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If you have sold or transferred all your securities in **Capital Estate Limited** (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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CAPITAL ESTATE LIMITED **冠中地產有限公司**

(Incorporated in Hong Kong with limited liability)

(Stock Code: 193)

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice of the Annual General Meeting of the Company to be held at Boardroom 3 & 4, Mezzanine Level, Renaissance Harbour View Hotel, 1 Harbour Road, Wan Chai, Hong Kong on Friday, 22nd December, 2006 at 9:00 a.m. is set out on pages 10 to 14 of this circular. A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed. Whether or not you intend to attend and vote at the Annual General Meeting in person, please complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the share registrars of the Company, Computershare Hong Kong Investor Services Limited of 46/F., Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting should you so wish.

28th November, 2006

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Boardroom 3 & 4, Mezzanine Level, Renaissance Harbour View Hotel, 1 Harbour Road, Wan Chai, Hong Kong on Friday, 22nd December, 2006, at 9:00 a.m., or any adjournment thereof
“Articles”	the articles of association of the Company
“associates”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Capital Estate Limited, a company incorporated in Hong Kong with limited liability, and the shares of which are listed on the main board of the Stock Exchange
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Issue Mandate”	a general mandate to allot, issue and deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the Lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	24th November, 2006, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Repurchase Mandate”	authority to repurchase the fully paid up Shares of up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Shareholder(s)”	the holder(s) of the Share(s)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD



CAPITAL ESTATE LIMITED 冠中地產有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 193)

Executive Directors:

Mr. Chu Nin Yiu, Stephen (*Executive Chairman*)
Mr. Chu Nin Wai, David (*Deputy Chairman*)
Mr. Lau Chi Kan, Michael

Independent Non-Executive Directors:

Mr. Li Sze Kuen, Billy
Mr. Wong Kwong Fat
Mr. Leung Kam Fai

Registered office:

Unit 1901, 19th Floor
Asia Orient Tower, Town Place
33 Lockhart Road
Wan Chai
Hong Kong

28th November, 2006

To the Shareholders

Dear Sir/Madam,

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

INTRODUCTION

The purpose of this circular is to provide you with information regarding certain resolutions to be proposed at the Annual General Meeting to enable you to make an informed decision on whether to vote for or against those resolutions.

At the Annual General Meeting, resolutions, amongst others, will be proposed for the Company to approve (i) the proposed granting of the Repurchase Mandate and the Issue Mandate to the Directors; and (ii) the re-election of retiring Directors.

LETTER FROM THE BOARD

GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES

General mandate to repurchase Shares

At the Annual General Meeting, ordinary resolution no. 4 will be proposed that the Directors be given the Repurchase Mandate. Under the Repurchase Mandate, the maximum number of Shares that the Company may repurchase shall not exceed 10% of the issued and fully paid up share capital of the Company as at the date of passing of the resolution. The Company's authority is restricted to repurchase Shares of the Company on the market in accordance with the Listing Rules. The mandate allows the Company to make repurchases only during the period ending on the earliest of the date of the next annual general meeting of the Company, the date by which the next annual general meeting of the Company is required to be held by the Articles or any applicable law of Hong Kong or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company.

In accordance with the Listing Rules, an explanatory statement is set out in Appendix I to this circular to provide you with the requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed ordinary resolution for the grant of the Repurchase Mandate at the Annual General Meeting.

General mandate to issue new Shares

At the Annual General Meeting, ordinary resolution no. 5 will be proposed that the Directors be given the Issue Mandate in order to ensure flexibility and discretion to the Directors to issue new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing the resolution.

As at the Latest Practicable Date, the Company had 1,693,587,340 Shares in issue or an issued share capital of HK\$16,935,873.40. Subject to the passing of the proposed ordinary resolution no. 5 and on the basis that no further Shares is issued, allotted or repurchased by the Company prior to the Annual General Meeting, the exercise of the Issued Mandate in full would result in up to 338,717,468 Shares, representing the share capital of HK\$3,387,174.68, being issued by the Company during the period prior to the next annual general meeting of the Company.

Subject to the passing of the aforesaid ordinary resolutions nos. 4 and 5, resolution no. 6 will also be proposed to extend the Issue Mandate by adding to it the number of such Shares repurchased under the Repurchase Mandate.

RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of three executive directors, namely Mr. Chu Nin Yiu, Stephen, Mr. Chu Nin Wai, David and Mr. Lau Chi Kan, Michael, and three independent non-executive directors, namely Mr. Li Sze Kuen, Billy, Mr. Wong Kwong Fat and Mr. Leung Kam Fai.

LETTER FROM THE BOARD

Pursuant to Article 103 (A) of the Articles, Chu Nin Wai, David and Wong Kwong Fat shall retire from office at the Annual General Meeting and shall be eligible for re-election. As required by the Listing Rules, details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

A notice of the Annual General Meeting is set out on pages 10 to 14 of this circular. At the Annual General Meeting, in addition to the ordinary business of the meeting, resolutions will be proposed to approve the Issue Mandate and the Repurchase Mandate.

A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the share registrar of the Company, Computershare Hong Kong Investor Services Limited at 46/F., Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as practicable but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting should you so wish.

PROCEDURES FOR DEMANDING A POLL

Pursuant to Article 74 of the Articles, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll (before or on the declaration of the result of the show of hands or on withdrawal of any other demand for a poll) is demanded:

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

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular includes particulars which are given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. 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.

RECOMMENDATION

The Directors consider that the proposed granting of the Repurchase Mandate and the Issue Mandate to the Directors are in the best interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting in respect thereof.

By order of the Board of
CAPITAL ESTATE LIMITED
Chu Nin Yiu, Stephen
Executive Chairman

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions.

LISTING RULES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their own shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) Shareholders' approval

All proposed repurchases of shares on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by specific approval.

(b) Source of funds

Repurchases of shares must be funded entirely from the company's available cashflow or working capital facilities and will be made out of funds legally available for such purpose in accordance with the company's memorandum and articles of association and the laws of Hong Kong.

REASONS FOR SHARES REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders to continue to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

SHARE CAPITAL

As at the Latest Practicable Date, the Company had 1,693,587,340 Shares in issue or an issued share capital of HK\$16,935,873.40.

Subject to the passing of the proposed ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued, allotted or repurchased by the Company prior to the Annual General Meeting, the exercise of the Repurchase Mandate in full would result in up to 169,358,734 Shares, representing the share capital of HK\$1,693,587.34, being repurchased by the Company during the period prior to the next annual general meeting of the Company following the passing of the resolution referred to herein to the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company.

FUNDING OF REPURCHASE

In repurchasing the Shares, the Company may only apply funds entirely from the Company's available cashflow or working capital facilities and will be made out of funds legally available for such purpose in accordance with its memorandum and Articles and the applicable laws of Hong Kong.

It is envisaged that the funds required for any repurchase of Shares would be derived from the capital paid up on the Shares being repurchased and from the distributable profits of the Company.

There might be a material adverse impact on the working capital or gearing level of the Company as compared with the position disclosed in its most recent published audited accounts as at 31st July, 2006, in the event that the Repurchase Mandate was exercised in full at any one time. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or gearing level of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

DISCLOSURE OF INTERESTS

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

No connected person has notified the Company that he/she has a present intention to sell any Shares to the Company nor has undertaken not to sell any of the Shares held by him/her to the Company, in the event that the Repurchase Mandate is approved by the Shareholders.

UNDERTAKING OF THE DIRECTORS

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 the Listing Rules and the applicable laws of the Hong Kong.

EFFECT OF THE TAKEOVERS CODE

If, as a result of Shares repurchase by a company, a shareholder's proportionate interest in the voting rights of the company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a shareholder, or group of shareholders acting in concert, could obtain or consolidate control of the company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

APPENDIX I

EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

As at the Latest Practicable Date, to the best of the knowledge of the Directors, the following are Shareholders interested in 5% or more of the issued Shares as recorded in the register of interests in shares and short position of the Company under Section 336 (1) of Part V of SFO:

Long position in Shares

Name	Capacity	Number of Shares	Percentage of Shareholding
Supervalue Holdings Limited (<i>Note</i>)	Beneficial owner	381,396,500	22.52%
Chu Nin Yiu, Stephen (<i>Note</i>)	Interest in controlled corporation	381,396,500	22.52%

Note:

The 381,396,500 Shares are beneficially owned by Supervalue Holdings Limited, which is wholly-owned by Mr. Chu Nin Yiu, Stephen. Mr. Chu also holds share option to subscribe for 15,500,000 Shares as at the Latest Practicable Date, which is exercisable during the period from 17th July, 2006 to 29th December, 2012 at an exercise price of HK\$0.2100 per share.

To the best of knowledge of the Directors, in the event that the Directors exercise the power under the Repurchase Mandate in full, the percentage of shareholding of Supervalue Holdings Limited and Mr. Chu Nin Yiu, Stephen will be increased to approximately 25.02%.

The Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any repurchase made under the Repurchase Mandate.

The Directors have no intention to exercise the Repurchase Mandate to the extent that it will trigger the obligation under Rule 26 of the Takeovers Code to make a mandatory offer nor to such extent as to reduce the amount of Shares held by the public to less than 25%.

SHARE REPURCHASES BY THE COMPANY

The Company did not repurchase any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

APPENDIX I

EXPLANATORY STATEMENT
FOR THE REPURCHASE MANDATE

SHARE PRICES

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

	Price per Shares	
	Highest HK\$	Lowest HK\$
2005		
November	0.8150	0.3600
December	0.8000	0.6350
2006		
January	0.8600	0.5500
February	0.6500	0.3950
March	0.4500	0.2470
April	0.3400	0.1490
May	0.2240	0.1550
June	0.2320	0.1680
July	0.2140	0.1740
August	0.1830	0.0850
September	0.1400	0.0820
October	0.1480	0.1080
November (up to Latest Practicable Date)	0.1580	0.1180

Biographical details of Directors, who are subject to retirement and re-election at the Annual General Meeting, are as follows:

Chu Nin Wai, David, aged 52, is an executive Director, Deputy Chairman of the Company. He was appointed to the Board in May 2005. He has over 20 years' extensive experience in the electronic industry in Hong Kong and overseas, and also has experience in property development and investment. He is the elder brother of the Executive Chairman and the substantial shareholder of the Company, Mr. Chu Nin Yiu, Stephen. Mr. David Chu does not have any directorship in other listed public companies in the last three years. Save as disclosed above, Mr. David Chu does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. David Chu does not hold any interests in the shares of the Company within the meaning of Part XV of the Securities and Companies Ordinance except for the share option he holds to subscribe for 15,500,000 shares of the Company, which is exercisable during the period from 17th July, 2006 to 29th December, 2012 at an exercise price of HK\$0.2100 per Share. There is currently no service contract between Mr. David Chu and the Company or any of its subsidiaries, and he did not receive any emolument except for the above share option granted to him during the year ended 31st July, 2006.

Wong Kwong Fat, aged 51, was appointed to the Board as an independent non-executive director in June 2005. He is a seasoned manager of an insurance broking company in Hong Kong. He is responsible for staff management and training, the provision of individual financial advice to clients and the marketing of a wide range of products including life and general insurance, package fund and mandatory provident fund. Mr. Wong has over 20 years' specialized knowledge and experience in the insurance industry, and is a Fellow Chartered Financial Practitioner of the Life Underwriter Association of Hong Kong. Mr. Wong has no relationship with any directors, senior management, substantial or controlling shareholders of the Company, and he does not hold any directorship in other listed public companies in the last three years. As at the Last Practicable Date, Mr. Wong does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. There is no service contract between Mr. Wong and the Group. During the year ended 31st July, 2006, he received director's fee in the amount of HK\$150,000.

Saved as disclosed above, the Board is not aware of any other matters that need to be brought to the attention of the shareholders of the Company in respect of the above Directors, and there is no other information which is disclosable pursuant to Rule 13.51 (2)(h) to 13.51 (2)(v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



CAPITAL ESTATE LIMITED

冠中地產有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 193)

NOTICE IS HEREBY GIVEN that the annual general meeting of CAPITAL ESTATE LIMITED (the “Company”) will be held at Boardroom 3 & 4, Mezzanine Level, Renaissance Harbour View Hotel, 1 Harbour Road, Wan Chai, Hong Kong on Friday, 22nd December, 2006 at 9:00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and consider the report of the directors, audited financial statements and auditors’ report for the year ended 31st July, 2006;
2. To re-elect retiring directors and to authorise the board of directors to fix the remuneration of the directors; and
3. To re-appoint auditors and to authorise the board of directors to fix the remuneration of the auditors.

AS SPECIAL BUSINESS

4. To consider and, if thought fit, pass with or without modifications, the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to purchase issued shares of HK\$0.01 each in the capital of the Company subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the directors;
- (c) the aggregate nominal amount of the shares which are authorised to be purchased by the directors of the Company pursuant to the approval in paragraph (a) shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution, and the said approval shall be limited accordingly; 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 articles of association 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 of the Company in general meeting.”

5. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of the share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined); or
 - (ii) an issue of Shares upon the exercise of rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into Shares, the issue of which warrants and other securities has previously been approved by shareholders of the Company; or
 - (iii) an issue of Shares upon the exercise of any options granted under any share option scheme or similar arrangement for the time being adopted for the grant or issue to eligible persons of Shares or rights to acquire Shares; or
 - (iv) an issue of Shares as scrip dividends 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 the Company.

shall not in total exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes of this resolution:

“Relevant Period” shall have the same meaning as that ascribed to it under resolution no. 4 as set out in the notice convening the meeting of which this resolution forms part; and

“Rights Issue” means an offer of Shares or an offer of warrants, options or other securities giving rights to subscribe for Shares, open for a period fixed by the directors of the Company to holders of Shares or any class thereof whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares or any class thereof (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of the resolutions nos. 4 and 5 as set out in the notice convening the meeting of which these resolutions form part, the general mandate granted to the directors of the Company pursuant to the resolution no. 5 as set out in the notice convening the meeting of which this resolution forms part be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company purchased by the Company under the authority granted pursuant to the resolution no. 4 as set out in the notice convening the meeting of which this resolution forms part, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

By order of the Board of
CAPITAL ESTATE LIMITED
Chu Nin Yiu, Stephen
Executive Chairman

Hong Kong, 28th November, 2006

Registered office:

Unit 1901, 19th Floor
Asia Orient Tower, Town Place
33 Lockhart Road
Wan Chai
Hong Kong

Notes :

1. A form of proxy for use at the meeting is enclosed herewith.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
3. Any shareholder of the Company entitled to attend and vote at the meeting convened by the above notice shall be entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.

NOTICE OF ANNUAL GENERAL MEETING

4. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, must be deposited at the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 46/F., Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding of the above meeting or any adjournment thereof.
5. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the meeting convened or at any adjourned meeting and in such event, the form of proxy will be deemed to be revoked.
6. Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote, in respect thereof.
7. The register of members will be closed from Tuesday, 19th December, 2006 to Friday, 22nd December, 2006, both dates inclusive, during which period no transfer of shares will be registered. In order to determine the identity of members who are entitled to attend and vote at the Annual General Meeting to be held on Friday, 22nd December, 2006, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:00 p.m. on Monday, 18th December, 2006.

As of the date hereof, the board of directors of the Company comprises Mr. Chu Nin Yiu, Stephen, Mr. Chu Nin Wai, David, Mr. Lau Chi Kan, Michael as executive directors and Mr. Li Sze Kuen, Billy, Mr. Wong Kwong Fat and Mr. Leung Kam Fai as independent non-executive directors.