

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt about this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitors, professional accountant or other professional adviser.

If you have sold all your shares in **HIGH FASHION INTERNATIONAL LIMITED**, you should at once hand this circular to the purchaser or to the bank or stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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High Fashion International limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 608)

**PROPOSALS FOR
RE-ELECTION OF DIRECTORS
AND
GENERAL MANDATES
FOR ISSUE OF SHARES AND REPURCHASE BY
THE COMPANY OF ITS OWN SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening an Annual General Meeting of the Company to be held at 10th Floor, High Fashion Centre, 1-11 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong on Friday, 13 June 2008 at 10:30 a.m. is set out on pages 13 to 16 of this circular. If you are not able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting.

29 April 2008

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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 convened to be held at 10th Floor, High Fashion Centre, 1–11 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong on Friday, 13 June 2008 at 10:30 a.m., notice of which is set out in this circular or, where the context so admits, any adjournment thereof
“Board”	the board of directors of the Company
“Bye-laws”	the bye-laws of the Company
“Company”	High Fashion International Limited, a company incorporated in Bermuda with limited liability and whose securities are listed on the Stock Exchange
“Directors”	the directors of the Company
“General Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue and deal with Shares in the manner as set out in ordinary resolution no. 5A of the notice of the Annual General Meeting
“Group”	the Company and its subsidiaries
“Latest Practicable Date”	23 April 2008, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining information contained herein
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to repurchase Shares in the manner as set out in ordinary resolution no. 5B of the notice of the Annual General Meeting
“Share(s)”	the share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



High Fashion International limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 608)

Executive Directors:

Mr. Lam Foo Wah (*Chairman & Managing Director*)

Ms. So Siu Hang, Patricia

Non-Executive Directors:

Mr. Chan Wah Tip, Michael

Professor Yeung Kwok Wing

Independent Non-Executive Directors:

Mr. Woo King Wai

Mr. Wong Shiu Hoi, Peter

Mr. Leung Hok Lim

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal Place of Business in

Hong Kong:

11th Floor, High Fashion Centre

1–11 Kwai Hei Street

Kwai Chung, New Territories

Hong Kong

29 April 2008

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR
RE-ELECTION OF DIRECTORS
AND
GENERAL MANDATES
FOR ISSUE OF SHARES AND REPURCHASE BY
THE COMPANY OF ITS OWN SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting relating to the re-election of Directors and the grant to the Directors of general mandates for the issue of new shares and the repurchase by the Company of its own shares as at the date of the passing of the relevant resolutions.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

In accordance with bye-law 87 of the Bye-laws, Messrs. Lam Foo Wah, Wong Shiu Hoi, Peter and Leung Hok Lim will retire by rotation and, being eligible, offer themselves for re-election at the Annual General Meeting.

Details of the above directors are set out in Appendix I to this circular.

GENERAL MANDATE TO REPURCHASE SHARES

On 5 June 2007, a general mandate was given to the Directors of the Company to exercise all the powers of the Company to repurchase its own shares which will lapse at the conclusion of the Annual General Meeting. Ordinary resolutions will therefore be proposed at the Annual General Meeting to approve the grant of a Repurchase Mandate to the Directors to repurchase shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing such resolution.

If the resolution for the Repurchase Mandate is passed at the Annual General Meeting, the Repurchase Mandate would continue in force until the conclusion of the next annual general meeting of the Company unless it is renewed at such meeting or until the expiration of the period within which the next annual general meeting of the Company is required by law or the Bye-laws to be held or until revoked or varied by ordinary resolution of the Shareholders of the Company in general meeting prior to the next annual general meeting.

An explanatory statement to provide Shareholders with all the information reasonably necessary for them to make an informed decision in relation to this proposed resolution as required by the Listing Rules on the Stock Exchange concerning the regulation of purchases by companies of their own shares on the Stock Exchange is set out in the Appendix II to this circular.

GENERAL MANDATE TO ISSUE SHARES

Ordinary resolutions will also be proposed at the Annual General Meeting: (i) to grant a General Mandate to the Directors to issue and otherwise deal with shares of the Company up to a maximum of 20% of the issued share capital of the Company as at the date of passing such resolution; and (ii) to approve the addition to the General Mandate of any shares repurchased by the Company under the authority of the Repurchase Mandate as at the date of passing such resolution. The Directors have no present intention to issue any new shares. As at the Latest Practicable Date, the number of share in issue was 328,815,550. On the basis of such figure (assuming no further shares are issued or repurchased after and up to the date of passing such resolution), the Directors would be authorised to issue shares up to a maximum limit of 65,763,110 shares.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting is set out pages 13 to 16 to this circular.

A form of proxy for the Annual General Meeting is also enclosed with this circular. If you do not intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's principal office in Hong Kong at 11th Floor, High Fashion Centre, 1-11 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting. Completion and delivery of the form of proxy will not prevent you from attending and voting at the meeting if you so wish.

The English text of this circular and the accompanying proxy form shall prevail over the Chinese text in case of inconsistency.

PROCEDURES FOR DEMANDING A POLL AT GENERAL MEETING

According to bye-law 66 of the Bye-laws, a resolution put to the vote of a meeting shall be decided on a show of hands unless voting by way of poll is required by the rules of the Designated Stock Exchange or (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:

- (i) the chairman of such meeting; or
- (ii) 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
- (iii) 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
- (iv) 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 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 the 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.

LETTER FROM THE BOARD

RECOMMENDATIONS

The Directors are of opinion that the re-election of directors, the granting of the General Mandate and Repurchase Mandate and approval the addition to the General Mandate of any shares repurchased by the Company under the authority of the Repurchase Mandate are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that Shareholders vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

Yours faithfully,
For and on behalf of the Board
High Fashion International Limited
Lam Foo Wah
Chairman

The following are the information as required to be disclosed under Rule 13.51(2) of the Listing Rules on Directors standing for re-election at the Annual General Meeting:

Mr. LAM Foo Wah, aged 59, is an Executive Director, the Chairman and Managing Director of the Company and a co-founder of the Group. He oversees the Group's operations and is responsible for formulating the Group's overall policy and development. He has over 30 years of experience in the manufacturing and marketing of garments industry. Mr. Lam is also an executive director, the chairman and CEO of Theme International Holdings Limited, a subsidiary of the Company. Except as disclosed, he did not hold any directorship in other listed companies in the last three years.

Mr. Lam is a director of Hinton Company Limited and High Fashion Charitable Foundation Limited, the substantial shareholder of the Company. Except as disclosed, he does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, pursuant to the provisions of Part XV of the Securities and Future Ordinance, Mr. Lam is deemed to have interests in an aggregate of 143,719,986 shares of the Company. The deemed interests in 108,802,419 shares and 34,917,567 shares are held by Hinton Company Limited and High Fashion Charitable Foundation Limited respectively which are beneficially owned by two discretionary trusts. Mr. Lam is regarded as a founder of the trusts.

There is neither any service contract having executed between the Company and Mr. Lam nor any proposed length of service with the Company but will be subject to retirement by rotation and re-election at the Company's annual general meeting pursuant to the Bye-laws. His emoluments comprise a director's fee as determined by reference to his duties and responsibilities with the Company, the prevailing market condition as well as the performance of the Company's results. He received a director's fee of HK\$80,000 and other emoluments of HK\$9,680,000 for the year ended 31 December 2007.

Save as disclosed above, Mr. Lam has confirmed that, in connection with his re-election, there are no other matters that need to be brought to the attention of the shareholders and there is no information required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Mr. WONG Shiu Hoi, Peter, aged 67, is an Independent Non-Executive Director, a member of the Audit Committee and the Chairman of the Remuneration Committee of the Company. He joined the Group in 2004. He holds a Master of Business Administration Degree from the University of East Asia in Macau (currently known as the University of Macau). Mr. Wong possesses over 30 years of experience in the financial services industry. He is the managing director and chief executive of Taifook Securities Group Limited and an independent non-executive director of Theme International Holdings Limited, and the shares of these companies whose shares are listed on the Stock Exchange. He is also the chairman of The Hong Kong Institute of Directors. Mr. Wong was a member of listing committee of the Stock Exchange (retired in May 2006) and an independent non-executive director of Ching Hing (Holdings) Limited (resigned in July 2007). Except as disclosed, Mr. Wong did not have any directorship in other listed public companies in the last three years.

Mr. Wong does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, he does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Future Ordinance.

There is neither any service contract having executed between the Company and Mr. Wong nor any proposed length of service with the Company but will be subject to retirement by rotation and re-election at the Company's annual general meeting pursuant to the Bye-laws. His emoluments comprise a director's fee as determined by reference to his duties and responsibilities with the Company, the prevailing market condition as well as the performance of the Company's results. He received a director's fee of HK\$240,000 for the year ended 31 December 2007.

Save as disclosed above, Mr. Wong has confirmed that, in connection with his re-election, there are no other matters that need to be brought to the attention of the shareholders and there is no information required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Mr. LEUNG Hok Lim, *F CPA (Aust.), CPA (Macau), F CPA (Practising)*, aged 73, is an Independent Non-Executive Director, the Chairman of the Audit Committee and a member of the Remuneration Committee of the Company. He joined the Group in 2004. He is the founder and senior partner of PKF, Accountants and Business Advisers. Mr. Leung obtained a fellowship with Hong Kong Institute of Certified Public Accountants in 1973. He is a non-executive director of Beijing Hong Kong Exchange of Personnel Centre Limited and an independent non-executive director in a number of listed companies in Hong Kong, namely, Theme International Holdings Limited, S E A Holdings Limited, Bright International Group Limited, YGM Trading Limited, YangtzeKiang Garment Limited, Fujian Holdings Limited and Phoenix Satellite Television Holdings Limited. Except as disclosed, Mr. Leung did not have any directorship in other listed public companies in the last three years.

Mr. Leung does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, he does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Future Ordinance.

There is neither any service contract having executed between the Company and Mr. Leung nor any proposed length of service with the Company but will be subject to retirement by rotation and re-election at the Company's annual general meeting pursuant to the Bye-laws. His emoluments comprise a director's fee as determined by reference to his duties and responsibilities with the Company, the prevailing market condition as well as the performance of the Company's results. He received a director's fee of HK\$221,000 for the year ended 31 December 2007.

Save as disclosed above, Mr. Leung has confirmed that, in connection with his re-election, there are no other matters that need to be brought to the attention of the shareholders and there is no information required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

REPURCHASE MANDATE

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide information to Shareholders regarding the Repurchase Mandate as referred to in the section headed “General Mandate to Repurchase Shares” on page 4 of this circular. For the purpose of this appendix, the term “shares” (unless otherwise stated) shall be as defined in the Rule 10.06(6)(c) of the Listing Rules which means shares of all classes and securities which carry a right to subscribe or purchase shares in the Company.

SHARE CAPITAL

The shares proposed to be repurchased by a company must be fully paid-up. A maximum of 10% of the existing issued share capital as at the date of passing the relevant resolution may be repurchased on the Stock Exchange.

It is proposed that up to 10% of the shares of the Company in issue at the date of passing the resolution to approve the Repurchase Mandate may be repurchased. As at the Latest Practicable Date, the number of share in issue was 328,815,550. On the basis of such figure (assuming no further shares are issued or repurchased after the Latest Practicable Date and up to the date of passing such resolution), the Directors would be authorised to repurchase shares up to a maximum limit of 32,881,555 shares.

REASONS FOR REPURCHASES

The Directors believe that the ability to repurchase shares is in the best interests of the Company and the Shareholders. Repurchases of shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per share. The Directors are seeking the grant of the Repurchase Mandate to repurchase shares to give the Company the flexibility to do so if and when appropriate. The number(s) of shares to be repurchased, the price and other terms upon which the same are repurchased, and whether shares are to be repurchased on any occasion will be decided by the Directors at the relevant time having regard to the factors and circumstances then pertaining.

FUNDING OF REPURCHASE

It is envisaged that the funds required for any repurchase would be derived from the capital paid up on the shares being repurchased or from 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 the purposes of the repurchase, and in the case of any premium payable on such repurchase, funds of the Company which would otherwise be available for dividend or distribution or from the Company’s share premium account before the repurchase, being funds legally available for this purpose in accordance with the memorandum of association and the Bye-laws of the Company and the Companies Act 1981 of Bermuda.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts for the year ended 31 December 2007 contained in the 2007 annual report) if the Repurchase Mandate were to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate 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.

PRICES OF THE SHARES

The highest and lowest prices at which the shares have traded on the Stock Exchange in each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2007		
April	2.10	1.65
May	2.90	2.05
June	3.80	2.82
July	3.78	3.45
August	4.20	3.30
September	4.35	3.25
October	3.46	3.00
November	3.30	2.50
December	2.75	2.50
2008		
January	2.85	2.30
February	2.90	2.80
March	2.80	2.50
April (up to the Latest Practicable Date)	3.20	2.70

GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, presently intend to sell any shares to the Company under the Repurchase Mandate in the event that the Repurchase Mandate is approved by Shareholders and exercised.

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 proposed resolution in accordance with the Listing Rules and the applicable law of Bermuda and the Bye-laws.

No other connected persons have notified the Company that they have a present intention to sell any shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by Shareholders and exercised.

TAKEOVERS CODE

If as a result of a share repurchase by the Company, a Shareholder's proportionate interest in the voting rights of the Company will increase, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

Assuming the Directors exercise the power to repurchase shares in full pursuant to the Repurchase Mandate, the percentage of holding in shares by Mr. Lam Foo Wah will be increased from 43.71% to 48.56%. On this basis, Mr. Lam Foo Wah becomes obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any other consequences which may arise under the Takeovers Code as a result of any repurchase of shares made under the Repurchase Mandate. The Directors have not present intention to exercise the Repurchase Mandate to such an extent as would result in takeover obligations.

REPURCHASE OF SHARES

During the six months preceding the Latest Practicable Date, the Company repurchased the following Shares on the Stock Exchange:

Date of Repurchase	No. of Shares Repurchased	Price per share	
		Highest HK\$	Lowest HK\$
2 October 2007	750,000	3.42	3.40
3 October 2007	144,000	3.40	3.35
4 October 2007	90,000	3.33	–
5 October 2007	32,000	3.33	–
8 October 2007	4,000	3.33	–
9 October 2007	10,000	3.36	–
10 October 2007	76,000	3.42	3.38
11 October 2007	50,000	3.40	3.38
12 October 2007	28,000	3.42	3.35
15 October 2007	50,000	3.40	–
16 October 2007	470,000	3.40	3.35
17 October 2007	20,000	3.33	–
18 October 2007	26,000	3.34	–
22 October 2007	92,000	3.30	3.25
23 October 2007	60,000	3.26	3.23

Date of Repurchase	No. of Shares Repurchased	Price per share	
		Highest HK\$	Lowest HK\$
24 October 2007	34,000	3.23	–
25 October 2007	30,000	3.22	3.20
26 October 2007	76,000	3.20	3.14
29 October 2007	30,000	3.14	–
30 October 2007	62,000	3.15	3.10
6 November 2007	20,000	3.08	–
7 November 2007	20,000	3.03	–
8 November 2007	56,000	3.03	3.00
9 November 2007	60,000	3.05	–
15 April 2008	98,000	2.87	–
18 April 2008	184,000	2.83	2.80
21 April 2008	200,000	2.89	2.81
22 April 2008	22,000	2.84	–
23 April 2008	80,000	2.85	–

Save as disclosed herein, neither the Company nor any of its subsidiaries repurchased any of its securities in the six months preceding the Latest Practicable Date (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



High Fashion International limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 608)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of High Fashion International Limited (the “Company”) will be held at 10th Floor, High Fashion Centre, 1–11 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong on Friday, 13 June 2008 at 10:30 a.m. for the following purposes:

1. To adopt the Audited Financial Statements together with the Report of the Directors and the Report of the Independent Auditor for the year ended 31 December 2007.
2. To declare the final and special dividends for the year ended 31 December 2007.
3.
 - (a) To re-elect Mr. Lam Foo Wah as a director.
 - (b) To re-elect Mr. Wong Shiu Hoi, Peter as a director.
 - (c) To re-elect Mr. Leung Hok Lim as a director.
 - (d) To authorise Directors to appoint any person as a director either to fill a casual vacancy or as an addition to the existing Board of Directors.
 - (e) To fix the directors’ fees.
4. To re-appoint Deloitte Touche Tohmatsu as the Auditors to hold office until the conclusion of next Annual General Meeting and to authorise the Directors to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

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

ORDINARY RESOLUTIONS

A. "THAT:

- (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company (the "Directors") during the Relevant Period (as defined below) of all the powers of the Company to allot and issue or grant shares in the capital of the Company or securities convertible into such shares, or options, warrants or similar rights to subscribe for any shares or such convertible securities, and to make or grant offers, agreements or options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorize the Directors during the Relevant Period to make or grant offers, agreements or options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval given in paragraph (a) of this Resolution, otherwise than pursuant to any offer of any class of securities of the Company made pro rata (apart from fractional entitlements) by the Company to holders of such class of securities (excluding for that purpose any holder who is resident in a place where such offer is not permitted under the law of that place) or on the exercise of the subscription rights under any warrants to subscribe for shares of the Company or any share option scheme adopted by the Company or an issue of shares of the Company in lieu of the whole or part of the dividend on shares of the Company in accordance with the Company's Bye-laws, shall not exceed 20 per cent of the existing issued share capital of the Company at the date of passing this Resolution; and
- (d) 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 law or the Company's Bye-laws to be held; or

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the date upon which the authority set out in this Resolution is revoked or varied by way of ordinary resolution in general meeting of the Company.”

B. “THAT:

- (a) subject to paragraph (b) of this Resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined below) of all the powers of the Company to repurchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which securities of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited for this purpose, subject to and in accordance with all applicable laws, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of shares to be purchased or agreed conditionally or unconditionally to be purchased by the Directors pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10 per cent of the issued share capital of the Company at the date of passing 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 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 law or the Company’s Bye-laws to be held; or
- (iii) the date upon which the authority set out in this Resolution is revoked or varied by way of ordinary resolution in general meeting of the Company.”

NOTICE OF ANNUAL GENERAL MEETING

- C. “**THAT** the aggregate number of shares in the capital of the Company which shall have been repurchased by the Company subsequent and pursuant to the passing of Ordinary Resolution B (up to a maximum of 10 per cent of the issued shares at the date of passing Ordinary Resolution B) shall be added to the aggregate number of shares that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to Ordinary Resolution A above.”

By Order of the Board
Cynthia Chan
Company Secretary

Hong Kong, 29 April 2008

Notes:

- (1) Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) To be valid, forms 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 must be deposited at the head office and principal place of business of the Company at 11th Floor, High Fashion Centre, 1–11 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
- (3) The principal and branch registers of members of the Company will be closed from Tuesday, 10 June 2008 to Friday, 13 June 2008, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final and special dividends, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong Branch Share Registrars of the Company, Tricor Secretaries Limited of 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong for registration by not later than 4:30 p.m. on Friday, 6 June 2008.

MEMBERS OF THE BOARD

As at the date of this notice, the members of the Board of the Company comprises of (1) executive directors: Mr. Lam Foo Wah and Ms. So Siu Hang, Patricia; (2) non-executive directors: Mr. Chan Wah Tip, Michael and Professor Yeung Kwok Wing; and (3) independent non-executive directors: Mr. Woo King Wai, Mr. Wong Shiu Hoi, Peter and Mr. Leung Hok Lim.