolution put to the vote of a meeting shall be decided on a show a hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three Members present in person or in the case of a Member being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or

LETTER FROM THE BOARD

- (c) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorized representative or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or
- (d) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorized representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorized representative shall be deemed to be the same as a demand by a Member.”

(“Member” in accordance with the Articles of Association of the Company means “a duly registered holder from time to time of the shares in the capital of the Company.”)

RECOMMENDATION

The Directors consider that the above proposals relating to the general mandate to issue new Shares, the Repurchase Mandate and the re-election of Director are in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend you to vote in favour of such resolutions at the AGM.

Yours faithfully,
On behalf of the Board
Asian Capital Resources (Holdings) Limited
Xie Xuan
Chairman

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

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 639,335,418 Shares.

Subject to the passing of the relevant ordinary resolution to approve the Repurchase Mandate and on the basis that no further Shares will be issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase Shares up to a maximum of 63,933,541 Shares.

REASONS FOR REPURCHASES

The Directors believe that the proposed granting of the Repurchase Mandate is in the interests of the Company and its shareholders. Such purchases 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 purchase will benefit the Company and its shareholders. At present, the Directors have no intention to repurchase any of the Shares.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum and Articles of Association of the Company and the applicable laws of Hong Kong and the Cayman Islands.

It is presently proposed that any purchase of the Shares would be made out of profits of the Company or the proceeds of a fresh issue made for the purpose or out of capital provided that on the day immediately following the date of repurchase the Company is able to pay its debts as they fall due in the ordinary course of business.

There might be a material adverse impact on the working capital or gearing position of the Company as at 31 December 2007 in the event that the proposed repurchase of shares was to be carried out in full at any time during the proposed repurchase period. However, the Directors expect to exercise such mandate if and to such extent only as they are satisfied that the exercise thereof will not have such a material adverse impact.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on GEM during each of the previous twelve months up to the Latest Practicable Date were as follows:

	Share prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2007		
March	0.1300	0.0800
April	0.2200	0.1000
May	0.5100	0.1700
June	0.5500	0.3000
July	0.3700	0.2300
August	0.3200	0.2100
September	0.4000	0.2400
October	0.3000	0.2500
November	0.3100	0.2400
December	0.2800	0.2500
2008		
January	0.4400	0.2500
February	0.2900	0.2500
March (up to the Latest Practicable Date)	0.2600	0.1800

UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with GEM Listing Rules and the applicable laws and regulations of the Cayman Islands.

None of the Directors, nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders.

No other connected persons (as defined in GEM 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.

HONG KONG CODE ON TAKEOVERS AND MERGERS

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 the Hong Kong Code on Takeovers and Mergers ("Takeovers Code"). As a result, a Shareholder or a group or 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. The Directors are not aware of any consequences under the Takeovers Code as a result of the exercise of the Repurchase Mandate.

If the Repurchase Mandate were exercised in full, the percentage shareholding of the substantial shareholders of the Company before and after such repurchase would be as follows:

Substantial Shareholders	% Before Repurchase/ No. of Shares	After Repurchase/ % No. of Shares
Asian Dynamics International Limited	51.25%/ 327,685,431	56.95%/ 327,685,431
Aldgate Agents Limited	10.34%/ 66,120,000	11.49%/ 66,120,000
Mongolia Energy Corporation Limited	10.34%/ 66,120,000	11.49%/ 66,120,000

Notes:

- (1) Asian Dynamics International Limited is a company incorporated in the British Virgin Islands and beneficially owned by Asian Wealth Incorporated, Denwell Enterprises Limited, Glamour House Limited, Mr. Chan Chi Ming and Mr. Chau Tak Tin.
- (2) Aldgate Agents Limited is a wholly-owned subsidiary of Mongolia Energy Corporation Limited, previously known as New World CyberBase Limited, a company listed on the Stock Exchange (Stock Code: 276). Their interests in the Shares duplicate with each other.

The Directors will not exercise the Repurchase Mandate (whether in whole or in part) to the extent which would result in the number of Shares being held by the public falling below the relevant minimum prescribed percentage of the Company as required by the Stock Exchange, which is currently 25% of the entire issued share capital of the Company.

SHARE REPURCHASE MADE BY THE COMPANY

The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.

The following are the details of the Directors proposed for re-election at the AGM:—

Mr. Xie Xuan

Mr. Xie, aged 38, joined the Group in 2002. Mr. Xie holds directorships in various subsidiaries of the Group. He has over 15 years of successful investment and management experience in the areas of property and logistics in the People's Republic of China. He graduated from Jinan University, the PRC with a degree in International Economics.

Mr. Xie does not hold other directorships in listed public companies in the last 3 years. He has no interest in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no service contract entered into with Mr. Xie, who is subject to retirement and re-election at the AGM in accordance with the provision of the Articles of Association of the Company.

A director fee in the amount of HK\$540,000 was paid to Mr. Xie for the year ended 31 December 2007. Mr. Xie will be entitled to a director fee for the year ended 31 December 2008 to be determined by the remuneration committee with reference to his contribution in terms of time, effort and his expertise and will be subject to review on an annual basis.

Save for the above, Mr. Xie does not have any relationships with other director, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company as defined in the GEM Listing Rules. There is no additional information required to be disclosed pursuant to Rules 17.50(2)(h) - (v) of the GEM Listing Rules.

There are no other matters that need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Xie as a Director.

Mr. Yang Zhenhong

Mr. Yang, aged 50, is a practicing lawyer and arbitrator in the PRC. Mr. Yang holds a Bachelor degree in Economics and a Master degree in Laws. He has over 26 years of experience in the PRC taxation, company and commercial law. He is currently a lawyer in a PRC law firm. He is also a part-time professor at Guangdong Judges' College (廣東法官學院) and legislative consultant to the Standing Committee of Guangzhou People's Congress (廣州市人大常委會). He is a committee member of the Research Institute of Jurisprudence of the PRC (中國法理學研究會) and the Research Institute of Taxation of the PRC (中國財稅法研究會) and a Vice-President of Guangdong Research Institute of Taxation (廣東省財稅法研究會).

Mr. Yang does not hold other directorships in listed public companies in the last 3 years. He has no interest in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no service contract entered into with Mr. Yang, who is subject to retirement and re-election at the AGM in accordance with the provision of the Articles of Association of the Company.

A director fee in the amount of HK\$18,000 was paid to Mr. Yang for the year ended 31 December 2007. Mr. Yang will be entitled to a director fee for the year ended 31 December 2008 to be determined by the remuneration committee with reference to his contribution in terms of time, effort and his expertise and will be subject to review on an annual basis.

Save for the above, Mr. Yang does not have any relationships with other director, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company as defined in the GEM Listing Rules. There is no additional information required to be disclosed pursuant to Rules 17.50(2)(h) - (v) of the GEM Listing Rules.

There are no other matters that need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Yang as a Director.

Mr. Zhang Daorong

Mr. Zhang, aged 36, is a Certified Public Accountant and Certified Tax Agent in the PRC. He holds a Bachelor degree in Economics and a Master degree in Business Administration. He has over 14 years of experience in accounting, auditing and taxation. He is currently a project manager in a firm of certified public accountants in the PRC.

Mr. Zhang does not hold other directorships in listed public companies in the last 3 years. He has no interest in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no service contract entered into with Mr. Zhang, who is subject to retirement and re-election at the AGM in accordance with the provision of the Articles of Association of the Company.

A director fee in the amount of HK\$48,000 was paid to Mr. Zhang for the year ended 31 December 2007. Mr. Zhang will be entitled to a director fee for the year ended 31 December 2008 to be determined by the remuneration committee with reference to his contribution in terms of time, effort and his expertise and will be subject to review on an annual basis.

Save for the above, Mr. Zhang does not have any relationships with other director, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company as defined in the GEM Listing Rules. There is no additional information required to be disclosed pursuant to Rules 17.50(2)(h) - (v) of the GEM Listing Rules.

There are no other matters that need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Zhang as a Director.

NOTICE OF ANNUAL GENERAL MEETING



(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8025)

NOTICE IS HEREBY GIVEN that the annual general meeting of Asian Capital Resources (Holdings) Limited (the “Company”) will be held at Suite 1101, 11/F, Wing On Plaza, 62 Mody Road, Tsim Sha Tsui East, Hong Kong on Thursday, 24 April 2008 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the Directors and the auditors of the Company and its subsidiaries for the year ended 31 December 2007;
2. To re-elect the retiring Directors and to authorize the remuneration committee of the board to fix the remuneration of the Directors;
3. To appoint NCN CPA Limited, which was incorporated to carry on the office of Messrs. Patrick Ng & Company, as auditors of the Company and to authorise the board of directors to fix their remuneration (*note 4*);
4. As a special business, to consider and, if thought fit, pass the following resolutions, with or without amendments, as Ordinary Resolutions:

(A) “**THAT:**

- (a) subject to paragraph (c) below of this Resolution, pursuant to GEM Listing Rules, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for shares, which might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options, including warrants to subscribe for shares, which might require the exercise of such powers 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 options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of rights of subscription or conversion under terms of any warrants issued by the Company or any securities which are convertible into ordinary shares in the Company; or (iii) the exercise of any option under any share option scheme or similar arrangement from time to time adopted by the Company and/or any of its subsidiaries of ordinary

NOTICE OF ANNUAL GENERAL MEETING

shares in the Company or right to acquire ordinary shares in 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 accordance with the Articles of Association of the Company from time to time; shall not exceed the aggregate of:

- (i) 20 per cent of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this Resolution; and
- (ii) (if the Directors are so authorized by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to passing of this Resolution (up to a maximum equivalent to 10 per cent of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this Resolution);

and the said approval shall be limited accordingly; and

- (d) for the purpose of this Resolution:

“Relevant Period” means the period from the date of 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 the Articles of Association of the Company or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation, variation or renewal of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares in the Company, or offer of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the Directors to holders of shares in the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject in all cases to such exclusion or other arrangements as the Directors 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 recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

(B) **“THAT:**

- (a) Subject to paragraph (b) below of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares in the capital of the Company on GEM or any other stock exchange on which the securities of the Company may be listed and recognized 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 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 authorized to be repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this Resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution:

“Relevant Period” means the period from the date of 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 the Articles of Association of the Company or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation, variation or renewal of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

- (C) **“THAT** conditional upon the passing of Resolution No. 4(B), the general mandate granted to the Directors of the Company and for the time being in force to exercise the powers of the Company to allot, issue and deal with shares of the Company pursuant to Resolution No. 4(A) be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution No. 4(B), provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing this Resolution.”

By Order of the Board
Andrew James Chandler
Company Secretary

Hong Kong, 31 March 2008

NOTICE OF ANNUAL GENERAL MEETING

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681GT
Grand Cayman KY1-1111
Cayman Islands

Head Office and Principal Place of Business:

Suite 1101, 11/F
Wing On Plaza
62 Mody Road
Tsim Sha Tsui East
Hong Kong

Notes:—

1. Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and on a poll vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a 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 authority must be deposited at the branch share registrar of the Company, Hong Kong Registrars Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting (as the case may be).
3. Completion and return of the proxy forms will not preclude a member from attending and voting in person at the meeting or any adjourned meeting should he so wish.
4. NCN CPA Limited which was incorporated to carry on the office of Messrs. Patrick Ng & Company offer themselves for appointment at the Annual General Meeting.