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T E M U J I N

TEMUJIN INTERNATIONAL INVESTMENTS LIMITED

泰潤國際投資有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 204)

REFRESHMENT OF GENERAL MANDATE, RE-ELECTION OF DIRECTORS, ADOPTION OF SHARE OPTION SCHEME AND NOTICE OF EGM

Independent financial adviser to the Independent Board Committee and the Independent Shareholders



INCUB Corporate Finance Limited

A notice convening an extraordinary general meeting (the “**EGM**”) of the Company to be held on Thursday, 9 April 2009 at 10:30 a.m. at Unit 703, 7th Floor, 100 Queen’s Road Central, Hong Kong is set out on pages 27 to 29 of this circular. A form of proxy for the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are encouraged to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Tricor Standard Limited, at 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event no later than 48 hours before the time appointed for the holding of the EGM. Completion and return of the enclosed form of proxy will not preclude you from attending and voting in person at such meeting or any adjournment meeting should you so wish.

* *For identification purposes only*

23 March 2009

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DEFINITIONS

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

“Adoption Date”	the date on which the Share Option Scheme shall fall to be conditionally adopted by an ordinary resolution of the shareholders at the EGM
“AGM”	the annual general meeting of the Company held on 26 August 2008
“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (not being Saturdays, Sunday or public holidays) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	Temujin International Investments Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Stock Exchange
“Current General Mandate”	the general mandate approved at the AGM to grant to the Directors to allot and issue Shares of up to 20% of the issued share capital of the Company as at the date of passing the relevant resolutions
“Directors”	directors of the Company
“EGM”	an extraordinary general meeting of the Company to be convened and held to approve, among other matters, (i) the grant of the New General Mandate; (ii) the re-election of Mr. Tambunan and Mr. Choi as Directors; and (iii) the adoption of the Share Option Scheme
“Eligible Participant(s)”	full time employees of the Group (including any directors, whether executive or non-executive and whether independent or not, of the Company or any subsidiary of the Company) or any person who, in the sole discretion of the Board, has contributed or may contribute to the Group eligible for Options under this Share Option Scheme
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Independent Board Committee”	an independent committee of the Board, comprising the independent non-executive Directors, to advise the Independent Shareholders as to the fairness and reasonableness of the granting of the New General Mandate, the voting at the EGM and whether the granting of the New General Mandate is in the interests of the Company and the Shareholders as a whole
“Independent Shareholder(s)”	Shareholders other than the Directors (excluding independent non-executive Directors), the chief executive of the Company and their respective associates
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons of the Company in accordance with the Listing Rules
“INCUC”	INCUC Corporate Finance Limited, a licensed corporation under the SFO to conduct type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance and the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the New General Mandate
“Latest Practicable Date”	18 March 2009, being the latest practicable date prior to the printing of this circular ascertaining certain information referred to in this circular
“Listing Committee”	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option(s)”	option(s) granted or to be granted to Eligible Participant(s) to subscribe for Shares under the Share Option Scheme
“Option Period”	has the meaning ascribed to it in paragraph (e) of Appendix II on page 19 of this circular
“Mr. Choi”	Mr. Choi Yong Seok, an independent non-executive Director
“Mr. Tambunan”	Mr. Antonio Ibrahim Tambunan, an executive Director

DEFINITIONS

“New General Mandate”	the general mandate proposed to be granted to the Directors at the EGM to allot, issue and otherwise deal with additional Shares not exceeding 20% of the issued share capital of the Company as at the date of the EGM and any additional Shares repurchased by the Company pursuant to the general repurchase mandate granted to the Directors at the AGM
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.20 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme which is proposed to be adopted by the Company at the EGM, further information and a summary of the principal terms of which are set out in Appendix II to this circular
“Scheme Mandate Limit”	has the meaning ascribed to it in paragraph (d) of Appendix II on page 19 of this circular
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

LETTER FROM THE BOARD



T E M U J I N

TEMUJIN INTERNATIONAL INVESTMENTS LIMITED

泰潤國際投資有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 204)

Executive Director:

Mr. Antonio Ibrahim Tambunan

Non-executive Directors:

Ms. Tsuen Tai Chi Andy

Mr. Hao Wei-Chieh

Independent non-executive Directors:

Mr. Li Man Nang

Mr. Jeffrey John Ervine

Mr. Choi Yong Seok

Registered office:

P.O. Box 309

Ugland House

South Church Street

George Town

Grand Cayman

Cayman Islands

British West Indies

*Head office and principal place of
business in Hong Kong:*

Unit 703, 7th Floor

100 Queen's Road Central

Hong Kong

23 March 2009

To the Shareholders

Dear Sir or Madam,

**REFRESHMENT OF GENERAL MANDATE,
RE-ELECTION OF DIRECTORS,
ADOPTION OF SHARE OPTION SCHEME
AND
NOTICE OF EGM**

INTRODUCTION

The Board proposes to refresh the Current General Mandate by granting the New General Mandate, to re-election Mr. Tambunan and Mr. Choi as Directors of the Company and to adopt the Share Option Scheme.

* For identification purposes only

LETTER FROM THE BOARD

The purpose of this circular is to provide you the information relating to (i) the proposed granting of the New General Mandate; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders on the proposed granting of the New General Mandate; (iii) the recommendation from INCU to the Independent Board Committee and the Independent Shareholders on the proposed granting of the New General Mandate; (iv) the proposed re-election of Mr. Tambunan and Mr. Choi as Directors; (v) the proposed adoption of the Share Option Scheme; and (vi) the notice of EGM, at which resolutions will be proposed to the Independent Shareholders and the Shareholders to consider and, if thought fit, approve the granting of New General Mandate, the proposed re-election of the Directors and the proposed adoption of the Share Option Scheme.

CURRENT GENERAL MANDATE

At the AGM, the Shareholders approved, among other things, an ordinary resolution to grant to the Directors the Current General Mandate to allot and issue not more than 4,208,460 Shares, being 20% of the entire issued share capital of the Company of 21,042,300 Shares as at the date of passing of the resolution. During the period from the granting of the Current General Mandate to the Latest Practicable Date, the Current General Mandate had been fully utilised as a result of the placing of 4,208,460 unlisted warrants by Grand Vinco Capital Limited as placing agent of the Company pursuant to a placing agreement dated 5 January 2009. Please refer to the announcement of the Company dated 5 January 2009 for further details regarding the above matter.

PROPOSED GRANT OF NEW GENERAL MANDATE

The Company will convene the EGM at which ordinary resolutions will be proposed to the Independent Shareholders that:

- (i) the Directors be granted the New General Mandate to allot and issue Shares not exceeding 20% of the issued share capital of the Company as at the date of passing the relevant ordinary resolution; and
- (ii) the New General Mandate be extended to Shares repurchased by the Company pursuant to the general mandate granted to the Directors at the AGM.

As at the Latest Practicable Date, the Company had an aggregate of 21,042,300 Shares in issue. Subject to the passing of the ordinary resolutions for the approval of the New General Mandate and on the basis that no further Shares are issued and/or repurchased by the Company between the Latest Practicable Date and the date of the EGM, the Company would be allowed under the New General Mandate to allot and issue up to 4,208,460 Shares, being 20% of the total number of Shares in issue as at the Latest Practicable Date.

LETTER FROM THE BOARD

REASONS FOR THE NEW GENERAL MANDATE

As explained in the paragraph headed “Current General Mandate” above, the Current General Mandate had been fully utilised.

The Board believes that granting of the New General Mandate is in the best interests of the Company and the Shareholders as a whole by maintaining the financial flexibility necessary for the Group’s future business development. The Board considers equity financing to be an important avenue of resources to the Group since it does not create any interest paying obligations on the Group. In appropriate circumstances, the Group will also consider other financing methods such as debt financing or internal cash resources to fund its future business development. While the Board considers that there is no immediate funding need for the Group’s current operations and that there is currently no concrete proposal presented by potential investors for investment in the Shares, the Board is now proposing to seek the approval of Independent Shareholders at the EGM of the New General Mandate such that should future funding needs arise or attractive terms for investment in the Shares become available from potential investors, the Board will be able to respond to the market promptly.

There has not been any refreshment of the Current General Mandate since the AGM. The following table summarises the use of the Current General Mandate since the AGM:

Date of initial announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
5 January 2009	Placing of up to 4,208,460 unlisted warrants by the Company with Grand Vinco Capital Limited being the placing agent	approximately HK\$0.64 million	towards general working capital	fund raised in relation to the issue of the unlisted warrants have been fully utilized as the general working capital; the unlisted warrants have not been exercised as at the Latest Practicable Date

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprises Mr. Li Man Nang, Mr. Jeffrey John Ervine and Mr. Choi, all being the independent non-executive Directors. It has been established to advise the Independent Shareholders on the granting of the New General Mandate.

INCUB has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the granting of the New General Mandate.

The Independent Board Committee and the Directors, having taken into account the advice of INCUB, consider that the granting of the New General Mandate is in the interests of the Company and the Shareholders as a whole and is fair and reasonable so far as the Independent Shareholders are concerned and accordingly recommends the Independent Shareholders to vote in favour of the ordinary resolutions which will be proposed at the EGM for approving the granting of the New General Mandate.

LETTER FROM THE BOARD

The text of the letter from the Independent Board Committee is set out on page 11 of this circular and the text of the letter from INCU containing its advice is set out on pages 12 to 16 of this circular.

RE-ELECTION OF DIRECTORS

Reference is made to the announcements of the Company dated 29 January 2009 respectively in relation to, among other matters, the appointment of Mr. Tambunan as an executive Director and Mr. Choi as an independent non-executive Director.

In accordance with the articles of association of the Company, each of Mr. Tambunan and Mr. Choi will retire at the EGM and being eligible, offer himself for re-election.

Resolutions for re-electing Mr. Tambunan as an executive Director, and Mr. Choi as an independent non-executive Directors will be proposed at the EGM. Disclosure required under the Listing Rules pursuant to such re-election is included in Appendix I to this circular headed “Details of Directors to be re-elected at the EGM”.

PROPOSAL FOR ADOPTION OF THE SHARE OPTION SCHEME

Share Option Scheme

The purpose of the Share Option Scheme is to enable the Company to grant Options to the Eligible Participants in recognition of their contribution to the Group.

The rules of the Share Option Scheme provide that the Company may specify the Eligible Participants to whom Options shall be granted, the number of Shares subject to each Option and the date on which the Options shall be granted. The basis for determining the subscription price is also specified precisely in the rules of the Share Option Scheme. There is no performance target specified in the Share Option Scheme. The Directors consider that the aforesaid criteria and rules will serve to preserve the value of the Company and encourage Eligible Participants to acquire proprietary interests in the Company.

Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the Adoption Date, the number of Shares issuable pursuant to the Share Option Scheme on the Adoption Date will be 2,104,230 Shares.

The Directors consider that it is not appropriate to state the value of all Options that can be granted pursuant to the Share Option Scheme as if they had been granted on the Latest Practicable Date as a number of variables which are crucial for the calculation of the Option value have not been determined. Such variables include but are not limited to the exercise price, exercise period, lock-up period (if any), and predetermined performance targets (if any). The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to Shareholders.

If any of the Director is also the grantee under the Share Option Scheme, such Director will abstain from voting in such Board meeting approving the grant of the Options.

With respect to the operation of the Share Option Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules.

LETTER FROM THE BOARD

CONDITIONS PRECEDENT OF THE SHARE OPTION SCHEME

The adoption of the Share Option Scheme is conditional upon:

- (a) the passing of an ordinary resolution to adopt the Share Option Scheme by the Shareholders;
and
- (b) the Listing Committee of the Stock Exchange granting:
 - (i) approval of the Share Option Scheme;
 - (ii) approval of the subsequent grant of Options by the Company pursuant to the terms and conditions of the Share Option Scheme; and
 - (iii) the listing of and permission to deal in any Shares which may fall to be issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the Share Option Scheme.

Subject to the obtaining of Shareholders' approval with respect to the adoption of the Share Option Scheme at the EGM, the total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10 per cent. of the total issued capital of the Company as at the Adoption Date unless the Company obtains a fresh approval from Shareholders to renew the 10 per cent. limit on the basis that the maximum number of Shares in respect of which Options may be granted under the Share Option Scheme together with any Options outstanding and yet to be exercised under the Share Option Scheme and any other schemes shall not exceed 30 per cent. of the issued share capital of the Company from time to time.

A summary of the principal terms of the Share Option Scheme which is proposed to be approved and adopted by the Company at the EGM is set out in the Appendix II to this circular on pages 19 to 26. A copy of the rules of the Share Option Scheme is available for inspection at the Company's head office and principal place of business in Hong Kong at Unit 703, 7th Floor, 100 Queen's Road Central, Hong Kong during normal business hours from the date hereof up to and including 9 April 2009.

In accordance with the requirements of the Listing Rules, the Company will publish an announcement on the outcome of the EGM in respect of the resolution relating to the adoption of the Share Option Scheme on the Business Day following the date of the EGM.

EGM

There is set out on page 27 to page 29 of this circular a notice convening the EGM to be held at Unit 703, 7th Floor, 100 Queen's Road Central, Hong Kong, on Thursday, 9 April 2009 at 10:30 a.m., at which resolutions will be proposed to (i) the Independent Shareholders to consider and, if thought fit, approve the resolutions in respect of the granting of the New General Mandate; and (ii) to the Shareholders to consider and, if thought fit, approve the resolutions in respect of the re-election of Mr. Tambunan and Mr. Choi as Directors and the adoption of the Share Option Scheme.

LETTER FROM THE BOARD

According to Rule 13.39(4) of the Listing Rules, any voting of the Shareholders at the EGM will be taken by way of poll and an announcement will be made after the EGM on the results of the EGM.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, there is (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon any Shareholder; and (ii) no obligation or entitlement of any Shareholder as at the Latest Practicable Date, whereby its has or may have temporarily or permanently passed control over the exercise of the voting right in respect of its Shares to a third party, either generally or on a case-by-case basis.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend and vote at such meeting, you are requested to complete and return the enclosed for of proxy to the Company's branch share registrar in Hong Kong, Tricor Standard Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

Pursuant to Rule 13.36(4)(a) of the Listing Rules, the New General Mandate requires the approval of the Independent Shareholders at the EGM at which any of the controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolutions. As at the Latest Practicable Date, there are no controlling Shareholders. Accordingly, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolutions. Save as disclosed, to the best of the Directors' knowledge, information and belief, no Directors and their associates beneficially hold any Shares as at the Latest Practicable Date.

To the best of the Directors' knowledge, information and belief having making all reasonable enquiries, no Shareholders have a material interest in the re-election of Directors and the adoption of the Share Option Scheme and therefore required to abstain from voting at the EGM approving the re-election of Mr. Tambunan and Mr. Choi as Directors and the adoption of the Share Option Scheme at the EGM.

APPLICATION FOR LISTING

Application will be made to the Listing Committee of the Stock Exchange for the approval of the Share Option Scheme and the subsequent granting of Options thereunder and for the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options granted under the Share Option Scheme.

LETTER FROM THE BOARD

RECOMMENDATION

Your attention is also drawn to the letter of advice from INCU set out on pages 12 to 16 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in connection with the granting of the New General Mandate and the letter from the Independent Board Committee set out on page 11 of this circular which contains its recommendation to the Independent Shareholders in relation to the granting of the New General Mandate. The Independent Board Committee, having taken into account the advice of INCU in relation to the New General Mandate, is of the opinion that the New General Mandate is in the best interest of the Company and is fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, the Board also recommends the Independent Shareholders to vote in favour of the ordinary resolutions for the grant of New General Mandate at the EGM.

The Board considers that the re-election of Mr. Tambunan and Mr. Choi as Directors is fair and reasonable and is in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the ordinary resolutions approving the re-election of Directors at the EGM.

The Board also considers that the proposed adoption of the Share Option Scheme are in the best interests of the Company and the Shareholders as a whole as the provisions of the Share Option Scheme and any Options granted thereunder will be in line with the requirements of Chapter 17 in the Listing Rules. Accordingly, the Board also recommends the Shareholders to vote in favour of the ordinary resolutions approving the adoption of the Share Option Scheme at the EGM.

GENERAL

The Share Option Scheme will be approved on the basis that it will comply with the Listing Rules in force from time to time.

The English text of this circular and form of proxy shall prevail over the Chinese text.

RESPONSIBILITY STATEMENT

This circular includes particulars 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.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information as set out in the appendices to this circular.

By order of the Board
Temujin International Investments Limited
Antonio Ibrahim Tambunan
Executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



T E M U J I N

TEMUJIN INTERNATIONAL INVESTMENTS LIMITED

泰潤國際投資有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 204)

23 March 2009

To the Independent Shareholders

Dear Sir or Madam,

REFRESHMENT OF GENERAL MANDATE TO ALLOT AND ISSUE SHARES

We refer to the circular of the Company dated 23 March 2009 (the “**Circular**”) of which this letter forms part. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as defined in the Circular.

We have been appointed by the Board to advise the Independent Shareholders as to whether the terms of the proposed grant of the New General Mandate are fair and reasonable so far as the Independent Shareholders are concerned. INCU has been appointed as the independent financial adviser to advise us in this respect.

Having considered the principal reasons and factors considered by, and the advice of INCU as set out in its letter of advice to us on pages 12 to 16 of the Circular, we are of the opinion that the grant of the New General Mandate is in the interests of the Company and the Shareholders as a whole and is fair and reasonable so far as the Company and the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the grant of the New General Mandate.

Yours faithfully

For and on behalf of the Independent Board Committee

Mr. Li Man Nang

Independent non-executive Director

Mr. Jeffrey John Ervine

Independent non-executive Director

Mr. Choi Yong Seok

Independent non-executive Director

* For identification purposes only

LETTER FROM INCU

The following is the text of the letter from INCU Corporate Finance Limited to the Independent Board Committee and the Independent Shareholders, prepared for incorporation into this circular in connection with the grant of New General Mandate.



INCUB Corporate Finance Limited

Unit 1602, Ruttonjee House
Ruttonjee Centre, 11 Duddell Street
Central, Hong Kong

23 March 2009

To: *The Independent Board Committee and
the Independent Shareholders*

Dear Sirs,

REFRESHMENT OF GENERAL MANDATE TO ALLOT AND ISSUE SHARES

INTRODUCTION

We refer to our appointment as the independent financial adviser in respect of the New General Mandate. Details of the New General Mandate are set out in the Letter from the Board contained in the circular of the Company to the Shareholders dated 23 March 2009 (the “Circular”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless otherwise defined.

Pursuant to Rule 13.36(4)(a) of the Listing Rules, the grant of the New General Mandate is subject to the approval of the Independent Shareholders by way of a poll at the EGM with the controlling Shareholders and their associates or, where there are no controlling Shareholders, Directors (excluding the independent non-executive Directors) and the Chief Executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolutions. As at the Latest Practicable Date, there is no controlling Shareholder and to the best of the Directors’ knowledge, information and belief, no Director beneficially holds any Shares as at the Latest Practicable Date.

The Independent Board Committee comprising all of the independent non-executive Directors, namely Mr. Li Man Nang, Mr. Jeffrey John Ervine and Mr. Choi Yong Seok has been established to advise the Independent Board Committee and the Independent Shareholders on the New General Mandate.

LETTER FROM INCU

BASIS OF OUR OPINION

In formulating our opinion, we have relied on the information and facts supplied, and representations made by the management of the Company and the Directors. We have assumed that all information and facts provided and the representations made by the management of the Company and the Directors, for which they are solely and wholly responsible, are true, accurate and complete in all material aspects at the time they were made and continue to be so up to the date of the EGM.

We have no reason to suspect that any material fact or information has been withheld or to doubt the truth, accuracy and completeness of the information and representations contained in the Circular and provided to us by the Directors, or the reasonableness of the opinions expressed by the management of the Company and the Directors. The Directors have collectively and individually accepted full responsibility for the accuracy of the information contained in the Circular and have confirmed, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in the Circular have been arrived at after due and careful consideration and there is no other fact the omission of which would make any statement in the Circular misleading. We have relied on the Company and the Directors to provide us with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have relied on such information and representations but have not, however, conducted any independent in-depth investigation into the business, financial conditions and affairs or the future prospects of the Group nor have we carried out any independent verification of the information supplied. We have taken all reasonable steps as required under Rule 13.80 of the Listing Rules (including the notes thereto) to satisfy ourselves that there is a reasonable basis for our advice as stated herein.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion on the New General Mandate, we have taken into consideration the following principal factors and reasons:

1. Background and reason for the New General Mandate

At the annual general meeting of the Company held on 26 August 2008 (the “AGM”), the Directors were granted a general mandate to allot, issue and deal with new Shares of up to 20% of the aggregate issued share capital of the Company as at the date of such meeting. As at the date of the AGM, 21,042,300 Shares were in issue. Accordingly, up to 4,208,460 new Shares can be issued under the current general mandate (the “Current General Mandate”).

As announced by the Company on 5 January 2009, the Company has engaged a placing agent to place 4,208,460 unlisted warrants (“Warrants”) to not less than six independent placees. Exercise in full of the subscription rights attaching to the Warrants at the initial subscription price of HK\$1.00 per new Shares will lead to the issue of 4,208,460 new Shares, which will be allotted and issued under the Current General Mandate. The Current General Mandate is therefore fully utilized.

As stated under the section headed “Reasons for the New General Mandate” in the Letter from the Board (the “Letter”), the Board considers equity financing to be an important avenue of resources to the Group since it does not create any interest paying obligations on the Group.

LETTER FROM INCU

In order to provide flexibility to the Directors to exercise the power of the Company to issue new Shares in the future as speedily as possible when needed, the Directors proposed to seek the Shareholders' approval of the New General Mandate such that the Directors can exercise the power of the Company to allot, issue and deal with new Shares up to 20% of the issued share capital of the Company as at the date of the EGM plus the number of Shares repurchased by the Company pursuant to the repurchase mandate granted to the Directors at the AGM.

Based on the Company's issued share capital of 21,042,300 Shares as at the Latest Practicable Date, and assuming no Share would be issued and/or repurchased on or before the date of the EGM, the New General Mandate, if granted, would empower the Directors to allot, issue or otherwise deal with up to 4,208,460 new Shares.

As stated under the section headed "Reasons for the New General Mandate" in the Letter from the Board (the "Letter"), the Board has confirmed that there is no immediate funding need for the Group's current operations and that there is currently no concrete proposal presented by potential investors for investment in the Shares.

Save for the placing of Warrants which was completed on 6 February 2009, there has been no fund raising by the Company during the past twelve months from the Latest Practicable Date.

2. Financing alternatives

As stated in the interim report of the Company for the six months ended 30 September 2008, the Board has been actively seeking fund raising opportunities to strengthen the Company's financial position. The Board realizes that to secure funding is not easy at the current market condition and will keep this as the top priority task.

The outbreak of the financial tsunami in the fourth quarter of 2008 has caused significant disruptions to the financial markets worldwide. The stock market has become more volatile than before and most financial institutions have tightened their credit policies. In the circumstances, it would be in the interest of the Company to secure more flexibility in financial planning and management. The granting of the New General Mandate will restore the Directors' power to issue up to a total of 20% of the issued share capital of the Company as at the date of the EGM, and thereby enhancing the Company's ability to raise more equity capital, which is non-interest bearing, as and when the financial market condition is suitable and capture opportunities arise in a timely manner.

Without the renewal of the New General Mandate, any further equity issue by the Company will require specific approval from Shareholders at general meeting. The extra time taken for holding the general meeting to obtain the specific Shareholders' approval and the uncertainty as to the voting results may hinder the Company's ability to grasp suitable investment opportunities, and may defer potential investors from subscribing new Shares and injecting new capital into the Company.

In light of the aforesaid, we consider it would be in the interest of the Company to obtain Shareholders' approval for the New General Mandate.

LETTER FROM INCU

3. Potential dilution to the Shareholders

The table below sets out the shareholding of the Company as at the Latest Practicable Date and the potential dilution effect upon full utilisation of the New General Mandate assuming no other change to the issued share capital of the Company:

	As at the Latest Practicable Date		Upon full utilisation of the New General Mandate	
	Number of Shares	%	Number of Shares	%
Wang Annie	3,914,500	18.60	3,914,500	15.50
Key Mark Investments Limited (<i>Note</i>)	2,958,800	14.06	2,958,800	11.72
Other public Shareholders	14,169,000	67.34	14,169,000	56.11
Shares to be issued under the New General Mandate	—	—	4,208,460	16.67
Total	<u>21,042,300</u>	<u>100.00</u>	<u>25,250,760</u>	<u>100.00</u>

Note: Ms. Kwok Kit Ping beneficially owns the entire issued share capital of Key Mark Investments Limited. Key Mark Investments Limited in turn owns 2,958,800 ordinary shares of the Company.

The issue of the new Shares under the New General Mandate would be dilutive to the percentage shareholding of the existing Shareholders as to a maximum of 16.67%. All Shareholders will be affected to the same extent as long as the new Shares to be issued under the New General Mandate are to third parties other than the existing Shareholders. In view of the benefits of the New General Mandate as discussed above, we consider such potential dilution of shareholding to be acceptable.

4. Restriction on utilization of the New General Mandate

Pursuant to Rule 13.36(5) of the Listing Rules, in the case of placing of securities for cash consideration, the Company may not issue any securities under the New General Mandate if the relevant issue price represents a discount of 20% or more to the higher of:

- (i) the closing price of the Shares on the date of the relevant placing agreement; and
- (ii) the average closing price in the 5 trading days immediately prior to the earlier of:
 - (a) the date of announcement of the relevant placing;
 - (b) the date of the relevant placing agreement; and
 - (c) the date on which the pricing of the relevant placing is fixed,

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unless otherwise allowed by the Stock Exchange. We consider such restriction would serve as a reasonable measure to govern the terms of any new issue under the New General Mandate, and thereby safeguarding the interests of the Company and the Shareholders.

Shareholders should also note that the authority granted to the Directors under the New General Mandate will be valid for a fixed period until the earlier of (i) the conclusion of the Company's next annual general meeting; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of the Company or any applicable laws of the Cayman Islands to be held; and (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors in respect of the New General Mandate. The fixed term of the New General Mandate will allow Shareholders to review and reconsider the authority given to the Directors to issue new Shares on a regular basis.

CONCLUSION

Having taken into account the principal factors set out above, we are of the opinion that the grant of the New General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of ordinary resolutions to be proposed at the EGM to approve the grant of the New General Mandate.

Yours faithfully,
For and on behalf of
INCU Corporate Finance Limited
Thomas Lee
Director

The details of the Directors who will retire from office at the EGM and being eligible, will offer themselves for re-election at the EGM, are set out below:

As shown below is the details of Mr. Tambunan, who is to be re-elected as an executive Director.

Mr. Tambunan

Mr. Tambunan, aged 40, holds a bachelor degree from Boston University where he majored in International Relations and a master degree from Boston University in Business Administration. After his graduation, Mr. Tambunan joined B&S Tour and Travel Company Limited in 1991 as a Marketing Executive which mainly involved account services for corporate clients. Thereafter, Mr. Tambunan joined SBC Warburg Dillon Read in 1997 as Associate and was involved in equity/equity-linked corporate finance transactions, formulation of financial models, due diligence and investment banking research. Later, Mr. Tambunan joined Deloitte & Touche Corporate Finance Limited in Hong Kong as Manager. Mr. Tambunan was mainly involved in financial restructuring and the recovery process for clients after the Asian financial crisis. Following Mr. Tambunan served Deutsche Bank as Vice President in Hong Kong in 2000 managing a team of analysts overseeing regional coverage of emerging technologies. Leaving Deutsche Bank, Mr. Tambunan joined bx.com as Chief Financial Officer mainly involved in accounting and budgeting operations. Thereafter, in 2005 Mr. Tambunan joined Bear Stearns Company in Hong Kong as Senior Analyst involved in the management of a team of analysts covering the online gaming sector. Starting from April 2007, Mr. Tambunan served as the Chief Investment Officer in Gigamedia Limited who is responsible for the global investments in the video games industry.

Mr. Tambunan:

1. has confirmed that he does not have any interest in and does not hold any short position in any shares or underlying shares in or any debenture of the Company or any of its associated companies within the meaning of Part XV of the Securities and Futures Ordinance;
2. has confirmed that he has no relationships with any director, senior management or substantial or controlling Shareholder of the Company (as defined in the Listing Rules);
3. has confirmed that he did not have any directorship in other listed public company in the past three years;
4. will receive an annual director fee of HK\$60,000 which is determined by arm's length negotiation between the parties with reference to prevailing market rate and the responsibility and duty of Mr. Tambunan to the Company. Mr. Tambunan is not entitled to any bonus payment to the Company; and
5. the term of service of Mr. Tambunan is not fixed and is subject to retirement by rotation and reelection at annual general meetings of the Company in accordance with the Articles of the Company.

Save as disclosed above, there is no other information that needs to be brought to the attention of the Shareholders or disclosed pursuant to Rule 13.51(2) of the Listing Rules.

As shown below is the details of Mr. Choi, who is to be re-elected as an independent non-executive Director.

Mr. Choi

Mr. Choi, age 46, a Korean national, graduated from Seoul National University Law School in 1985. Mr. Choi was a Prosecuting Attorney for The Special Task Team at Seoul Central Public Prosecutor's Office between 1988 and 1996. After leaving the position as a Senior District Attorney at the Ministry of Justice, Mr. Choi launched his own law firm, OSEO, from 1999 to 2004 and served as a Professor at Judicial Research and Training Institute of Korea between 2004 and 2006. Currently, Mr. Choi is working as Senior Legal Advisor for many major companies in Korea.

Mr. Choi:

1. has confirmed that he does not have any interest in and does not hold any short position in any shares or underlying shares in or any debenture of the Company or any of its associated companies within the meaning of Part XV of the Securities and Futures Ordinance;
2. has confirmed that he has no relationships with any director, senior management or substantial or controlling Shareholder of the Company (as defined in the Listing Rules);
3. has confirmed that he did not have any directorship in other listed public company in the past three years;
4. will receive an annual director fee of HK\$60,000 which is determined by arm's length negotiation between the parties with reference to prevailing market rate and the responsibility and duty of Mr. Choi to the Company. Mr. Choi is not entitled to any bonus payment to the Company; and
5. the term of service of Mr. Choi is not fixed and is subject to retirement by rotation and reelection at annual general meetings of the Company in accordance with the Articles of the Company.

Save as disclosed above, there is no other information that needs to be brought to the attention of the Shareholders or disclosed pursuant to Rule 13.51(2) of the Listing Rules.

SHARE OPTION SCHEME

The following is a summary of the principal terms of the Share Option Scheme but does not form part of, nor was it intended to be, part of the Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the Share Option Scheme:

(a) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to enable the Company to grant Options to Eligible Participants of the Group in recognition of their contribution to the Group.

(b) Grant and acceptance of Options

Subject to the terms of the Share Option Scheme, the Directors may, at their absolute discretion, invite employees of the Group including executive directors, the non-executive directors of the Company or any of its subsidiary, any suppliers, consultants, agents and advisers, whether on a contractual or honorary basis and whether paid or unpaid, who have contributed or will contribute to the Group to take up Options to subscribe for Shares at a price calculated in accordance with paragraph (c) below.

An offer of the grant of an Option shall be made to Eligible Participants by letter in such form as the Board may from time to time determine and shall remain open for acceptance by the Eligible Participant concerned for a period of 28 days from the date upon which it is made provided that no such offer shall be open for acceptance after the earlier of the 10th anniversary of the Adoption Date or the termination of the Share Option Scheme.

A non-refundable nominal consideration of HK\$1.00 is payable by the grantee upon acceptance of an Option. An Option shall be deemed to have been accepted when the duplicate letter comprising acceptance of the Option duly signed by the Eligible Participant together with the said consideration of HK\$1.00 is received by the Company.

Any offer of the grant of an Option may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in such number of Shares as represents a board lot for the time being for the purpose of trading on the Stock Exchange or an integral multiple thereof.

(c) Price of Shares

The exercise price for Shares under the Share Option Scheme may be determined by the Board at its absolute discretion but in any event will not be less than the higher of: (i) the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant, which must be a Business Day, and (ii) the average closing price of the Shares as stated in the daily quotations sheets of the Stock Exchange for the five Business Days immediately preceding the date of grant.

(d) Maximum number of Shares

- (i) Subject to (iii) below, the maximum number of Shares in respect of which Options may be granted under the Share Option Scheme shall not, when aggregated with any Shares subject to any other schemes, exceed such number of Shares as represent 10 per cent. of the issued Shares as at the Adoption Date (the “**Scheme Mandate Limit**”). The Company may seek approval Shareholders in a general meeting for “refreshing” the Scheme Mandate Limit. However, the total number of Shares which may be issued upon exercise of all Options to be granted under all of the schemes of the Company (or its subsidiary) under the limit as “refreshed” must not exceed 10 per cent. of the Shares in issue as at the date of approval of the limit. Options previously granted under the scheme (including those outstanding, cancelled, lapsed in accordance with the scheme or exercised Options) will not be counted for the purpose of calculating the limit as “refreshed”.
- (ii) Subject to (iii) below, the Company may issue Options to Eligible Participants specifically identified over and above the Scheme Mandate Limit subject to shareholders’ approval in a general meeting and the issue of a circular.
- (iii) The total number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and any other scheme of the Company must not exceed 30 per cent. of the total issued Shares from time to time

The total number of Shares issued and to be issued on the exercise of Options granted and to be granted (including both exercised and outstanding Options) in any 12-month period up to the date of grant of each Eligible Participant shall not exceed 1 per cent. of the total issued Shares unless (i) a shareholders’ circular is despatched to the Shareholders; (ii) the Shareholders approve the grant of the Options in excess of the 1 per cent. limit referred to in this paragraph; and (iii) the relevant Eligible Participant and its associates abstain from voting on such resolution.

The exercise of any Option shall be subject to Shareholders’ approval in a general meeting of any necessary increase in the authorised share capital of the Company. Subject thereto, the Board shall make available sufficient authorised but unissued share capital of the Company to allot the Shares on the exercise of Options.

(e) Exercise of Options

An Option may be exercised at any time during the period to be determined and identified by the Board to each grantee at the time of making an offer for the grant of an Option, but in any event no later than 10 years from the date of grant but subject to the early termination of the Share Option Scheme (the “**Option Period**”).

An Option may be exercised in whole or in part by the grantee giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the subscription price for the Shares in respect of which the notice is given. Within 28 days after receipt of the notice and the remittance and, where appropriate, receipt of the certificate of the Company's auditors, the Company shall allot and issue the relevant Shares to the grantee (or his legal personal representative(s)) credited as fully paid.

There is no performance target which must be achieved before any of the Options can be exercised.

(f) Restrictions on the time of grant of Options

Grant of Options may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been published in the newspapers. In particular, no Option may be granted:

- (i) during the period of 60 days immediately preceding the publication date of the Company's annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (ii) during the period of 30 days immediately preceding the publication date of the Company's interim results or, if shorter, the period from the end of the relevant interim period up to the publication date of the results.

(g) Rights are personal to grantees

An Option is personal to the grantee and shall not be assignable. An Option shall not be sold, transferred, charged, mortgaged, encumbered or created with any interest in favour of any third party.

(h) Rights on dismissal or ceasing employment

If the grantee of an Option, being an employee of a member of the Group, ceases to be an Eligible Participant for any reason other than his death or the termination of his employment on one or more of the grounds of persistent or serious misconduct, bankruptcy, insolvency, composition with his creditors generally or conviction of any criminal offence or other ground on which an employer would be entitled to terminate his employment pursuant to any applicable law, his Option (to the extent not already exercised) will lapse on the date of cessation of his employment and shall not be exercisable unless the Board otherwise determines in which event, the Option (or such remaining part thereof) shall be exercisable within such period as the Board may determine following the date of such cessation, which date shall be the last actual working day with the Company or the relevant subsidiary whether salary is paid in lieu of notice or not.

(i) Rights on death

If the grantee of an Option, being an employee of a member of the Group, ceases to be an employee of the Group by reason of his death and none of the events which would be ground for termination of his employment under paragraph (h) above occurs, his personal representative(s) may exercise the Option in full (to the extent not already exercised) within a period of 12 months following the date of his death (or such longer period as the Board may determine).

(j) Cancellation of Options

Any cancellation of Options granted but not exercised and the issuance of new Options to the same grantee may only be made under the Share Option Scheme with available unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit referred to in paragraph (d)(i) above. Options lapsed in accordance with the terms of the Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.

(k) Effect of alterations to share capital

In the event of any alteration in the capital structure of the Company by way of capitalisation of profits or reserved, rights issue, consolidation, subdivision or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction while any Option remains exercisable), such corresponding alterations (if any) will be made in (i) the numbers of Shares subject to any Option so far as such Option remains unexercised and/or (ii) the subscription price per Share and/or (iii) the method of exercise of the Option as and independent financial adviser or the auditors for the time being of the Company shall at the request of the Company or any grantee certify in writing to be in their opinion fair and reasonable, provided that any such alterations shall be made on the basis that the grantee shall have the same proportion of the issued share capital of the Company to which he was entitled before such alteration and the aggregate subscription price payable by the grantee on the full exercise of any Option shall remain as nearly as possible the same as (but not greater than) it was before such event, but so that no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. Save in the case of a capitalisation issue, an independent financial adviser or the auditors for the time being of the Company must confirm to the Directors in writing that such adjustment(s) satisfy the aforesaid requirements.

(l) Rights on a general offer

In the event of a general offer being made to all Shareholders (or all such holders other than the offeror and/or person controlled by the offeror and/or any person acting in concert (as defined in the Takeovers Code) with the offeror) and such offer becomes or is declared unconditional during the Option Period of the relevant Option, the grantee (or his personal representative(s)) shall be entitled to exercise the Option in full (to the extent not already exercised) at any time within one month after the date on which the offer becomes or is declared unconditional.

(m) Rights on winding up

In the event a notice is given by the Company to its members to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date or as soon as after it despatches such notice to each member of the Company give notice thereof to all grantees and any grantee (or his personal representative(s) provided none of the events which would be ground for termination of his employment under paragraph (h) above occurs) may by notice in writing to the Company accompanied by a remittance for the full amount of the aggregate subscription price in respect of the relevant Option (such notice to be received by the Company no later than two Business Days prior to the proposed general meeting) exercise the Option (to the extent not already exercised) either to its full extent or to the extent that he may specify in his notice and the Company shall as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot and issue such number of Shares to the grantee credited as fully paid.

(n) Rights on reconstruction, compromise or arrangement

If a compromise or arrangement between the Company and its members or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice to the grantee on the same date as it despatched the notice to each member or creditor of the Company to consider such a compromise or arrangement, and thereupon the grantee (or his personal representative(s) may by notice in writing to the Company accompanied by a remittance of the full amount of the subscription price in respect of which the notice is given (such notice to be received by the Company no later than two Business Days prior to the proposed meeting) exercise the Option (to the extent not already exercised) either to its full extent or to the extent specified in the notice and the Company shall as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed general meeting allot and issue such number of Shares to the grantee credited as fully paid.

(o) Ranking of Shares

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the articles of association of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment and accordingly will entitle the holders of Shares to participate in all dividends or other distributions paid or made on or after the date of allotment other than any dividends or other distributions previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the date of allotment.

(p) Duration and administration of the Share Option Scheme

The Share Option Scheme shall continue in force for the period commencing from the Adoption Date and expiring at the close of business on the tenth anniversary thereof, after such period no further Options will be granted but the provisions of the Share Option Scheme shall remain in full force and effect in respect of any Options granted before its expiry or termination but not yet exercised. The Share Option Scheme shall be subject to the administration of the Board whose decision (save as otherwise provided therein) shall be final and binding on all parties.

(q) Alterations to the terms of the Share Option Scheme

- (i) The provisions relating to the matters set out in rule 17.03 of the Listing Rules cannot be altered to the advantage of participants without the prior approval of Shareholders in a general meeting.
- (ii) Any alterations to the terms and conditions of the Share Option Scheme of the Company or any of its subsidiaries which are of a material nature or any change to the terms of Options granted must be approved by Shareholders, except where the alterations take effect automatically under the existing terms of the Share Option Scheme.
- (iii) The amended terms of the Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (iv) Any change to the authority of the Directors or the Share Option Scheme administrators in relation to any alteration to the terms of the Share Option Scheme must be approved by Shareholders in a general meeting.

(r) Conditions of the Share Option Scheme

The Share Option Scheme is conditional upon:

- (i) the passing of an ordinary resolution to adopt the Share Option Scheme by the Shareholders; and
- (ii) the Listing Committee of the Stock Exchange granting:
 - (a) approval of the Share Option Scheme;
 - (b) approval of the subsequent grant of Options by the Company pursuant to the terms and conditions of the Share Option Scheme; and
 - (c) the listing of and permission to deal in any Shares which may fall to be issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the Share Option Scheme.

(s) Grant of Options to connected persons or any of their associates

Any grant of Options to a connected person or its associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options). Where Options are proposed to be granted to a connected person who is also a substantial shareholder of the Company or an independent non-executive Director or their respective associates and if such grant would result in the total number of Shares issued and to be issued upon exercise of the Options granted and to be granted (including Options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant to such person representing in aggregate over 0.1 per cent. of the total issued Shares and having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK\$5 million, then the proposed grant must be subject to the approval of Shareholders taken on a poll in a general meeting. All connected persons of the Company must abstain from voting at such general meeting (except where any connected person intends to vote against the proposed grant provided that his intention to do so has been stated in the shareholders' circular to be issued as stated below).

A shareholders' circular must be prepared by the Company explaining the proposed grant, disclosing (i) the number and terms of the Options to be granted, (ii) containing a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a grantee) on whether or not to vote in favour of the proposed grant, (iii) containing information relating to any Directors who are trustees of the scheme or have a direct or indirect interest in the trustees.

Any change in the terms of Options granted to a connected person or its associates must be approved by Shareholders in a general meeting.

(t) Lapse of Options

An Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (i) subject to paragraph (e), the expiry of the Option Period;
- (ii) the expiry of any of the periods referred to in paragraph (h), (i), (l), (m) or (n);
- (iii) the date on which the grantee ceases to be an Eligible Participant by reason of the termination of his employment or appointment (as the case may be) on any one or more of the grounds under paragraph (h). A resolution of the Board of the Company or the relevant subsidiary to the effect that employment or appointment (as the case may be) of a grantee has or has not been terminated on one or more of the grounds specified above shall be conclusive and binding on the grantee; or
- (iv) the date on which the grantee commits a breach of paragraph (h).

(u) Termination

The Company by ordinary resolution in a general meeting may at any time terminate the operation of the Share Option Scheme and in such event no further Options will be offered but in all other respects the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options granted prior to such termination.

Details of the Options granted, including Options exercised or outstanding, under the Share Option Scheme shall be disclosed in the circular to Shareholders seeking approval of any subsequent share option scheme to be established after such termination.

(v) General

The terms of the Share Option Scheme (and any other schemes adopted by the Company from time to time) shall be in accordance with the requirements set out in Chapter 17 of the Listing Rules.

The Company will comply with the relevant statutory requirements and the Listing Rules from time to time in force on a continuing basis in respect of the Share Option Scheme and any other schemes of the Company.

Any dispute arising in connection with the Share Option Scheme shall be referred to the decision of the auditors of the Company who shall act as experts and not as arbitrators and whose decision, in the absence of manifest error, shall be final and binding.

NOTICE OF EGM



T E M U J I N

TEMUJIN INTERNATIONAL INVESTMENTS LIMITED

泰潤國際投資有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 204)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of Temujin International Investments Limited (the “**Company**”) will be held at Unit 703, 7th Floor, 100 Queen’s Road Central, Hong Kong on Thursday, 9 April 2009 at 10:30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions with or without amendments as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT**, to the extent not already exercised, the mandate to allot and issue shares of the Company given to the directors of the Company (the “**Directors**”) at the annual general meeting (the “**AGM**”) of the Company held on 26 August 2008 be and is hereby revoked and replaced by the mandate **THAT**:
 - (a) subject to paragraph (c) below, pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares of HK\$0.20 each (the “**Shares**”) in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers 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 options or otherwise), issued or dealt with by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any 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, shall not exceed the aggregate of:

* For identification purposes only

NOTICE OF EGM

(aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and

(bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of such resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(d) for the purpose of this resolution:

“Relevant Period” means the period from the date of 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 the articles of association of the Company or any applicable law of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“Rights Issue” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

2. **“THAT** conditional upon the passing of resolution no. 1 above, the mandate granted to the Directors at the AGM to extend the general mandate to allot and issue Shares to Shares repurchased by the Company be and is hereby revoked and replaced by the mandate **THAT** the Directors be and they are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 1 above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

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3. “**THAT** Mr. Antonio Ibrahim Tambunan be re-elected as an executive director of the Company and that the board of directors of the Company be authorised to fix his remuneration.”
4. “**THAT** Mr. Choi Yong Seok be re-elected as an independent non-executive Director of the Company and that the board of directors of the Company be authorised to fix his remuneration.”
5. “**THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the Shares falling to be issued pursuant to the share option scheme (the “**Share Option Scheme**”), the terms of which are set out in the document marked “A” which has been produced to this meeting and signed by the chairman of this meeting for the purpose of identification, the rules of the Share Option Scheme be and are hereby approved and adopted and the directors of the Company be and are hereby authorised to grant options and to allot, issue and deal with Shares pursuant to the exercise of any option granted thereunder and to take all such steps as they may consider necessary or expedient to implement the Share Option Scheme.”

By order of the Board
Temujin International Investments Limited
Antonio Ibrahim Tambunan
Director

Hong Kong, 23 March 2009

Registered office:
P.O. Box 309
Ugland House
South Church Street
George Town
Grand Cayman
Cayman Islands
British West Indies

*Head office and principal place of
business in Hong Kong:*
Unit 703, 7th Floor
100 Queen’s Road Central
Hong Kong

Notes:

1. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his/her stead. A proxy needs not be a member of the Company.
2. In order to be valid, the form of proxy must be duly lodged at the Company’s branch registrar in Hong Kong, Tricor Standard Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong together with a power of attorney or other authority, if any, under which it is duly signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or any adjourned meeting.
3. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the above meeting or any adjournment thereof, should he so wish, and in such event, the form of proxy shall be deemed to be revoked.