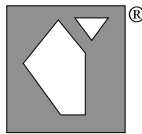

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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.

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

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

**KIN YAT HOLDINGS LIMITED**

(Incorporated in Bermuda with limited liability)

(Stock Code: 638)

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

A notice convening an annual general meeting of Kin Yat Holdings Limited to be held at Kennedy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 22 August 2008 at 3:00 p.m. is set out on pages 15 to 18 of this circular. A form of proxy for use at the annual general meeting is also enclosed.

Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the form of proxy will not prevent shareholders from attending and voting at the meeting if they so wish.

29 July 2008

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DEFINITIONS

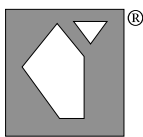
In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting”	an annual general meeting of the Company to be held at Kennedy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 22 August 2008 at 3:00 p.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 15 to 18 of this circular;
“associates”	has the same meaning as ascribed in the Listing Rules;
“Board”	the board of Directors;
“Bye-laws”	the bye-laws of the Company;
“Buyback Mandate”	to purchase Shares on the Stock Exchange of an aggregate nominal amount of up to 10% of the aggregate nominal amount of the issued share capital of the Company on the date of passing such resolution;
“Company”	Kin Yat Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange;
“Companies Ordinance”	Companies Ordinance (Chapter 32 of the Laws of Hong Kong);
“connected persons”	has the same meaning as ascribed in the Listing Rules;
“Director(s)”	director(s) of the Company;
“Group”	the Company and its Subsidiaries;
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China;
“Issuance Mandate”	to allot, issue or deal with Shares of an aggregate nominal amount of up to 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing such resolution;

DEFINITIONS

“Latest Practicable Date”	22 July 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	a subsidiary for the time being of the Company (within the meaning of Section 2 of the Companies Ordinance), whether incorporated in Hong Kong or elsewhere;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers; and
“HK\$”	Hong Kong dollars.

LETTER FROM THE BOARD



KIN YAT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 638)

Directors:

Executive

Mr. Cheng Chor Kit (*Chairman*)

Mr. Fung Wah Cheong

Mr. Wong Wai Ming

Mr. Wong Weng Loong

Independent Non-executive

Mr. Chung Chi Ping, Roy

Mr. Wong Chi Wai, Albert

Ms. Sun Kwai Yu, Vivian

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal Office:

7th Floor

Galaxy Factory Building

25-27 Luk Hop Street

San Po Kong

Kowloon

Hong Kong

29 July 2008

To the shareholders

Dear Sir or Madam,

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

1. INTRODUCTION

The purpose of this circular is to provide you with information relating to the Ordinary Resolutions to be proposed at the Annual General Meeting relating to (i) the general mandates to repurchase the Company's own fully-paid Shares and to issue new Shares and (ii) re-election of Directors.

LETTER FROM THE BOARD

2. BUYBACK AND ISSUANCE MANDATES

Ordinary resolutions will be proposed at the Annual General Meeting to approve the grant of new general mandates to the Directors:

- (a) to purchase Shares on the Stock Exchange of an aggregate nominal amount of up to 10% of the aggregate nominal amount of the issued share capital of the Company on the date of passing such resolution (“Buyback Mandate”);
- (b) to allot, issue or deal with Shares of an aggregate nominal amount of up to 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing such resolution (“Issuance Mandate”) and of approximately 81,763,200 Shares as at the Latest Practicable Date; and
- (c) to extend the Issuance Mandate by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the Buyback Mandate.

The Buyback Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in resolutions numbered 5 and 6 set out in the notice of the Annual General Meeting.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the grant of the Buyback Mandate. An explanatory statement as required by the Listing Rules in connection with the Buyback Mandate is set out in Appendix I to this circular.

3. RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the executive Directors are Mr. Cheng Chor Kit, Mr. Fung Wah Cheong, Mr. Wong Wai Ming and Mr. Wong Weng Loong, whereas the independent non-executive Directors are Mr. Chung Chi Ping, Roy, Mr. Wong Chi Wai, Albert and Ms. Sun Kwai Yu, Vivian.

Pursuant to Bye-law 86(2), the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the board or, subject to authorisation by the members in a general meeting, as an addition to the existing board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by members in a general meeting. Any Director so appointed shall hold office only until the first general meeting of the Company after his or her appointment and shall then be eligible for re-election at that meeting.

LETTER FROM THE BOARD

Pursuant to Bye-law 87(1), unless and until the Company in a general meeting shall otherwise determine, at each annual general meeting, one third of the Directors for the time being, 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 (including those appointed for a specific term or holding office as chairman or managing director) shall be subject to retirement by rotation at least once every three years or within such other period as the designated stock exchange may from time to time prescribe or within such other period as the laws of such jurisdiction applicable to the Company.

Accordingly, Mr. Cheng Chor Kit and Mr. Fung Wah Cheong and Ms. Sun Kwai Yu, Vivian, being Directors who have to retire by rotation, will retire at the Annual General Meeting, and being eligible, they will offer themselves for re-elections at the Annual General Meeting.

Details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix III to this circular.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 15 to 18 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the granting of the Buyback Mandate and the Issuance Mandate and the extension of the Issuance Mandate by the addition thereto of the number of Shares repurchased pursuant to the Buyback Mandate.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

According to clause 66 of the Bye-laws, a poll can be demanded in respect of a resolution put to vote at any general meeting. The procedure for demand for voting on poll at a general meeting is set out in Appendix II to this circular.

LETTER FROM THE BOARD

5. RECOMMENDATION

The Directors consider that the granting of the Buyback Mandate and granting/extension of the Issuance Mandate are in the interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

6. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix I to Appendix III to this circular.

Your faithfully,
Cheng Chor Kit
Chairman

APPENDIX I EXPLANATORY STATEMENT ON THE BUYBACK MANDATE

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

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 408,816,000 Shares.

Subject to the passing of the ordinary resolution set out in the notice of the Annual General Meeting and on the basis that no Shares are issued or repurchased by the Company prior to the Annual General Meeting, the Company would be allowed under the Buyback Mandate to repurchase a maximum of 40,881,600 Shares during the period in which the Buyback Mandate remains in force.

2. REASONS FOR SHARE BUYBACK

Although the Directors have no present intention of repurchasing any share, they believe that the proposed granting of the Buyback Mandate is in the best interests of the Company and the Shareholders.

Repurchases may, depending on market conditions and funding arrangements at the time, result in an enhancement of the net assets and/or earnings per Share. The Directors are seeking the granting of the Buyback Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws, the laws of Bermuda and other applicable laws.

The Company is empowered by its memorandum of association and Bye-laws to repurchase its Shares. The laws of Bermuda provide that the amount of capital paid in connection with a share repurchase may only be paid out of the capital paid up on the relevant shares, or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for such purpose. The amount of premium payable on repurchase may only be paid out of funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company before the Shares are repurchased.

APPENDIX I EXPLANATORY STATEMENT ON THE BUYBACK MANDATE

There might be material adverse impact on the working capital and/or the 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 2008) in the event that the Buyback Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Buyback Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing level which in the opinion of the Directors are from time to time appropriate for the Company.

4. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates, have any present intention to sell any Shares to the Company in the event that the granting of the Buyback Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the Buyback Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

No connected persons has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so in the event that the granting of the Buyback Mandate is approved by the Shareholders.

If, on the exercise of the power to repurchase Shares pursuant to the the Buyback Mandate, 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 the Takeovers Code. As a result, a Shareholder, or a 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 Rule 26 of the Takeovers Code for all Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, Resplendent Global Limited beneficially held 267,794,000 Shares representing approximately 65.50% of the Shares issued by the Company. Padora Global Inc. is the beneficial owner of all the issued capital of Resplendent Global Limited. Padora Global Inc. is wholly owned by Polo Asset Holdings Limited, which is ultimately owned by the trustees of a discretionary trust established by Mr. Cheng Chor Kit, an executive Director, for his family. In the event that the Directors exercise in full the power to repurchase Shares of the Company in accordance with the terms of the ordinary resolution to be proposed at the Annual General Meeting, and on the basis that no further Shares are issued, the shareholdings of Resplendent Global Limited in the Shares of the Company would be increased to approximately 72.78% of the issued Shares of the Company. Such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code or reduce the number of Shares in public hands falling below 25%, the minimum float public requirement pursuant to Rule 8.08 of the Listing Rules.

APPENDIX I EXPLANATORY STATEMENT ON THE BUYBACK MANDATE

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have been traded on the Stock Exchange during the previous 12 months were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2007		
July	3.10	2.55
August	3.20	1.65
September	2.70	2.20
October	2.60	2.26
November	2.60	2.11
December	2.35	2.15
2008		
January	2.27	1.80
February	2.02	1.79
March	1.99	1.79
April	1.80	1.59
May	1.80	1.64
June	1.64	1.64
July (up to the Latest Practicable Date)	1.70	1.70

6. SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the last six months (whether on the Stock Exchange or otherwise).

According to clause 66 of the Bye-laws, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of 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 by:–

- (a) the chairman of such meeting; or
- (b) at least three Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) a Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (d) a Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and holding Shares in the Company conferring a right to vote at the meeting being Share 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.

Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.

Pursuant to the Listing Rules, the details of the Director who will retire at the Annual General Meeting according to the Bye-laws and will be proposed to be re-elected at the Annual General Meeting are provided below.

CHENG CHOR KIT, AGED 56, AN EXECUTIVE DIRECTOR

Cheng Chor Kit, aged 56, is the Chairman of the Company. He is the founder of the Group and is responsible for the Group's overall operation and strategic planning. He is also a member of the Company's remuneration committee and nomination committee. Mr. Cheng is a member of the Guangdong Provincial Committee of the Chinese People's Political Consultative Congress (中國人民政治協商會議廣東省委員會) and a member of the Shaoguan, Guangdong Provincial Committee of the Chinese People's Political Consultative Congress (中國人民政治協商會議廣東省韶關市委員會常務委員). He has over 30 years' experience in the toy industry. He did not hold any directorship in other listed public companies in the last three years. Mr. Cheng is also a director in the following subsidiaries of the Company:–

Best Promotion Enterprise Limited, Casualuck Company Limited, Cavetto Investments Limited, Kids Culture Limited, Kin Yat (HK) Holdings Limited, Kin Yat (Shenzhen) Toys Manufactory Limited, Kin Yat Industrial Company Limited, Kin Yat Industrial Holdings Limited, Lun Sing Paper Products Company Limited, Moneyfield Holdings Limited, New Bright (Overseas) Holdings Company Limited, Newway Electrical Industries Limited, Ordovician Mining Group Company Limited, Penta Blesses Enterprises Limited, Power (Oversea) Technology Limited, Profitwealth Investment (Hong Kong) Limited, Profitwealth Investment Limited, Raceasy Investment Inc., Shaoguan Sigma Technology Company Limited, Shenzhen Kin Yat Toys Company Limited, Shixing Newway Industry Company Limited, Shixing Standard Motor Company Limited, Shixing Talent Wood Limited, Sigma Technology Holdings Limited, Sigma Technology (HK) Company Limited, Standard Electric Company Limited, Standard Motor Company Limited, Successmax Investment Limited, Think Plush Limited, Turbo Tec (BVI) Company Limited, Turbo Tec Company Limited, U-Kids International (HK) Limited, Unicon Investments Limited, Welly Success Investment Limited, World Talent Enterprise Limited and Xian Jinshi Mining Company Limited.

Mr. Cheng has entered into service contract with the Company for terms of three years commencing from 1 April 1997, which have been renewed automatically each year for successive terms of one year subject to termination by either party giving not less than six months' notice in writing to the other party. The annual total emoluments for Mr. Cheng will be HK\$1,800,000 and he is also entitled to an additional bonus calculated upon the performance of the Group. Mr. Cheng's emoluments are determined by the Board after arm's length negotiation with reference to the prevailing market condition.

Save as disclosed above, Mr. Cheng has no relationship with any other Directors, senior management, substantial shareholder or controlling shareholder of the Company. As at the Latest Practicable Date, Mr. Cheng was interested in 267,794,000 shares of the Company. These shares, amounting to around 65.50% of the total issued share capital of the Company, are held by Resplendent Global Limited (“Resplendent”), a company incorporated in the British Virgin Islands. Padora Global Inc. (“Padora”), a company incorporated in the British Virgin Islands, is the beneficial owner of all the issued share capital of Resplendent. Padora is wholly-owned by Polo Asset Holdings Limited, which is ultimately owned by the trustees of a discretionary trust established by Cheng Chor Kit for his family. As at the Latest Practicable Date, Mr. Cheng was also personally interested in 4,500,000 share options of the Company, of which, 1,200,000 share options were held by the spouse of Mr. Cheng. Apart from the above, Mr. Cheng did not have any discloseable interests in the Company which were required to be disclosed under the SFO.

FUNG WAH CHEONG, AGED 52, AN EXECUTIVE DIRECTOR

Mr. Fung Wah Cheong, aged 52, is the Deputy Chairman of the Company. He has been appointed as an executive director of the Company in August 2005. He is responsible for the corporate and business management of the Group. He is also the member of the Company’s remuneration committee and nomination committee. He holds a Master of Science degree in Engineering Business Management and has over 20 years experience in toy industry. Before he joined the Group in April 2005, he had worked as an engineering director in a sizeable toys manufacturing and distribution company. He did not hold any directorship in other listed companies in the last three years. Mr. Fung is also a director in the following subsidiaries of the Company:–

Kids Culture Limited, Kin Yat (HK) Holdings Limited, Kin Yat (Shenzhen) Toys Manufactory Limited, Kin Yat Industrial Company Limited, Newway Electrical Industries Limited, Penta Blesses Enterprises Limited, Sigma Technology Holdings Limited, Sigma Technology (Hong Kong) Limited, Standard Motor Company Limited, U-Kids International (HK) Limited, Unicon Investments Limited and World Talent Enterprise Limited.

Mr. Fung has entered into service contract with the Company for terms of three years commencing from 26 August 2005 subject to termination by either party giving not less than six months’ notice in writing to the other party, the termination of which should not be later than the end of the three years. The annual total emoluments for Mr. Fung will be HK\$1,536,000 and he is also entitled to rental reimbursement and an additional annual bonus calculated upon the performance of the Group. Mr. Fung’s emoluments are determined by the Board after arm’s length negotiation with reference to prevailing market condition.

Save for his position as executive director, Mr. Fung has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. He is personally interested in 4,200,000 shares and 3,200,000 share options of the Company, totally representing approximately 1.81% of the issued share capital of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

SUN KWAI YU, VIVIAN, AGED 46, A NON-EXECUTIVE DIRECTOR

Ms. Sun Kwai Yu, Vivian, aged 46, has been an independent non-executive director of the Company since September 2004. She is also the Chairman of the Company's audit committee and a member of the Company's remuneration and nomination committee. Ms. Sun is a fellow member of the Hong Kong Institute of Certified Public Accountants and CPA Australia. She has 19 year's experience working in a renowned international accounting firm and she is currently the founder and chief consultant of a consultancy firm. She did not hold any directorships in other listed companies in the last three years. Ms. Sun does not hold any other position in any subsidiaries of the Company.

Ms. Sun has entered into service contract with the Company for terms of two years commencing from 28 September 2007 subject to retirement by rotation and re-election at annual general meeting in accordance with the Bye-laws unless terminated by either party giving three month's notice in writing to the other party. The annual total emoluments for Ms. Sun will be HK\$150,000 by reference to the Company's standard scale of emoluments for non-executive directors.

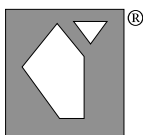
Save for her positions as independent non-executive director, Ms. Vivian Sun has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, she was not interested or deemed to be interested in any shares of the Company or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

**OTHER MATTERS THAT NEED TO BE BROUGHT TO THE ATTENTION OF THE
SHAREHOLDERS**

Save as disclosed above, each of Mr. Cheng Chor Kit, Mr. Fung Wah Cheong and Ms. Sun Kwai Yu, Vivian confirmed that there is not other information that needs to be disclosed pursuant to any of the requirements as set out in Rule 13.51(2)(h) to (v) of the Listing Rules. The Company is not aware of any other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange in relation to the re-elections of Mr. Cheng Chor Kit, Mr. Fung Wah Cheong and Ms. Sun Kwai Yu, Vivian.

The Directors confirm that in order to entitle the Company to terminate the service contract of any of them, the Company does not have to give a period of notice of more than one year or to pay compensation or make other payments equivalent to more than one year's emolument.

NOTICE OF ANNUAL GENERAL MEETING



KIN YAT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 638)

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Members of Kin Yat Holdings Limited (the “Company”) will be held at Kennedy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 22 August 2008 at 3:00 p.m. for the following purposes:

1. To receive and consider the Audited Consolidated Financial Statements and the Reports of the Directors and of the Auditors for the year ended 31 March 2008;
2. To declare a final dividend;
3. To elect Directors and to fix their remuneration;
4. To appoint Auditors and to authorise the Board to fix Auditors’ remuneration;
5. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its Shares, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total nominal amount of Shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held.”;
6. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to issue, allot and deal with additional Shares of the Company and to make or grant offers, agreements and options which would or might require Shares to be allotted, issued or dealt with during or after the end of the Relevant Period (as defined below), be and is hereby generally and unconditionally approved, provided that, otherwise than pursuant to (i) a rights issue where shares are offered to shareholders on a fixed record date in proportion to their then holdings of shares (subject to such exclusions or other arrangements as the Directors 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) or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and/or any eligible grantee pursuant to the scheme of shares or rights to acquire shares of the Company, or (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws, the total nominal amount of additional Shares to be issued, allotted, dealt with or agreed conditionally or unconditionally to be issued, allotted or dealt with shall not in total exceed 20% of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (b) 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held.”;
7. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** the general mandate granted to the Directors of the Company pursuant to resolution no. 6 above and for the time being in force to exercise the powers of the Company to allot shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby extended by the total nominal amount of shares in the capital of the Company repurchased by the Company pursuant to the exercise by the Directors of the Company of the powers of the Company to purchase such Shares since the granting of such general mandate referred to in the above resolution no. 5, provided that such amount shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution.”

By order of the Board
Cheng Chor Kit
Chairman

Hong Kong, 29 July 2008

As at the date hereof, the Board consists of four executive directors, Mr. Cheng Chor Kit, Mr. Fung Wah Cheong, Mr. Wong Wai Ming and Mr. Wong Weng Loong and three independent non-executive directors, Mr. Chung Chi Ping, Roy, Mr. Wong Chi Wai, Albert and Ms. Sun Kwai Yu, Vivian.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (a) The Register of Members of the Company will be closed from Monday, 18 August 2008 to Friday, 22 August 2008 (both days inclusive), during which period no transfer of Shares of the Company will be registered. In order to qualify for entitlement to the proposed final dividend for the year ended 31 March 2008 and for attending the Annual General Meeting, all transfers of Shares of the Company accompanied by the relevant share certificates and the appropriate transfer forms must be lodged with the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Friday, 15 August 2008. The approved final dividend will be paid on 9 September 2008.
- (b) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, in the event of a poll, vote on his behalf. A proxy need not be a member of the Company.
- (c) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, must be lodged with the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the Meeting.