
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your securities of The Quaypoint Corporation Limited, you should at once hand this circular and accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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THE QUAYPOINT CORPORATION LIMITED

紀 翰 集 團 有 限 公 司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2330)

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

A notice convening an annual general meeting (the “AGM”) of The Quaypoint Corporation Limited (the “Company”) to be held at Plaza 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong, on Friday, 24 November 2006, at 10:00 a.m. is set out on pages 12 to 16 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company’s principal place of business at Suite 1304, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or at any adjourned meeting (as the case may be) should you so wish.

** For identification purpose only*

31 October 2006

CONTENTS

	<i>Page</i>
Definitions	1
 Letter from the Board	
Introduction	3
General Mandate and Repurchase Mandate	3
Re-election of directors	4
Amendment to the Articles	4
Annual General Meeting	4
Action to be taken	4
Procedures by which a poll may be demanded	5
Recommendation	5
General Information	5
 Appendix I – Explanatory Statement	 6
 Appendix II – Directors proposed to be re-elected	 9
 Appendix III – Notice of Annual General Meeting	 12

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Plaza 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 24 November 2006 at 10:00 a.m., notice of which is set out on pages 12 to 16 of this circular
“Articles” or “Articles of Association”	the articles of association of the Company
“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Company”	The Quaypoint Corporation Limited, a company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“General Mandate”	The general mandate proposed to be granted to the Directors as at AGM to issue, allot and deal with the Shares not exceeding 20% of the aggregate nominal amount of the issued capital of the Company as at the date of granting the General Mandate.
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region
“Latest Practicable Date”	26 October 2006, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Ordinary Resolutions”	the ordinary resolutions to be proposed and passed at the AGM for the matters as set out in items 1 to 4 of the AGM Notice
“Preference Shareholder”	Holder of the 250,000,000 non-voting Convertible Redeemable Preference Shares

DEFINITIONS

“Repurchase Mandate”	The repurchase mandate proposed to be granted to the Directors at the AGM to repurchase Shares up to 10% of the aggregate nominal amount of the issued share capital of the Company at the date of granting the Repurchase Mandate
“Share(s)”	Ordinary Share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Special Resolution”	the special resolution to be proposed and passed at the AGM for the matters as set out in item 5 of the AGM Notice
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

LETTER FROM THE BOARD



THE QUAYPOINT CORPORATION LIMITED

紀翰集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2330)

Executive Directors:

Dr. SZE Kwan (*Vice Chairman*)

Ms. CHAN Siu Chu, Debby (*Chief Executive Officer*)

Mr. SIEK Fui

Mr. LIU Ping

Registered Office:

Century Yard, Cricket Square

Hutchins Drive, PO Box 2681 GT

George Town, Grand Cayman

Cayman Islands, British West Indies

Non-Executive Director:

Mr. Gerard J. MCMAHON (*Chairman*)

Head Office and Principal

Place of Business in Hong Kong:

Suite 1304, Great Eagle Centre

23 Harbour Road

Wanchai,

Hong Kong

Independent Non-Executive Directors:

Mr. WEE Soon Chiang, Henny

Mr. WONG Kam Kau, Eddie

Mr. HUI Hung, Stephen

Mr. LAU Sai Chung

Mr. NG Kwok Chu, Winfield

26 October 2006

*To the Shareholders and,
for information only, the Preference Shareholder*

Dear Sir or Madam,

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM of the Company to be held on Friday, 24 November 2006, relating to (i) the granting to the Directors of General Mandate for the issue of additional Shares and Repurchase Mandate for repurchase of Shares by the Company; (ii) re-election of directors(s); (iii) the proposed amendments to the Articles and to give the AGM notice to the Shareholders, at which resolutions approving the above items will be considered and voted upon.

GENERAL MANDATE AND REPURCHASE MANDATE

At the annual general meeting of the Company held on 28 October 2005, resolutions were passed giving general mandates to the Directors to issue and/or repurchase Shares. Such general mandates will

* For identification purpose only

LETTER FROM THE BOARD

lapse at the conclusion of the forthcoming AGM. Ordinary resolutions will therefore be proposed at the forthcoming AGM to seek the approval of the Shareholders to grant to the Directors the General Mandate and the Repurchase Mandate.

An explanatory statement as required under the Listing Rules in connection with the Repurchase Mandate is set out in the Appendix I to this circular.

RE-ELECTION OF DIRECTORS

In accordance with Article 87(2) of the Company's Articles of Association, Mr. WEE Soon Chiang, Henny, Mr. WONG Kam Kau, Eddie and Mr. HUI Hung, Stephen shall retire from office by rotation at the forthcoming AGM and being eligible, will offer themselves for re-election at the meeting.

In accordance with Article 86(3) of the Company's Articles of Association, Mr. LAU Sai Chung and Mr. NG Kwok Chu, Winfield who were appointed by the Board as additional Directors shall hold office until the forthcoming AGM of the Company and being eligible, will offer themselves for re-election at the meeting.

Brief biographical details of Mr. WEE Soon Chiang, Henny, Mr. WONG Kam Kau, Eddie and Mr. HUI Hung, Stephen, Mr. LAU Sai Chung and Mr. NG Kwok Chu, Winfield, proposed to be re-elected at the AGM, are set out in Appendix II to this circular.

AMENDMENTS TO THE ARTICLES

At the AGM, it will also be proposed, by way of special resolution (resolution numbered 5, the full text of which is set out in the Notice in this circular), to amend certain provisions in the Articles in relation to the (i) the re-election of Directors in order to conform with the new Listing Rules; and (ii) proceedings of directors in order to provide more flexibility on the passing of board resolutions without affecting the right of Directors on the holding of board meeting.

ANNUAL GENERAL MEETING

At the AGM, resolutions will be proposed to the Shareholders in respect of the ordinary businesses to be considered at the AGM, including the re-election of Directors and the special businesses of the Company to be considered at the AGM, being the proposed amendments to the Articles of the Company, granting of the General Mandate, Repurchase Mandate and extension of the General Mandate. The Notice of AGM is set out on pages 12 to 16 of this circular.

ACTION TO BE TAKEN

A form of proxy for use at the AGM is enclosed herein. Whether or not you intend to attend the AGM, you are requested to complete the form of proxy and return it to the Company's principle place of business at not less than 48 hours before the time appointed for holding the AGM or at any adjourned meeting (as the case may be). Completion and return of form of proxy will not preclude shareholders from attending and voting at the AGM or at any adjourned meeting (as the case may be) should they so wish.

LETTER FROM THE BOARD

PROCEDURES BY WHICH A POLL MAY BE DEMANDED

In accordance with Article 66, the following persons may demand that the vote in respect of any resolution put to the general meeting be taken on a poll:

- (a) the chairman of the meeting; or
- (b) at least three members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (c) any member or members present in person or in the case of a member 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 members having the right to vote at the meeting; or
- (d) any member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

A poll may be so demanded before or on the declaration of the result of the show of hands.

RECOMMENDATION

Having considered the reasons set out herein, the Directors consider that the proposed Ordinary Resolutions and Special Resolution for the amendments to the Articles are in the best interests of the Company as a whole. The Directors therefore recommend the Shareholders to vote in favour of such resolutions at the AGM.

GENERAL INFORMATION

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

By order of the Board
The Quaypoint Corporation Limited
Gerard J. McMahon
Chairman

This appendix serves as an explanatory statement containing all the information required pursuant to Rule 10.06(1)(b) of the Listing Rules to enable the shareholders to make an informed decision on whether to vote for or against the Repurchase Mandate.

1. SHAREHOLDERS' APPROVAL

The Listing Rules provide that only fully paid-up shares may be repurchased and all proposed repurchases of securities by a company with primary listing on the Stock Exchange must be approved in a general meeting of the shareholders in advance by an ordinary resolution, either by way of general mandate, or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were 350,000,000 fully paid Shares in issue.

Subject to the passing of the Ordinary Resolution for approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase up to a maximum of 35,000,000 Shares, representing 10% of the issued share capital of the Company.

3. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share 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 as a whole.

4. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association and the Articles and the applicable laws of the Cayman Islands. The Companies Law (2004 Revision) of the Cayman Islands provides that such repurchase may only be paid out of the profits of the Company or out of the proceeds of a fresh issue of shares made for the purpose or in the manner provided therein, out of capital. Any premium payable on repurchase may only be paid out of either the profits or out of the share premium of the Company.

5. IMPACT ON WORKING CAPITAL OR GEARING POSITION

In the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period, the working capital or gearing position of the Company might be materially different as compared with the position disclosed in the audited financial statements contained in the annual report for the year ended 30 June 2006. 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.

6. 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 Mandate and in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of the associates of any of the Directors has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

No connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make purchases of Shares. In accordance with the Listing Rules, the Company shall not knowingly purchase shares from a connected person on the Stock Exchange.

7. TAKEOVERS CODE

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

As at the Latest Practicable Date, the following shareholders had beneficial interests representing 5% or more of the issued share capital of the Company within the meaning of Part XV of the Securities and Futures Ordinance. In the event that the Repurchase Mandate is exercised in full, the interest of such persons will be increased to approximately the percentage set out in the last column as follows:

Name of Shareholders	No. of Shares held	Percentage of Shareholding	Percentage of shareholding if the Repurchase Mandate is exercisable in full
Otto Link Technology Limited	126,700,000	36.20%	40.22%
Dr. Sze Kwan (<i>Note</i>)	126,700,000	36.20%	40.22%
Mr. Chak Joaquin Emilio Kin Man	96,824,000	27.66%	30.74%

Note: Dr. Sze is deemed to be interested in the 126,700,000 Shares by virtue of his controlling interest in Otto Link Technology Limited which is beneficially owned as to 80% by Dr. Sze and 20% owned by Mr. Siek Fui, both are directors of the Company.

Save as disclosed above, the Directors, to the best of their knowledge and belief, are not aware of any consequences which the exercise in full of the Repurchase Mandate would have under the Takeovers Code.

In the event that the Repurchase Mandate is exercised in full, the interests of Otto Link Technology Limited, Dr. Sze and their associates in the Company would be increased to approximately 40.22%. The Directors consider that such increase may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. However, the Company has no present intention to repurchase Shares to such extent that the mandatory offer shall be made or to such extent as to result in the amount of Shares held by the public being reduced to less than 25%.

8. 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.

9. SHARE PRICES

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>	Lowest <i>HK\$</i>
2005		
October	0.60	0.45
November	0.49	0.38
December	0.43	0.38
2006		
January	0.42	0.34
February	0.42	0.26
March	0.33	0.33
April	Suspended	Suspended
May	Suspended	Suspended
June	Suspended	Suspended
July	Suspended	Suspended
August	Suspended	Suspended
September	Suspended	Suspended

The particulars of the Directors proposed to be re-elected at the AGM are as follows:

1. **Mr. Wee Soon Chiang, Henny**, aged 60. Mr. Wee has been an Independent Non-executive Director of the Company since September 2001. He is also a member of the Audit Committee and Remuneration Committee of the Company. Mr. Wee graduated from the University of Newcastle in Australia with a Bachelor of Commerce (Accounting) in 1970 and qualified as a Chartered Accountant (Australia) in 1975. He is currently the proprietor of Messrs. Henny Wee & Co., a firm of Certified Public Accountants and is a fellow member of the Hong Kong Institute of Certified Public Accountants.

Mr. Wee has not held any directorship with any listed company in the last three years. He has no relationship with any Director, senior management or substantial or controlling shareholders of the Company. He has not entered into any written service contract with the Company but has entered into a letter of appointment setting out the term of his appointment which shall be up to the annual general meeting of the Company to be held in year 2007 but will be subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association.

Mr. Wee is entitled to receive a director's fee of HK\$120,000 per annum. Director's fee payable to Mr. Wee is recommended by the Remuneration Committee and determined by the Board of the Company with reference to his duties and responsibilities and approved by shareholders of the Company. At the latest practicable date, Mr. Wee does not have any interest in the shares of the Company which is required to be disclosed under Part XV of the Securities and Futures Ordinance (the "SFO"). Mr. Wee has not been involved in any of the matters which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company.

2. **Mr. Wong Kam Kau, Eddie**, aged 58. Mr. Wong has been an Independent Non-executive Director of the Company since September 2001. He is also a member of the Audit Committee and Remuneration Committee of the Company. Mr. Wong graduated from the Chinese University of Hong Kong. He is a fellow member of the Chartered Institute of Secretaries and a fellow member of the Life Management Institute. He is currently a director of certain private companies, namely Jithra Limited, Edwon Inc. and Belmont Capital Group Limited.

Mr. Wong has not held any directorship with any listed company in the last three years. He has no relationship with any Director, senior management or substantial or controlling shareholders of the Company. He has not entered into any written service contract with the Company but has entered into a letter of appointment setting out the term of his appointment which shall be up to the annual general meeting of the Company to be held in year 2007 but will be subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association.

Mr. Wong is entitled to receive a director's fee of HK\$120,000 per annum. Director's fee payable to Mr. Wong is recommended by the Remuneration Committee and determined by the Board with reference to his duties and responsibilities and approved by shareholders of the Company. At the

latest practicable date, Mr. Wong does not have any interest in the shares of the Company which is required to be disclosed under Part XV of the SFO. Mr. Wong has not been involved in any of the matters which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company.

3. **Mr. Hui Hung, Stephen**, aged 49. Mr. Hui has been an Independent Non-executive Director of the Company since September 2004. He is also a member of the Audit Committee and Remuneration Committee of the Company. Mr. Hui graduated from Middlesex University of Arts Degree in Economics and Geography. He has also furthered his studies and obtained a Master of Business Administration in 2001 from the Barrington University of the United States. He is currently the managing director of Federal Glory International Limited and Eastern Gain International Limited and is also an independent non-executive director of Global Digital Creations Holdings Limited, a company listed on the Stock Exchange. In the past three years, Mr. Hui was an independent non-executive director of Shougang Concord Grand (Group) Limited and Shougang Concord Century Holdings Limited, both of which are companies listed on the Stock Exchange.

Save as disclosed above, Mr. Hui has not held any directorship with any listed company in the last three years. He has no relationship with any Director, senior management or substantial or controlling shareholders of the Company. He has not entered into any written service contract with the Company but has entered into a letter of appointment setting out the term of his appointment which shall be up to the annual general meeting of the Company to be held in year 2007 but will be subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association.

Mr. Hui is entitled to receive a director's fee of HK\$120,000 per annum. Director's fee payable to Mr. Hui is recommended by the Remuneration Committee and determined by the Board with reference to his duties and responsibilities and approved by shareholders of the Company. At the latest practicable date, Mr. Hui does not have any interest in the shares of the Company which is required to be disclosed under Part XV of the SFO. Mr. Hui has not been involved in any of the matters which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company.

4. **Mr. Lau Sai Chung**, aged 50. Mr. Lau has been an Independent Non-executive Director of the Company since September 2006. He is also a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He is currently the General Manager of UPM Unique Products Manufacturing Limited and in charge of UMP Group's Hong Kong Operation. He had been an Independent Non-executive Director and member of the Audit Committee of Dickson Group Holdings Limited, a company listed on the Stock Exchange during the period from August 2003 to January 2006. He holds a bachelor degree in commerce with major in accounting from the University of Alberta, Canada and has over 20 years' experience in the field of banking and finance.

Save as disclosed above, Mr. Lau has not held any directorship with any listed company in the last three years. He has no relationship with any Director, senior management or substantial or controlling shareholders of the Company. He has not entered into any written service contract with the Company

but has entered into a letter of appointment setting out the term of his appointment which shall be up to the annual general meeting of the Company to be held in year 2008 but will be subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association.

Mr. Lau is entitled to receive a director's fee of HK\$120,000 per annum. Director's fee payable to Mr. Lau is recommended by the Remuneration Committee and determined by the Board with reference to his duties and responsibilities and approved by shareholders of the Company. At the latest practicable date, Mr. Lau does not have any interest in the shares of the Company which is required to be disclosed under Part XV of the SFO. Mr. Lau has not been involved in any of the matters which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company.

5. **Mr. Ng Kwok Chu, Winfield**, aged 47. Mr. Ng has been an Independent Non-executive Director of the Company since September 2006. He is also a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He is currently a General Manager of a local financial institution. He has 10 years' experience in consumer and commercial finance in the local and PRC markets. Mr. Ng is currently also an Independent Non-executive Director and member of the Audit Committee of Long Success International (Holdings) Limited, a company listed on the Stock Exchange.

Save as disclosed above, Mr. Ng has not held any directorship with any listed company in the last three years. He has no relationship with any Director, senior management or substantial or controlling shareholders of the Company. He has not entered into any written service contract with the Company but has entered into a letter of appointment setting out the term of his appointment which shall be up to the annual general meeting of the Company to be held in year 2008 but will be subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association.

Mr. Ng is entitled to receive a director's fee of HK\$120,000 per annum. Director's fee payable to Mr. Ng is recommended by the Remuneration Committee and determined by the Board with reference to his duties and responsibilities and approved by shareholders of the Company. At the latest practicable date, Mr. Ng does not have any interest in the shares of the Company which is required to be disclosed under Part XV of the SFO. Mr. Ng has not been involved in any of the matters which is discloseable pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the shareholders of the Company.

**THE QUAYPOINT CORPORATION LIMITED****紀 翰 集 團 有 限 公 司 ****(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 2330)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Plaza 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 24 November 2006 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited Financial Statements and the Reports of the Directors and Auditors for the year ended 30 June 2006;
2. To re-elect retiring directors and to authorize the board of directors to fix the remuneration of the Directors;
3. To re-appoint auditors and to authorize the board of directors to fix their remuneration;
4. As special business, to consider, and if thought fit, pass with or without modifications, the following resolutions:

ORDINARY RESOLUTIONS(1) **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares of HK\$0.10 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 securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange of 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 may be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period (as hereinafter defined) shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution and the said approval shall be limited accordingly; and

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- (c) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company any applicable laws of the Cayman Islands to be held; and
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”
- (2) **“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\$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds 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 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 the 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); (ii) an issue of shares as scrip dividends from time to time; (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iv) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants issued by 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 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 earlier of:

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

“Rights Issue” means an offer of shares, on 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 of the Company or any class thereof on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares or 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 recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

- (3) “**THAT** subject to the passing of the Resolutions No. 1 and No. 2 set out above, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to Resolution No. 2 set out above 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 No. 1 set out above, 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 at the date of passing the said Resolution.”

SPECIAL RESOLUTION

5. To consider and, if thought fit, pass the following resolution as a special resolution:

“THAT the existing Articles of Association of the Company (the “Articles”) be amended as follows:

- (a) Article 86(3)

By deleting the exiting Article 86(3) in its entirety and substituting therefor a new Article 86(3) as follows:

“The Board shall have power from time to time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the maximum number of directors so appointed shall not exceed the number determined from time to time by the members in general meeting. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board) and shall then be eligible for re-election at such meetings.”

- (b) Article 122

By deleting the exiting Article 122 in its entirety and substituting therefor a new Article 122 as follows:

“A resolution in writing signed by the majority of the Directors (excluding alternate Directors), in whatever part of the world they may be shall be valid and binding as a resolution of the Directors and such resolution shall be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held provided that a copy of such resolution has been given to all the Directors for the time being entitled to receive notices of Board meetings, to the extent applicable, as notices of meetings are required to be given by these Articles. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors and for this purpose a facsimile signature of a Director shall be treated as valid and such resolution shall become effective upon a copy or copies of the resolution signed by a majority of the Directors either in one document or in several documents having been received by any Director or the Secretary. Nothing in this article shall affect the rights of Directors to request for a meeting of the Board, for the avoidance of doubt, the request for a meeting of the Board shall not affect the validity of a resolution of the Directors duly passed in accordance with this provision.” ”

By Order of the Board
The Quaypoint Corporation Limited
Cheung Hiu Lan
Secretary

Notes:

1. As at the date of this notice, the Board of Directors of the Company comprises four Executive Directors, namely Dr. Sze Kwan, Mr. Siek Fui, Ms. Chan Siu Chu, Debby and Mr. Liu Ping, one Non-executive Director, namely Mr. Gerard McMahon and five Independent Non-executive Directors, namely Mr. Wee Soon Chiang, Henny, Mr. Wong Kam Kau, Eddie, Mr. Hui Hung, Stephen, Mr. Lau Sai Chung and Mr. Ng Kwok Chu, Winfield.
2. Any member of the Company entitled to attend and vote at the Annual General 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. A form of proxy for use at the meeting is enclosed.
3. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders is present at the meeting personally or by proxy, then one of the said persons so present whose name stands first on the register of members in respect of such share shall also be entitled to vote in respect thereof.
4. In order to be valid, a form of proxy, together with any power of attorney or other authority (if any) under which it is signed or a certified copy thereof, must be lodged with the Company at Suite 1304, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible but in any event not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the Meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.