
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold all your shares in **HARMONY ASSET LIMITED**, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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HARMONY ASSET LIMITED

亨亞有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 428)

**PROPOSALS INVOLVING
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES OF THE COMPANY,
RE-ELECTION OF RETIRING DIRECTORS, DECLARATION OF DIVIDEND
AND
ADOPTION OF CHINESE COMPANY NAME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Harmony Asset Limited to be held at Room 1101, St. George's Building, 2 Ice House Street, Central, Hong Kong on Friday, 22nd June, 2007, at 9:30 a.m. is set out on pages 13 to 16 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to Computershare Hong Kong Investor Services Limited, the branch Share Registrars of the Company in Hong Kong at Shops 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 24 hours before the time appointed for holding of the meeting or any adjournment thereof.

* for identification purpose only

Hong Kong, 30th May, 2007

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Room 1101, St. George’s Building, 2 Ice House Street, Central, Hong Kong on Friday, 22nd June, 2007 at 9:30 a.m. notice of which is set out on pages 13 to 16 of this circular
“Articles of Association”	the Articles of Association of the Company as may be amended from time to time
“Board”	the board of Directors
“Companies Law”	the Companies Law of the Cayman Islands for the time being in force
“Company”	Harmony Asset Limited, a company incorporated in the Cayman Islands with limited liability, with its Shares listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	25th May, 2007, being the latest practicable date prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Proposal”	the proposal to give a general mandate to the Directors to exercise the powers of the Company to repurchase during the period as set out in the Repurchase Resolution Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the Repurchase Resolution
“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution no.4 of the notice of the Annual General Meeting
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$1.00 each in the share capital of the Company

DEFINITIONS

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

LETTER FROM THE CHAIRMAN



HARMONY ASSET LIMITED

亨亞有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 428)

Executive Directors:

LEE Fong Lit, David (Chairman)
CHOW Pok Yu, Augustine (Chief Executive Officer)
LAM Andy Siu Wing, JP
CHAN Shuen Chuen, Joseph

Registered office:

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

Independent Non-Executive Directors:

HO Man Kai, Anthony
TONG Kim Weng, Kelly
WONG Yun Kuen

Principal place of business:

Room 1101
St. George's Building
No.2 Ice House Street
Central, Hong Kong

Hong Kong, 30th May, 2007

To shareholders,

Dear Sir or Madam,

**PROPOSALS INVOLVING
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES OF THE COMPANY,
RE-ELECTION OF RETIRING DIRECTORS, DECLARATION OF DIVIDEND
AND
ADOPTION OF CHINESE COMPANY NAME
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 7th June, 2006, a general mandate was given to the Directors to exercise the powers of the Company to repurchase Shares of the Company. Such mandate will lapse at the conclusion of the forthcoming Annual General Meeting. It is therefore proposed to seek your approval of an ordinary resolution to be proposed at the forthcoming Annual General Meeting to give a fresh general mandate to the Directors to exercise the powers of the Company to repurchase Shares. An explanatory statement as required under the Share Repurchase Rules to provide the requisite information of the Repurchase Proposal as set out in the Appendix I hereto.

* for identification purpose only

LETTER FROM THE CHAIRMAN

2. GENERAL MANDATE TO ISSUE NEW SHARES

It will also be proposed at the Annual General Meeting two ordinary resolutions for granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing the resolution, representing 5,844,094 Shares at the Latest Practicable Date, and adding to such general mandate so granted to the Directors any Shares representing the aggregate nominal amount of the Shares repurchased by the Company after the granting of the general mandate to repurchases Shares up to 10% of the issued share capital of the Company as at the date of the Repurchase Resolution.

3. RE-ELECTION OF RETIRING DIRECTORS

The Board of Directors currently consists of seven directors, namely Mr. LEE Fong Lit, David (Chairman), Dr. CHOW Pok Yu, Augustine (Chief Executive Officer), Mr. LAM Andy Siu Wing, *JP*, Mr. CHAN Shuen Chuen, Joseph, Mr. HO Man Kai, Anthony, Mr. TONG Kim Weng, Kelly and Dr. WONG Yun Kuen.

Pursuant to the Articles of Association, Mr. CHAN Shuen Chuen, Joseph will retire and, being eligible, will offer himself for re-election at the Annual General Meeting and Dr. CHOW Pok Yu, Augustine, Mr. TONG Kim Weng, Kelly and Dr. WONG Yun Kuen shall retire by rotation at the Annual General Meeting, being eligible, would offer themselves for re-election.

Details of the retiring Directors proposed for re-election at the Annual General Meeting are set out in the Appendix II of this circular.

4. DECLARATION OF DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

As mentioned in the results announcement of the Company dated 18th April, 2007, it was the intention of the Board to recommend a dividend out of the share premium account of the Company of HK15 cents per share in respect of the year ended 31st December, 2006, totaling not less than HK\$4,383,071 (“the Dividend”) which is subject to approval of Shareholders at the Annual General Meeting and compliance with the Companies Law of the Cayman Islands.

Under Section 34(2) of the Companies Law, the share premium account may be applied by the Company paying dividends to members provided that no dividend may be paid to members out of the share premium account unless, immediately following the date on which the dividend proposed to be paid, the Company shall be able to pay its debts as they fall due in the ordinary course of business. The Board confirms that with respect to the Dividend, the Company meets the solvency test as laid down under the Companies Law and shall be able to pay its debts as they fall due in the ordinary course of business immediately following the date on which the Dividend is proposed to be paid.

The register of members will be closed from Monday, 18th June 2007 to Friday, 22nd June, 2007, both days inclusive. In order to qualify for the Dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrars of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, not later than 4:00 p.m. on Friday, 15th June, 2007.

LETTER FROM THE CHAIRMAN

5. ADOPTION OF CHINESE COMPANY NAME

The Company has been using the Chinese name of 亨亞有限公司 for identification purpose since August 1998. In order to formalize the use of such Chinese name and to reflect the identity of the Company better, the Directors propose to adopt 亨亞有限公司 as the Chinese name of the Company.

The proposed adoption of Chinese name of the Company will be subject to the passing of the Special Resolution No.8 by the Shareholders at the Annual General Meeting. Upon the registration of the Chinese company name with the Registrar of Companies in Hong Kong, the adoption of the Chinese company name will become effective and the Chinese company name of 亨亞有限公司 will form part of the Company's name in Hong Kong. The Company will apply for registration of the Chinese company name with the Registrar of Companies in Hong Kong under Part XI of the Companies Ordinance once the Special Resolution No.8 is passed at the Annual General Meeting.

The proposed adoption of Chinese name of the Company will not affect any of the rights of any Shareholders. Since the existing share certificates of the Company bear both the English and Chinese names of the Company, the Company will not issue any replacement share certificates following adoption of the Chinese name. All existing share certificates in issue bearing the present name of the Company will after the proposed adoption of Chinese name continue to be evidence of title to the Shares and will be valid for trading, settlement and delivery for the same number of Shares. There will be no change to the existing English and Chinese stock short name of the Company used in the trading system of the Stock Exchange.

A further announcement will be made when the proposed adoption of Chinese name of the Company becomes effective.

6. ANNUAL GENERAL MEETING

The notice of the Annual General Meeting, which contains, inter alia, ordinary resolutions to approve, among other things, the Repurchase Resolution, the general mandate for Directors to issue new Shares and declaration of dividend and the special resolution to adopt a Chinese name of the Company is set out on page 13 to 16 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to Computershare Hong Kong Investor Services Limited, the share registrars of the Company in Hong Kong at Shops 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 24 hours before the time appointed for the holding of the meeting or any adjournment thereof.

7. RIGHT TO DEMANDING A POLL

Pursuant to Article 52 of the Articles of Association, 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 or unless a poll is taken as may from time to time be required under the Listing Rules. A poll may be demanded by:—

- (a) the chairman of such meeting; or

LETTER FROM THE CHAIRMAN

- (b) at least three members present in person or by proxy and entitled to vote; or
- (c) any member or members present in person or by proxy and representing in aggregate not less than one-tenth of the total voting rights of all shareholders having the right to vote at the meeting; or
- (d) a member or members present in person or by proxy and holding Shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

8. RECOMMENDATION

The Directors believe that the proposals referred to in this circular are in the best interest of the Company and the Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
LEE Fong Lit
Chairman

This is the explanatory statement as required to be sent to shareholders of the Company under the Share Repurchase Rules to provide requisite information to you for your consideration of the Repurchase Proposal.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 29,220,474 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Proposal to repurchase a maximum of 2,922,047 Shares.

REASON FOR REPURCHASE

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

FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum and articles of association and the Companies Law. The Companies Law provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of shares made for the purposes of the repurchase or out of capital subject to and in accordance with section 37(5) of the Companies Law. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Company's shares are repurchased in the manner provided for in section 37(5) of the Companies Law.

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 contained in the annual report for the year ended 31st December, 2006 in the event that the power to repurchase Shares pursuant to the Repurchase Proposal were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the power to repurchase Shares pursuant to the Repurchase Proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

SHARE PRICE

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

	Highest <i>HK\$</i>	Shares Lowest <i>HK\$</i>
2006		
May	4.20*	3.30*
June	4.60*	4.00*
July	4.50*	4.15*
August	4.40*	3.95*
September	4.20*	3.80*
October	4.40*	3.90*
November	4.40*	4.00*
December	4.60*	4.10*
2007		
January	4.30	3.98
February	4.15	3.98
March	4.15	3.18
April	4.40	3.99
May (up to the Latest Practicable Date)	5.50	4.29

**Note:* These prices have been adjusted for the consolidation of every 5 shares of HK\$0.20 each into 1 share of HK\$1.00 each effective on 14th December, 2006.

UNDERTAKING

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

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Proposal if such is approved by the shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Proposal is approved by the shareholders.

TAKEOVER CODE

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

As at the Latest Practicable Date, Sino Path Consultants Limited, held on a beneficial basis 7,200,315 Shares, representing approximately 24.64% of the issued share capital of the Company. In the event the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Resolution, then (if the present shareholdings remain the same), the shareholdings of Sino Path Consultants Limited will be increased to approximately 27.38% of the issued share capital of the Company.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase proposal. In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Proposal, the number of Shares held by the public will not fall below 25%.

SHARE REPURCHASE MADE BY THE COMPANY

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

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED

The details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out as follow:

1. **Dr. CHOW Pok Yu, Augustine**, aged 54, is an executive director since June 1996 and Chief Executive Officer of the Company. He is a member of remuneration committee of the Company. He holds a MSc from London Business School and Ph.D from University of South Australia. Dr. CHOW has vast experience in managing public listed companies that are involved in manufacturing, marketing and financial service and specializing in mergers and acquisitions.

Being a director and a controlling shareholder of Harmony Asset Management Limited (“HAM”), the investment manager, Dr. CHOW has a direct interest in the investment management agreement made between HAM and the Company. Sino Path Consultants Limited (“Sino Path”), a substantial shareholder of the Company, holds 24.64% interest in the issued share capital of the Company. Apart from directorship held in Sino Path, Dr. CHOW is a shareholder of Sino Path.

Save as disclosed above, Dr. CHOW has not held any directorships in other listed public companies in the past three years, does not hold any other position with the Company and other members of the Group and does not have any other relationships with any other directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Dr. CHOW has personal interest in share options granted by the Company to subscribe for 28,000 and 28,000 Shares at exercise price of HK\$2.75 and HK\$4.29 each respectively within the meaning of Part XV of the SFO.

There is no service contract entered into between the Company and Dr. CHOW. Dr. CHOW is subject to retirement by rotation and re-election in accordance with the Articles of Association. There is no agreement as to the director’s fee of Dr. CHOW. His director’s fee is to be determined by the Board with reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market situation and subject to the Shareholders’ approval at the annual general meeting. For the year ended 31st December, 2006, Dr. CHOW was entitled to a director’s fee amounting to HK\$25,000.00.

Save as disclosed above, Dr. CHOW has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to rules 13.51(2)(h) to (v) of the Listing Rules.

2. **Mr. TONG Kim Weng, Kelly**, aged 58, is an independent non-executive director since November 1998 and a member of audit committee of the Company. He holds degrees in Political Science BA (Hons) and Public Policy (Master of Public Policy) from Victoria University, New Zealand. He was a former senior officer of the New Zealand Trade Department. After leaving the public sector, he served in various capacities as a consultant involved in marketing and business development, IT and the financing services, sourcing and arranging private equity for a variety of projects.

**APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED
TO BE RE-ELECTED**

Save as disclosed above, Mr. TONG has not held any directorships in other listed public companies in the past three years, does not hold any other position with the Company and other members of the Group and does not have any other relationships with any other directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. TONG has personal interest in share options granted by the Company to subscribe for 28,000 and 28,000 Shares at exercise price of HK\$2.75 and HK\$4.29 each respectively within the meaning of Part XV of the SFO.

Mr. TONG is appointed for a term of one year and is subject to retirement by rotation and re-election in accordance with the Articles of Association. There is no agreement as to the director's fee payable to Mr. TONG. His director's fee is to be determined by the Board with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation and subject to the Shareholders' approval at the annual general meeting. For the year ended 31st December, 2006, Mr. TONG was entitled to a director's fee amounting to HK\$25,000.00.

Save as disclosed above, Mr. TONG has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to rules 13.51(2)(h) to (v) of the Listing Rules.

3. **Dr. WONG Yun Kuen**, aged 49, is an independent non-executive director since September 2004 and member of audit committee and remuneration committee of the Company. He received a Ph.D Degree from Harvard University. He was "Distinguished Visiting Scholar" at Wharton School of the University of Pennsylvania. Dr. Wong has worked in financial industries in the United States and Hong Kong for more than 10 years, and has considerable experience in Corporate Finance, Investment, and Derivative Products. He is a member of Hong Kong Securities Institute. Dr. Wong is an executive director of UBA Investment Limited and an independent non-executive director respectively of Grand Field Group Holdings Limited, Golden Resorts Group Limited, Bauhaus International (Holdings) Limited, Ultra Group Holdings Limited, Tak Shun Technology Group Limited and Poly Investments Holdings Limited, all public listed companies in Hong Kong. He was an independent non-executive director of Haywood Investment Limited, a public listed company in Hong Kong until 7th July, 2005.

Save as disclosed above, Dr. WONG has not held any directorships in other listed public companies in the past three years, does not hold any other position with the Company and other members of the Group and does not have any other relationships with any other directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Dr. WONG has personal interest in 2,400 Shares of the Company and share options granted by the Company to subscribe for 28,000 and 28,000 Shares at exercise price of HK\$2.75 and HK\$4.29 each respectively within the meaning of Part XV of the SFO.

**APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED
TO BE RE-ELECTED**

Dr. WONG is appointed for a term of one year and is subject to retirement by rotation and re-election in accordance with Articles of Association. There is no agreement as to the director's fee payable to Dr. WONG. His director's fee is to be determined by the Board with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation and subject to the Shareholders' approval at the annual general meeting. For the year ended 31st December, 2006, Dr. WONG was entitled to a director's fee amounting to HK\$25,000.00.

Save as disclosed above, Dr. WONG has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to rules 13.51(2)(h) to (v) of the Listing Rules.

4. **Mr. CHAN Shuen Chuen, Joseph**, aged 60, is an executive director of the Company since December 2006. He obtained his MBA degree from Heriot-Watt University, Edinburgh Business School, Scotland, UK. Mr. CHAN has over 30 years of accounting and management experience in the fields of industrial manufacturing, service industry, academic and Government. Professionally, Mr. CHAN is a Fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, and the Chartered Institute of Management Accountants, as well as a member of the Certified General Accountants Association of Canada.

Save as disclosed above, Mr. CHAN has not held any directorship in other listed public companies in the past three years, and does not hold any other position with the Company and other members of the Group. He does not have any other relationships with any other directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. CHAN has personal interest in share option granted by the Company to subscribe for 28,000 Shares at exercise price of HK\$4.29 each within the meaning of Part XV of the SFO.

There is no service contract entered into between the Company and Mr. CHAN. Mr. CHAN is subject to retirement by rotation and re-election in accordance with the Articles of Association. His director's fee is to be determined by the Board with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation and subject to the Shareholders' approval at the annual general meeting. For the year ended 31st December, 2006, Mr. CHAN was not entitled to a director's fee as he was appointed on 29th December, 2006.

Save as disclosed above, Mr. CHAN has confirmed that there is no other matter that needs to be brought to the attention of the Shareholders in relation to his re-election and there is no other information that should be disclosed pursuant to rules 13.51(2)(h) to (v) of the Listing Rules.

In the opinion of the Board, other than the aforesaid matters, there is no other matter that needs to be brought to the attention of the Shareholders in relation to the re-election of the retiring Directors.

NOTICE OF ANNUAL GENERAL MEETING



HARMONY ASSET LIMITED

亨亞有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 428)

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company will be held at Room 1101, St. George's Building, 2 Ice House Street, Central, Hong Kong on Friday, 22nd day of June, 2007 at 9:30 a.m. for the following purposes:

1. To receive and consider the financial statements and the reports of the directors and auditors for the year ended 31st December, 2006.
2. To re-elect directors and to authorize the board to fix the remuneration of directors.
3. To re-appoint auditors and authorize the board to fix the remuneration of auditors; and to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

“**THAT** the re-appointment of BDO McCabe Lo Limited, who was appointed by the board of director on 29th December, 2006 to fill the casual vacancy occurred by the resignation of Messrs. Chu and Chu, as auditors of the Company until the next annual general meeting of the Company at a remuneration to be fixed by the board of directors of the Company be and they are hereby approved.”

4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$1.00 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) or on any other stock exchange on which the Shares of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which the Company is authorized to repurchase pursuant to the approval in paragraph (a) above shall not

* for identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution; and the said approval shall be limited accordingly; and

(c) for the purposes of this Resolution,

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

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

5. As special business, to consider and, if thought fit, pass with or without amendments, 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 (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$1.00 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares of the Company under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; (iii) an issue of shares as scrip dividends pursuant to the articles of association of the Company from

NOTICE OF ANNUAL GENERAL MEETING

time to time; (iv) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

(d) for the purpose of this Resolution,

“Relevant Period” means the period from the 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 articles of association of the Company to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

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

6. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

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

NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT** the payment of a dividend from the share premium account of the Company of HK15 cents per share in respect of the year ended 31st December, 2006 to shareholders of the Company as recorded on the register of members of the Company on 22nd June, 2007 be and is hereby approved.”

8. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution of the Company:

“**THAT** “亨亞有限公司” be adopted as the Chinese name of the Company and **THAT** such Chinese name be filed and/or registered with the Registrar of Companies in Hong Kong under Part XI of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) and the directors of the Company be and are hereby authorised to do all such acts, deeds and things as they may, in their absolute discretion, deem fit, to effect and implement such adoption of Chinese name of the Company.”

By Order of the Board
Peter LEE Yip Wah
Secretary

Dated the 30th day of May, 2007.

Notes:

1. Any member of the Company 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, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited with the Hong Kong share registrars of the Company, Computershare Hong Kong Investor Services Limited, Shops 1806-1807, 18th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not less than 24 hours before the time appointed for holding the meeting or any adjournment thereof.
3. With regard to item no.2 in this notice, the Board of Directors of the Company proposes that the retiring Directors, namely, Dr. CHOW Pok Yu, Augustine, Mr. TONG Kim Weng, Dr. WONG Yun Kuen and Mr. CHAN Shuen Chuen, Joseph be re-elected as Directors of the Company. Details of these retiring Directors are set out in Appendix II to the Company’s circular to shareholders dated 30th May, 2007.
4. An explanatory statement as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in connection with the proposed repurchase mandate under ordinary resolution in item 4 above is set out in Appendix I to the Company’s circular to shareholders date 30th May, 2007.
5. The register of members of the Company will be closed from Monday, 18th June, 2007 to Friday, 22nd June, 2007, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the recommended dividend, all completed transfer forms with share certificates must be lodged with the share registrars of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, not later than 4:00 p.m. on Friday, 15th June, 2007.
6. As at the date of this notice, the Board comprises four executive directors, namely, Mr. LEE Fong Lit, David, Dr. CHOW Pok Yu, Augustine, Mr. LAM Andy Siu Wing JP and Mr. CHAN Shuen Chuen, Joseph and three independent non-executive directors, namely, Mr. TONG Kim Weng, Kelly, Mr. HO Man Kai, Anthony and Dr. WONG Yun Kuen.