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If you have sold or transferred all your shares in Dore Holdings Limited (the “Company”), you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

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This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities.

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*Dore.*

**DORE HOLDINGS LIMITED**

**多金控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 628)**

**DISCLOSEABLE TRANSACTION**

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A letter from the board of directors of the Company is set out on pages 7 to 25 of this circular.

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## DEFINITIONS

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

“Acquisition”	the proposed acquisition of the Sale Share on the terms contained in the Share Acquisition Agreement
“AGM”	the annual general meeting held by the Company on 1 August 2007
“Announcement”	the announcement of the Company dated 6 May 2008 in relation to the Acquisition
“associates”	has the same meaning ascribed to it under the Listing Rules
“Attributable Joli Profit”	the Joli Profit attributable to Leading Century, representing 0.04% of the Rolling Turnover under the Joli Profit Agreement
“Board”	board of the Directors
“Business Day”	a day (not being a Saturday, a Sunday or days on which a typhoon signal No. 8 or black rainstorm warning is hoisted in Hong Kong at 10:00 a.m.) on which banks are generally open for general banking business in Hong Kong
“Company”	Dore Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Stock Exchange
“Completion”	completion of the sale and purchase of the Sale Share in accordance with the terms and conditions of the Share Acquisition Agreement
“Consideration”	the consideration for the Acquisition in the amount of HK\$224.32 million
“Consideration Shares”	224 million new Shares to be allotted and issued to Multi Fit at the Issue Price and credited as fully paid subject to and in accordance with the terms and conditions of the Share Acquisition Agreement
“Director(s)”	director(s) of the Company

## DEFINITIONS

“Dore”	Dore Entretenimento Sociedade Unipessoal Limitada, a company incorporated in Macau, which is wholly-owned by Mr. Jean, Christophe Scolari and is principally engaged in the gaming promotion business
“First Period”	the period from 1 May 2008 to 31 July 2008
“Fourth Period”	the period from 1 February 2009 to 30 April 2009
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third party(ies) independent of and not connected with any director, chief executive or substantial shareholders of the Company and its subsidiaries or any of their respective associate
“Issue Price”	HK\$0.65 per Consideration Share
“Joli”	Joli Entretenimento Sociedade Unipessoal Limitada, a company incorporated in Macau, which is wholly owned by Mr. Sin and is principally engaged in the gaming promotion business, an Independent Third Party
“Joli Junket Representative Agreement”	the junket representative agreement entered into between Wynn Macau, an Independent Third Party and Joli in December 2007
“Joli Profit”	0.4% of the Rolling Turnover generated by Joli and/or its customers at the Wynn Macau gaming rooms pursuant to the Joli Junket Representative Agreement and such other VIP gaming rooms whereby Joli is a duly appointed junket representative or such other VIP gaming rooms whereby Joli can procure the sale/assignment of a percentage of Rolling Turnover generated by the duly appointed junket representatives
“Joli Profit Agreement”	the agreement dated 30 April 2008 entered into among Leading Century as a purchaser, Mr. Sin as a vendor and Joli relating to the sale and/or assignment of a portion of the Joli Profit, calculated as 0.04% of the Rolling Turnover, to Leading Century

## DEFINITIONS

“Latest Practicable Date”	23 May 2008, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Leading Century”	Leading Century International Limited, a company incorporated in the British Virgin Islands, the entire issued share capital of which is owned by Multi Fit
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	Macau Special Administrative Region of the PRC
“MOP”	Patacas, the lawful currency of Macau
“MOU”	the non-legally binding memorandum of understanding dated 19 December 2007 entered into between Team Jade and Multi Fit, setting out the preliminary understanding in relation to the Possible Acquisition
“Mr. Sin”	Mr. Sin Chun Shing, an Independent Third Party
“Multi Fit”	Multi Fit Investments Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly owned by Mr. Sin
“Non-negotiable Chips”	also known as rolling chips or dead chips. These chips cannot be converted into negotiable chips nor can they be redeemed for other goods and services. These chips can only be bet in destined area of the casino. If the customer loses, these chips go to the casino. If the customer wins, he or she is paid the winnings and the amount bet in negotiable chips. The design of these chips are different from the negotiable chips and hence, the dealers and the cashiers of the casino can readily recognise them from negotiable chips
“Nove”	Nove Sociedade Unipessoal Limitada, a company incorporated in Macau, which is wholly-owned by Mr. Chen Yi-Ming and is principally engaged in the gaming promotion business
“PN 1”	the promissory note in a principal amount of HK\$12 million to be issued by the Company upon Completion pursuant to the Share Acquisition Agreement

## DEFINITIONS

“PN 2”	the promissory note in a principal amount of HK\$12 million to be issued by the Company upon Completion pursuant to the Share Acquisition Agreement
“PN 3”	the promissory note in a principal amount of HK\$12 million to be issued by the Company upon Completion pursuant to the Share Acquisition Agreement
“PN 4”	the promissory note in a principal amount of HK\$12 million to be issued by the Company upon Completion pursuant to the Share Acquisition Agreement
“Power Rush”	Power Rush Holdings Limited, an investment holding company incorporated in the British Virgin Islands and is wholly owned by Mr. Chen Yi-Ming
“Possible Acquisition”	the possible acquisition by Team Jade of a certain percentage of the issued share capital of Leading Century
“PR Agreement”	an agreement dated 24 August 2007 as supplemented by a supplemental agreement dated 18 September 2007 and entered into among Team Jade as a purchaser, Power Rush as vendor and warrantor and Mr. Chen Yi-Ming as warrantor
“PRC”	the People’s Republic of China, which for the purpose of this circular, shall exclude Hong Kong, Macau and Taiwan
“Profit Guarantees”	the guarantee provided by Mr. Sin under the Joli Profit Agreement that the Attributable Joli Profit for the Relevant Periods shall not be less than HK\$48 million
“Promissory Notes”	collectively PN1 to PN4
“Relevant Periods”	collectively, First Period, Second Period, Third Period and Fourth Period
“Rich Game”	Rich Game Capital Inc., an investment holding company incorporated in the British Virgin Islands and is wholly beneficially owned by Mr. Jean, Christophe Scolari

## DEFINITIONS

“Rolling Turnover”	the value of Non-negotiable Chips purchased by Joli on behalf of its customers less the value of Non-negotiable Chips returned by Joli on behalf of its customers to Wynn Macau and such other VIP gaming rooms whereby Joli is a duly appointed junket representative or such other VIP gaming rooms whereby Joli can procure the sale/assignment of a percentage of Rolling Turnover generated by the duly appointed junket representatives
“Sale Share”	1 ordinary share, being the entire issued share capital of Leading Century
“Sat Ieng”	Sat Ieng Sociedade Unipessoal Limitada, a company incorporated in Macau, which is wholly-owned by Mr. Tang Chien Chang and is principally engaged in the gaming promotion business
“Second Period”	the period from 1 August 2008 to 31 October 2008
“SFO”	Securities and Futures Ordinance, Cap.571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Acquisition Agreement”	the conditional sale and purchase agreement dated 5 May 2008 entered into between Team Jade as a purchaser, Multi Fit as vendor and Mr. Sin relating to the sale and purchase of the Sale Share
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental MOU”	the supplemental memorandum of understanding dated 30 April 2008 and entered into between Team Jade and Multi Fit, pursuant to which the long stop date of the MOU be extended to 30 June 2008
“Team Jade”	Team Jade Enterprises Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company, the purchaser under the Share Acquisition Agreement

## DEFINITIONS

“Third Period”	the period from 1 November 2008 to 31 January 2009
“Wynn Macau”	Wynn Macau, a luxury hotel and destination casino resort located at Rua Cidade de Sintra, NAPE, Macau and operated by Wynn Resorts (Macau) S.A.. Wynn Resorts (Macau) S.A. is a subsidiary of Wynn Resorts, Limited, the securities of which are traded on the NASDAQ stock exchange and is a hotel and gaming company
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“US\$”	United States of America dollars
“%”	per cent.





**DORE HOLDINGS LIMITED**

**多金控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 628)**

*Executive Directors:*

Mr. Lum Chor Wah, Richard (*Chairman*)

Mr. Pun Yuen Sang

Mr. Tang Hin Keung, Alfred

*Independent non-executive Directors:*

Mr. Leung Chi Hung

Mr. Tsui Robert Che Kwong

Mr. Cheung Johnny Yim Kong

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

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

Room 2108

Two International Finance Centre

No.8 Finance Street

Central

Hong Kong

27 May 2008

*To the Shareholders*

Dear Sir or Madam,

**DISCLOSEABLE TRANSACTION**

**INTRODUCTION**

Reference is made to the Announcement in which the Board announced that on 5 May 2008, Team Jade has entered into the Share Acquisition Agreement to acquire from Multi Fit the entire issued share capital of Leading Century at a total consideration of HK\$224.32 million.

The Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

The purpose of this circular is to provide you with further details regarding the Acquisition and the Group.

\* For identification purposes only

## LETTER FROM THE BOARD

### THE SHARE ACQUISITION AGREEMENT

Date: 5 May 2008

Parties:

Purchaser: Team Jade, a wholly-owned subsidiary of the Company

Vendor and Warrantor: Multi Fit

Warrantor: Mr. Sin

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Multi Fit, an investment holding company, and its ultimate beneficial owner, Mr. Sin are Independent Third Parties. There is no relationship between the existing Shareholders with each of Multi Fit and Mr. Sin. Multi Fit and Mr. Sin do not have any relationship nor are parties acting in concert with the existing convertible bond holders.

#### Assets to be acquired

Pursuant to the Share Acquisition Agreement, Multi Fit shall sell and Team Jade shall purchase or procure the purchase of and Mr. Sin shall use his reasonable endeavours to procure Multi Fit to sell, as a legal and beneficial owner, the Sale Share, being 1 share of US\$1.00 in the share capital of Leading Century, representing the entire issued share capital of Leading Century, free from any option, charge, lien, equity, encumbrance, rights of pre-emption or any other third party rights whatsoever and together with all rights attached to them at the date of Completion or subsequently becoming attached to them.

#### Consideration

The total consideration for the Sale Share is HK\$224.32 million and shall be settled by Team Jade (i) as to HK\$30.72 million in cash payable upon Completion; (ii) as to HK\$48 million by procuring the Company to issue the Promissory Notes to Multi Fit upon Completion; and (iii) as to HK\$145.6 million by procuring the Company to allot and issue the Consideration Shares to Multi Fit upon Completion credited as fully paid. The Promissory Notes shall be held in escrow subject to fulfillment of the Profit Guarantees as detailed below.

The Consideration is determined after arm's length negotiation between Team Jade and Multi Fit after considering the Profit Guarantees and the corresponding price earning multiple of 4.67 times, the continuous economic boom in Macau, the attractiveness of the casino that Joli operates as a gaming promoter and the prospects of Macau's gaming business with reference to the statistics in relation to "Gross revenue from different gaming activities" as published in the official website of Gaming Inspection and Coordination Bureau of the Government of Macau, details of which are set out in the section headed "Reasons for the Acquisition" below. Given the comparatively low price earning multiple, especially with reference to the price earning multiples of other companies engaging in

## LETTER FROM THE BOARD

gaming business, including the price earning multiple of 6 times at the deal of Neptune Group Limited (Stock Code: 70) and the price earning multiple of 6 times at the deal of China Star Entertainment Limited (Stock Code: 326), the Directors are of the view that the Consideration is fair and reasonable.

Pursuant to the Joli Profit Agreement, Mr. Sin, who owns the entire issued share capital of Joli, has irrevocably and unconditionally guaranteed to Leading Century that the Attributable Joli Profit for the Relevant Periods, which are from 1 May 2008 to 30 April 2009 (both dates inclusive), shall not be less than HK\$48 million. In the event the Profit Guarantees are not achieved, the Purchaser can deduct the relevant shortfall from the relevant Promissory Notes. The details of which are set out under the sub-section headed "Other important terms".

The Profit Guarantees are determined with reference to the existing level of business of Joli operating at Wynn Macau, the expected business growth and the possibility of being appointed as a junket representative in other VIP gaming rooms in Macau.

### Other important terms

#### *Undertakings by Multi Fit*

To protect the interests of the Company, Multi Fit has undertaken that:

- (1) the Promissory Notes will be held in escrow by the Company's legal advisers (or such other escrow agent as may be agreed between the parties) until the following Attributable Joli Profit is fully paid by Mr. Sin to Leading Century for each of the Relevant Periods set out below:

	<b>Profit Guarantees</b> <i>(in HK\$)</i>	<b>Relevant Promissory Notes to be released</b>
<b><i>Relevant Periods</i></b>		
First Period	12 million	PN 1
Second Period	12 million	PN 2
Third Period	12 million	PN 3
Fourth Period	12 million	PN 4
<b>Total</b>	<b><u>48 million</u></b>	

In the event that the Attributable Joli Profit actually received or receivable by Leading Century for any of the Relevant Periods equals to or exceeds the relevant portion of Profit Guarantees, Team Jade shall instruct the escrow agent to release the relevant Promissory Notes within 30 days from the end of the relevant Relevant Periods.

## LETTER FROM THE BOARD

- (2) In the event that there is shortfall between the Attributable Joli Profit actually received or receivable by Leading Century for any of the Relevant Periods and the relevant portion of Profit Guarantees, Team Jade shall instruct the escrow agent to deduct the relevant shortfall from the outstanding sum payable under the relevant Promissory Notes and shall procure the Company to issue a new promissory note(s) to Multi Fit, the outstanding sum of which shall be equivalent to the difference between (i) the outstanding sum under the relevant Promissory Notes and (ii) shortfall between the Attributable Joli Profit actually received and/or receivable by Leading Century and the relevant portion of Profit Guarantees during the relevant Relevant Periods within 30 days from the end of the relevant Relevant Periods;
- (3) if the shortfall between the relevant portion of Profit Guarantees and the Attributable Joli Profit actually received and/or receivable by Leading Century during the relevant Relevant Periods equals to the outstanding sum under the relevant Promissory Notes, the Company can cancel the relevant Promissory Notes;
- (4) In the event that the total Attributable Joli Profit actually received or receivable by Leading Century for the Relevant Periods equals to or exceeds HK\$48 million and Team Jade has deducted any shortfall from any of the Promissory Notes in any of the Relevant Periods pursuant to the Share Acquisition Agreement, Team Jade shall repay the total deducted amount of shortfalls in cash to Multi Fit within 30 days after the end of the Fourth Period; and
- (5) if the gaming promoter licence of Joli is cancelled, revoked, terminated, or is not renewed, or amended in a material and adverse manner to Joli by the relevant authorities in Macau at any time before the maturity of the Promissory Notes, Multi Fit shall return the Promissory Notes to the Company and the Company shall not be obliged to pay any outstanding sum under the Promissory Notes, even if the Attributable Joli Profit which have been received by the Group exceeds the Profit Guarantees and/or the amount of the Consideration at the time of the cancellation, revocation, termination or non-renewal of the gaming promoter licence of Joli.

### *Balance portion of the Joli Profit*

Other than the Joli Profit Agreement, Mr. Sin has had profit arrangements in respect of the balance portion of the Joli Profit under which (i) the Joli Profit calculated as 0.32% of the Rolling Turnover is shared as to 70% by Multi Fit and as to 30% by an Independent Third Party; and (ii) the Joli Profit calculated as 0.04% of the Rolling Turnover is entitled by such Independent Third Party. Pursuant to the Share Acquisition Agreement, Multi Fit shall use its best endeavours to procure the negotiations and agreements of terms in respect of the sale or assignment, whether directly or indirectly, of such balance portion of the Joli Profit.

## LETTER FROM THE BOARD

### Conditions precedent

Completion is subject to the following conditions having been fulfilled:

- (a) Team Jade being in its reasonable discretion satisfied with the results of the due diligence investigation in respect of Leading Century including but not limited to the affairs, business, assets, results, legal and financing structure of Leading Century (in particular, the Joli Profit Agreement);
- (b) Team Jade having received to its reasonable satisfaction a Macanese legal opinion on the legality and validity of the Joli Profit Agreement and the transactions contemplated thereunder;
- (c) no event having occurred since the date of the Share Acquisition Agreement to Completion, the consequence of which is to materially and adversely affect the financial position, business or property, results of operations or business prospects of Leading Century and such material adverse effect shall not have been caused;
- (d) the warranties given by Multi Fit in the Share Acquisition Agreement remaining true and accurate and not misleading at Completion as if repeated at Completion and at all times between the date of the Share Acquisition Agreement and Completion;
- (e) all necessary consents and approvals required to be obtained on the part of Team Jade, Multi Fit and Mr. Sin in respect of the Share Acquisition Agreement and the transactions contemplated thereby having been obtained;
- (f) the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Consideration Shares; and
- (g) if necessary, the Bermuda Monetary Authority granting consent to the allotment and issue of the Consideration Shares.

No condition is waivable under the Share Acquisition Agreement. As at the Latest Practicable Date, all of the conditions have been fulfilled.

### Completion

Completion shall take place at 11:00 a.m. on the second Business Day after the last of the conditions of the Share Acquisition Agreement having been fulfilled or at such other time as may be agreed between Multi Fit, Mr. Sin and Team Jade. Completion has taken place on 20 May 2008. There is no change in the Board subsequent to the Completion and the transaction does not result in a change of control of the Company.

Upon Completion, the Group owns the entire issued share capital of Leading Century.

## LETTER FROM THE BOARD

### **Long-stop date**

The Share Acquisition Agreement provides that should the satisfaction of all the above conditions not occur on or before 31 October 2008 or such other date as the parties thereto may agree, the Share Acquisition Agreement shall terminate.

### **TERMS OF PROMISSORY NOTES**

The Promissory Notes in an aggregate principal sum of HK\$48 million are used to settle part of the Consideration. Terms of each of the Promissory Notes has been negotiated on an arm's length basis and the principal terms of which are summarized below:

#### **Parties**

The Company as an issuer and Multi Fit as a payee

#### **Principal amount**

PN 1 HK\$12 million  
PN 2 HK\$12 million  
PN 3 HK\$12 million  
PN 4 HK\$12 million

#### **Interest**

Each of the Promissory Notes will carry interest at 5% per annum, payable quarterly in arrears by the Company.

#### **Maturity**

5 years from the date of issue of each of the Promissory Notes.

#### **Repayment**

Each of the Promissory Notes or such part thereof may be repaid earlier at the option of the Company at any time from the date of release of the relevant Promissory Notes from escrow up to a date immediately prior to the maturity of the relevant Promissory Notes.

Under each of the Promissory Notes, Multi Fit has right to demand early repayment of the outstanding principal sum under the relevant Promissory Notes at any time from the date of release of the relevant Promissory Notes from escrow up to a date immediately prior to the maturity of the relevant Promissory Notes in the event that:

- (1) there are changes in more than 50% of the members of the Board;

## LETTER FROM THE BOARD

- (2) the gaming promoter licence of Sat Ieng, Dore or Nove is cancelled, revoked, terminated or not renewed or amended in a material and adverse manner to Sat Ieng, Dore or Nove (as the case may be) by the relevant authorities in Macau; or
- (3) there is any reduction in the interest in Shares or underlying Shares held by Power Rush or Rich Game, which results in either Power Rush or Rich Game holding less than 10% of its respective interest in the Shares and underlying Shares in aggregate in the issued share capital of the Company.

Otherwise, the principal amount of each of the Promissory Notes is to be repaid upon its maturity.

If the Company defaults in repayment of any part of the principal sum in accordance with the terms of the relevant Promissory Notes, the Company shall pay interest on such overdue sum from the date of default until payment in full (before and after judgment) at the rate of 10% per annum.

### **Assignment**

Each of the Promissory Notes may, subject to the ten Business Days' prior written notice to the Company, be transferred or assigned by Multi Fit to any person. The Company will issue an announcement and inform the Stock Exchange if the relevant Promissory Note(s) is/are transferred or assigned to the connected persons (as defined in the Listing Rules) of the Company.

### **Return of the Promissory Notes**

If at any time the gaming promoter licence of Joli is cancelled, revoked, terminated or not renewed or amended in a material and adverse manner to Joli by the relevant authorities in Macau at any time before the maturity of the Promissory Notes, Multi Fit shall return the Promissory Notes to the Company and the Company shall not be obliged to pay any outstanding principal sum under the Promissory Notes.

### **TERMS OF THE CONSIDERATION SHARES**

224 million Consideration Shares will be allotted and issued at an issue price of HK\$0.65 per Consideration Share, credited as fully paid. The Consideration Shares, when allotted and issued, shall rank pari passu in all respects with the Shares in issue on the date of allotment and issue of the Consideration Shares including the right to all dividends, distributions and other payments made or to be made, the record date for which falls on or after the date of such allotment and issue.

The Consideration Shares represent (i) approximately 14.98% of the issued share capital of the Company as at the date of the Announcement; and (ii) approximately 13.03% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares.

## LETTER FROM THE BOARD

The Issue Price represents (i) a discount of approximately 16.67% to the closing price of HK\$0.78 per Share as quoted on the Stock Exchange on 2 May 2008, being the date immediately prior to the date of the suspension of trading in the Shares pending the release of the Announcement; (ii) a discount of approximately 6.34% to the average of the closing prices of approximately HK\$0.694 per Share as quoted on the Stock Exchange for the last five trading days up to and including 2 May 2008, being the date immediately prior to the date of the suspension of trading in the Shares pending the release of the Announcement; and (iii) a discount of approximately 4.84% to the average of the closing prices of HK\$0.62 per Share as quoted on the Stock Exchange for the last ten trading days up to and including 2 May 2008, being the date immediately prior to the date of the suspension of trading in the Shares pending the release of the Announcement.

The details of equity fund raising activities conducted by the Group in the past 12 months immediately preceding the date of the Announcement are set out as follows:

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds up to the date of the Announcement
20 July 2007	Placing of 45,000,000 existing Shares and subscription of 45,000,000 new Shares	HK\$117 million	Possible acquisition of certain percentage of the issued share capital of Triple Gain Group Limited and general working capital of the Group	Acquisition of 100% of the issued share capital of Triple Gain Group Limited and general working capital of the Group
19 July 2007	Placing of 161,280,000 existing Shares and subscription of 161,280,000 new Shares	HK\$419.3 million	Possible acquisition of certain percentage of the issued share capital of Triple Gain Group Limited and general working capital of the Group	Acquisition of 100% of the issued share capital of Triple Gain Group Limited and general working capital of the Group



## LETTER FROM THE BOARD

### Application for listing

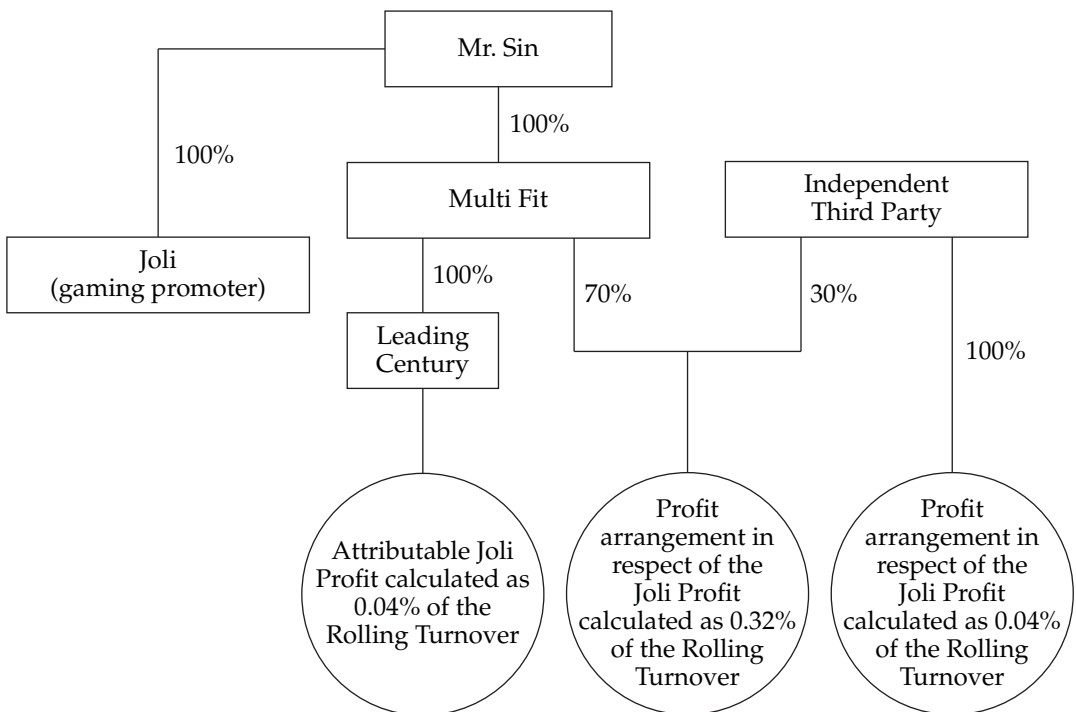
Application has been made by the Company to the Listing Committee for the listing of, and permission to deal in, the Consideration Shares.

### Issue under general mandate

The Consideration Shares have been allotted and issued under the general mandate granted by the Shareholders to the Directors in the AGM. As at the date of AGM, the Company was granted the general mandate to allot, issue and deal with a maximum of 224,808,000 Shares. As at the Latest Practicable Date, 224,000,000 Shares have been allotted and issued under the general mandate as Consideration Shares.

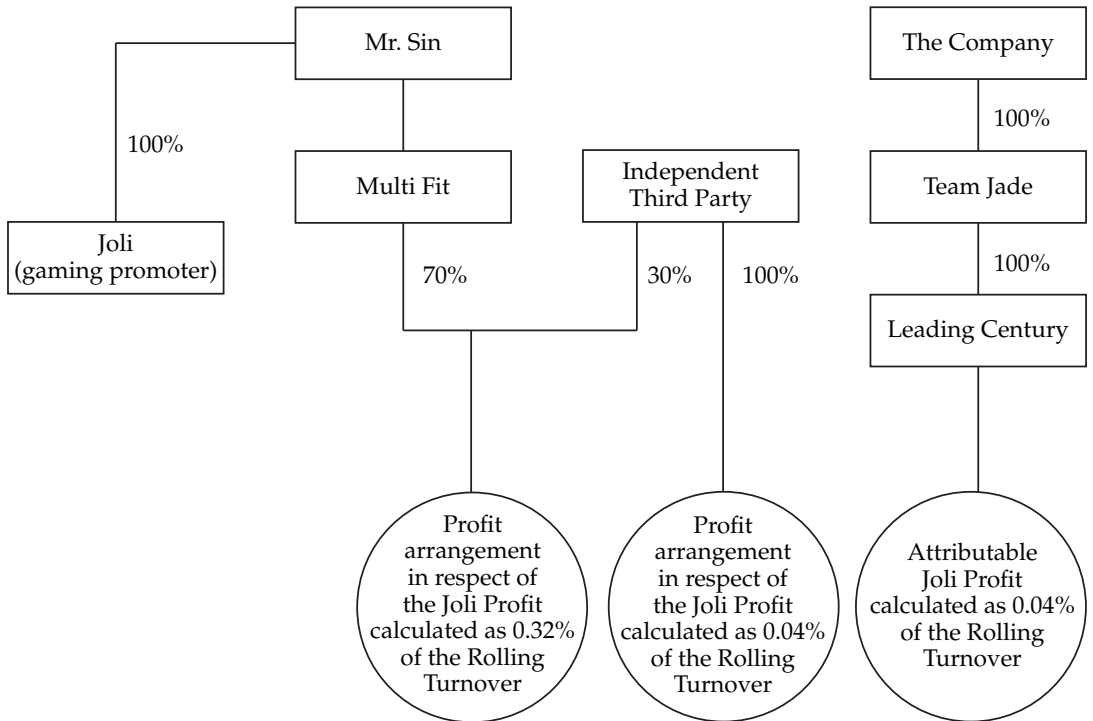
### CHANGE OF SHAREHOLDING STRUCTURE OF RELEVANT ENTITIES

The diagram below shows the shareholdings structure of the relevant entities immediately before Completion:



## LETTER FROM THE BOARD

The diagram below shows the shareholdings structure of the relevant entities immediately after Completion:



## LETTER FROM THE BOARD

### CHANGES IN SHAREHOLDING STRUCTURE

The following table sets out the shareholding structure of the Company (1) before Completion; (2) after allotment and issue of Consideration Shares; and (3) after full conversion of all the outstanding convertible bonds and allotment and issue of Consideration Shares:

	Before Completion		After allotment and issue of Consideration Shares		After full conversion of all the outstanding convertible bonds and allotment and issue of Consideration Shares	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Power Rush (Note 1)	119,170,444	*7.97%	119,170,444	*6.93%	248,311,069	12.71%
Rich Game (Note 2)	18,196,808	*1.22%	18,196,808	*1.06%	124,196,808	*6.35%
Sansar Capital Management (Note 3)	168,904,681	11.30%	168,904,681	*9.82%	168,904,681	*8.64%
Multi Fit (Note 4)	0	0%	224,000,000	13.03%	224,000,000	11.46%
<b>Public Shareholders</b>						
Kingdon Capital Management, LLC (Note 5)	102,787,972	*6.87%	102,787,972	*5.98%	102,787,972	*5.26%
Capital Research and Management Company (Note 6)	82,265,161	*5.50%	82,265,161	*4.78%	82,265,161	*4.21%
Others	1,003,930,127	67.14%	1,003,930,127	58.40%	1,003,930,127	51.37%
<b>Total</b>	<b>1,495,255,193</b>	<b>100%</b>	<b>1,719,255,193</b>	<b>100%</b>	<b>1,954,395,818</b>	<b>100%</b>

\* Public Shareholders

## LETTER FROM THE BOARD

*Notes:*

1. Power Rush is wholly-owned by Mr. Chen Yi-Ming, who is a general manager of the Company.
2. Rich Game is owned as to 51% by Global Rainbow Ltd. and as to 49% by Smart Gallant Limited, which are wholly-owned by Mr. Scolari Jean Christophe, a general manager of the Company.
3. Sansar Capital Management, LLC is the fund manager of Sansar Capital Opportunity Master Fund, LP.
4. Multi Fit is wholly-owned by Mr. Sin Chun Shing. Multi Fit and Mr. Sin are not parties acting in concert with any of the existing Shareholders as disclosed in the shareholding table.
5. Kingdon Capital Management, LLC is held as to 94.95% by Mr. Mark Kingdon. It is the 100% owner of M. Kingdon Offshore Ltd..
6. Capital Research and Management Company is a 100% subsidiary of The Capital Group Companies, Inc.

### INFORMATION OF LEADING CENTURY

Leading Century was incorporated on 5 September 2007 and is an investment holding company. The main asset of Leading Century is the Joli Profit Agreement. Other than the sharing of the profit stream under the Joli Profit Agreement, Leading Century has not conducted any other businesses as at the Latest Practicable Date.

According to the unaudited accounts of Leading Century, since its incorporation up to 30 April 2008, Leading Century does not have any profit and the total assets of and net assets of Leading Century as at 30 April 2008 were approximately HK\$780 and HK\$780 respectively.

On 30 April 2008, Leading Century as a purchaser entered into the Joli Profit Agreement with Mr. Sin as a vendor and Joli, pursuant to which Mr. Sin has agreed to sell, as beneficial owner, and/or assign to Leading Century absolutely his right, title and interest and benefits in and to a portion of the Joli Profit calculated as 0.04% of the Rolling Turnover at a consideration of HK\$1.00.

## LETTER FROM THE BOARD

Under the Joli Profit Agreement, Mr. Sin has undertaken to Leading Century that he will not at any time:

- (1) carry on the business of directing gaming patrons to casinos in Macau without the prior written approval from the shareholder(s) of Leading Century;
- (2) either on his own account or in conjunction with or on behalf of any other person or body corporate or unincorporate in competition with Joli directly or indirectly solicit or entice away from Joli any person or body corporate or unincorporate who now is or at any time a customer of Joli;
- (3) either on his own account or in conjunction with or on behalf of any other person or body corporate or unincorporate directly or indirectly solicit or entice away from Joli or employ or otherwise engage any person who now is or at any time an employee of Joli; and
- (4) transfer his shareholding at Joli to any person without the prior consent of the shareholder(s) of Leading Century.

The Joli Profit Agreement has been completed on 30 April 2008. There is no expiry date of the Joli Profit Agreement. The Joli Profit is generated from the gaming tables at the VIP gaming rooms in the new wing of Wynn Macau opened on 22 December 2007.

### INFORMATION OF JOLI AND THE VENDOR

#### Information of Joli

Joli is a company incorporated in Macau on 12 October 2007 and is wholly owned by Mr. Sin.

Joli has been appointed by Wynn Macau as a gaming promoter since December 2007. Gaming promoters are those persons who work with the casino operators in the high roller or VIP market. Many of the high rollers or VIP customers of the casinos are sourced by a network of gaming promoters who work with it. The gaming promoter business involves marketing and organizing business trips for enticing customers to participate in the gaming activities provided by the casino operator at VIP gaming rooms and providing related services, including food and beverage services, entertainment, accommodation arrangement and even providing VIP customers with credit.

Joli is licensed to act as a gaming promoter in Macau as evidenced in the "Licença De Promotor De Jogo Pessoa Collective". The gaming promoter licence of Joli was granted on 5 December 2007 and was renewed on 2 January 2008. The renewed gaming promoter licence is valid until 31 December 2008. The gaming promoter licence of Joli is renewable annually.

## LETTER FROM THE BOARD

### Information of the Vendor and Mr. Sin

The Vendor is an investment holding company which is wholly owned by Mr. Sin.

Mr. Sin is a trader of general merchandise. Through his business contacts, in particular with PRC entrepreneurs in both PRC and Hong Kong, he has established networks in the business circles in both mainland China and Hong Kong. Apart from his trading business, Mr. Sin has experience and knowledge in Asian gaming, including as an oversea promoter of several Macau casinos' VIP lounges and participating in organising Asian gaming tours to Macau for many years. Mr. Sin, who was one of the agents of Mr. Jean, Christophe Scolari in the past, was introduced to the Company through Mr. Jean, Christophe Scolari.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Joli and its ultimate beneficial owner, Mr. Sin, are Independent Third Parties.

### REASONS FOR THE ACQUISITION

The Company is an investment holding company. The Group is principally engaged in investing in operations which receive the profit streams from the entertainment related business and the trading of timber logs and provision of services.

The Group has been looking for further investment opportunities in order to maximise the return to the Shareholders. The gaming activities in Macau are prosperous. Based on the statistics in relation to "Gross revenue from different gaming activities" as published in the official website of Gaming Inspection and Coordination Bureau of the Government of Macau, the revenue generated by the gaming activities is growing steadily at an average annual growth rate of approximately 43% for the period between 2002 and 2007, and the gaming revenue amounted to MOP83.85 billion for the year of 2007. In the first quarter of the year 2008, the reported gross gaming revenues of Macau have grown further by about 62% comparing with the previous corresponding period. The Directors expects that the Acquisition will be a good opportunity for the Group to generate additional income in the future. Moreover, the Acquisition can diversify the source of profit that the Company shares and reduce the Company's reliance on the profit sourced from the rolling turnover generated by Sat Ieng, Dore and Nove in the relevant casinos in Macau.

In addition, the Board considers that the market of gaming activities in Macau is moving towards a direction that the gaming promoters will aggregate together as a team to bargain for more competitive terms with the casinos in Macau and to maintain their leading or prominent position in Macau casinos, in particular those US casinos operating in Macau. The Board believes that the Acquisition enables the Group to secure the relationship with one more prominent gaming promoter in Macau, namely, Joli, and to procure for the sale of the balance portion of the Joli Profit to the Group.

## LETTER FROM THE BOARD

To ensure the Acquisition is fair and reasonable and in the interest of the Shareholders as a whole, (1) legal opinion has been sought to ensure that the gaming business participated by Joli is lawful; (2) favourable terms, including the Profit Guarantees, are also bargained from the counterparty, which is secured by the escrowed Promissory Notes; (3) the Directors have also made reference to the price earning multiple of approximately 4.67 times based on the Consideration and the Profit Guarantees and consider that the price earning multiple is fair and reasonable, especially with reference to the price earning multiples of other listed issuers engaging in gaming business; and (4) to protect the Company against the risk of the non-renewal of the gaming promoter licence of Joli, the Directors have negotiated for a term that (i) the Profit Guarantees are still enforceable even if the Joli Junket Representative Agreement cannot be renewed during the Relevant Periods; and (ii) in the event the gaming promoter licence of Joli is cancelled, revoked, terminated or is not renewed or amended in a material and adverse manner to Joli by the relevant authorities in Macau at any time before the the maturity of the Promissory Notes, Multi Fit shall return the Promissory Notes to the Company and the Company's obligation to pay any outstanding sum under the Promissory Notes shall be fully discharged, even if the Attributable Joli Profit which have been received by the Group exceeds the Profit Guarantees and/or the amount of the Consideration at the time of the cancellation, revocation, termination or non-renewal of the gaming promoter licence of Joli.

Taking into account the benefits of the Acquisition as described above, the Directors (including the independent non-executive Directors) are of the view that the Share Acquisition Agreement is entered into on normal commercial terms following arm's length negotiations between the parties to the Share Acquisition Agreement, the terms of the Share Acquisition Agreement are fair and reasonable and the Acquisition is in the interests of the Company and the Shareholders as a whole.

### FINANCIAL EFFECT OF THE ACQUISITION

Upon Completion, Leading Century will be indirectly wholly owned by the Group and its assets and liabilities and financial results will be consolidated in the next consolidated accounts of the Group.

The Acquisition is not expected to have any material impact on the net assets value of the Group as the increase in the intangible assets representing rights in profit sharing streams arising from Acquisition will be offset by a corresponding decrease in bank balances and cash and the corresponding increases in the Group's liabilities and share capital. The cash portion of the Consideration shall be funded by the internal resources of the Group. The Directors believe that Acquisition provides the Group an opportunity to generate additional income and diversify the source of its profit.

## LETTER FROM THE BOARD

### LISTING RULES IMPLICATIONS

As the relevant percentage ratios as referred to in Chapter 14 of the Listing Rules for the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules.

### IMPLICATIONS UNDER THE LAWS OF HONG KONG AND THE LISTING RULES

After Completion, the Group, including Leading Century, will not directly or indirectly be engaged in gambling activities and operation of such gambling activities.

Having duly considered the relevant laws of Hong Kong, including the Gambling Ordinance (Cap. 148), Crimes Ordinance (Cap. 200) and laws governing money laundering activities, the Company's legal advisers as to Hong Kong laws are of the view that:

- (1) the Completion will not result in the Group directly or indirectly engaging in gambling activities and operation of such gambling activities;
- (2) the Company is not in breach of any applicable laws of Hong Kong as a result of the Acquisition; and
- (3) the gaming promotion business carried out by Joli does not contravene any applicable laws of Hong Kong.

The Company's legal advisers as to Macau laws are of the view that after Completion:

- (1) the Group will not be directly or indirectly engaged in gambling operation of gambling activities;
- (2) the Company is not in breach of any applicable laws of Macau as a result of the Acquisition; and
- (3) the gaming promotion business carried out by Joli does not contravene any applicable laws of Macau.

Shareholders should be aware that under the guidelines issued by the Stock Exchange in relation to "Gambling activities undertaken by listing applicants and/or listed issuers" dated 11 March 2003, should the Group directly or indirectly be engaged in gambling activities and operation of such gambling activities (i) fail to comply with the applicable laws in the areas where such activities operate and/or (ii) contravene the Gambling Ordinance, the Company or its business may be considered unsuitable for listing under Rule 8.04 of the Listing Rules, the Stock Exchange may direct the Company to take remedial action, and/or may suspend dealings in, or may cancel the listing of, the Shares.



## LETTER FROM THE BOARD

Apart from relying on such stringent official control, the Company will also use its best endeavours to procure that effective internal control systems in place to make sure that the dividend distributed from Leading Century is derived from proper source.

In fact, the Company has issued its internal written policies to prevent money laundering, which has been communicated to the management and relevant staff in the Company. Basically, the Company has established and maintained procedures to combat money laundering so as to enable suspicions of money laundering to be recognized and reported to the authorities and to produce its part of the audit trail to assist in official investigation. In particular, the Company:

1. has procedures to verify the identity of new clients/counterparties;
2. has record keeping procedures and will keep the relevant records, including account ledger records, a record of all internal reports to the money laundering reporting officer regarding suspected money laundering, a record of all investigations and other information taken into account by the money laundering reporting officer when deciding whether or not to report to the authority and a record of all reports to the authority regarding the suspected money laundering, for a certain period of time;
3. has procedures for employees to report any suspicious transactions, normally, the employees have to report and discuss with the money laundering reporting officer any suspected transaction without delay;
4. will ensure that employees are suitably trained and made aware of the reporting procedures and in the recognition and handling of suspicious transactions. Periodic training will be provided to the employees so as to regularly refresh their knowledge of combating money laundering; and
5. has appointed a money laundering reporting officer. He will make further appropriate investigations into the suspected money laundering activities reported to him by the employees and will report the same to the relevant authorities, including the Hong Kong Monetary Authority and co-operate with them.

The Company will cross-check the Attributable Joli Profit received or receivable with the original monthly junket promoter settlement forms issued by Wynn Macau recording the Rolling Turnover generated by Joli. Further, the Company will from time to time obtain direct confirmations in respect of the Rolling Turnover generated by Joli from Wynn Macau.

## LETTER FROM THE BOARD

Joli has also implemented its internal control procedures and regulations in assisting Wynn Macau, to detect suspicious transactions in combating the money laundering. The measures include the followings:

### **1. Customer due diligence**

Joli does not keep anonymous accounts or accounts in obviously fictitious names. It undertakes customer due diligence measures, including identifying and verifying the identity of its customers by using reliable, independent source documents, data or information like official identification documents such as passport and identification card before or during the course of establishing a business relationship with the customer.

### **2. New and developing technologies that favour anonymity**

Joli pays attention to any money laundering threats that may arise from any new and developing technologies that favour anonymity and, if necessary, to prevent their use in money laundering schemes.

### **3. Record keeping**

Joli maintains, for at least seven years, all necessary records on transactions to enable them to comply swiftly with information requests from the competent authorities. Such record must be sufficient to permit reconstruction of individual transactions (including the amounts and types of currency involved if any) so as to provide, if necessary, evidence for prosecution of criminal activity.

Joli also keeps records on the identification data obtained through the customer due diligence process and will make available to domestic competent authorities upon appropriate authorities.

### **4. Reporting of suspicious transactions**

Joli pays attention to all settlement of unusually large sums and all unusual patterns of transactions which have no apparent economic or visible lawful purpose. If Joli suspects or has reasonable grounds to suspect that money that it deals with when providing its settlement services are the proceeds of a criminal activity, or is related to terrorist financing, or otherwise is linked to or related to, or is to be used for terrorism, it will report promptly its suspicions to competent authorities.

## **RISK FACTORS OF THE JUNKET BUSINESS**

The followings are the risk factors in relation to the junket business operated by Joli:

- (1) The provision of junket business is competitive in general. There is no guarantee that the targeted customers of Joli will not be lured away by other junket operators.

## LETTER FROM THE BOARD

- (2) The Rolling Turnover generated by Joli operating as a junket representative in Wynn Macau relies on, among other factors, the attractiveness of Wynn Macau to the prospective customers, Joli's ability to procure customers to Wynn Macau, annual renewal of the gaming promoter licence of Joli by the Macau Government, tenure of Joli acting as junket representative for Wynn Macau under the Joli Junket Representative Agreement. There is no assurance that Wynn Macau is always attractive. In the event that Joli ceases to be committed to the junket business or cease to be appointed as junket representative by Wynn Macau, the junket business, and thereby the Attributable Joli Profit to be paid to Leading Century, may be adversely affected. Moreover, if Joli fails to obtain the renewal of its gaming promoter licence from the Macau Government, it can no longer operate its junket business and no Attributable Joli Profit can be paid to Leading Century as a result.
- (3) In the event that Wynn Macau becomes the target for carrying out money laundering, the Rolling Turnover generated by Joli may be affected and/or interrupted.
- (4) The operation of the junket business by Joli is subject to the ability of Joli in obtaining its renewed licence from the Macau Government each year.
- (5) The availability of the Joli Profit relating to the Rolling Turnover generated by Joli at Wynn Macau gaming rooms pursuant to the Joli Junket Representative Agreement heavily depends on the subsistence of the Joli Junket Representative Agreement and on whether the Joli Junket Representative Agreement can be successfully renewed. The Joli Junket Representative Agreement may or may not be renewed by Wynn Macau at the expiry of the term of the Joli Junket Representative Agreement. In general, the term of agreement between the junket operator and the casino operator is tied with the terms of the gaming promoter licence. Therefore, the term of the Joli Junket Representative Agreement can also be tied with the terms of respective gaming promoter licence of Joli, which is valid for one year.
- (6) As the Attributable Joli Profit is currently sourced from Rolling Turnover generated by Joli pursuant to the Joli Junket Representative Agreement, **there is a risk that the Attributable Joli Profit will cease if the Joli Junket Representative Agreement terminated or the gaming promoter licence of Joli cannot be renewed.**

### GENERAL

Your attention is drawn to the general information set out in the appendix of this circular.

By order of the Board  
**Dore Holdings Limited**  
**Lum Chor Wah, Richard**  
*Chairman*

## 1. 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.

## 2. SHARE CAPITAL

<i>Authorized</i>		<i>HK\$</i>
<u>2,000,000,000</u>	Shares	<u>200,000,000</u>
<i>Issued and to be issued, fully paid or credited as fully paid</i>		
1,495,255,193	Shares in issue as at the Latest Practicable Date	149,525,519.3
<u>224,000,000</u>	Shares to be issued as Consideration Shares upon Completion	<u>22,400,000</u>
<u>1,719,255,193</u>	Shares	<u>171,925,519.3</u>

## 3. DISCLOSURE OF INTERESTS

### (a) Directors' interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, none of the Directors and the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

**(b) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO and substantial shareholders**

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following person (not being Directors or chief executive of the Company) had, or was deemed to have, interests or short positions in the Shares or underlying Shares (including any interests in options in respect of such capital) which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

*(i) Interests in Shares:*

Name	Note	Number of Shares	Type of interests	Approximate percentage of the Company's issued share capital (%)
Smart Town	(1)	118,750,000 (L)	Underlying Shares	6.91
Mr. Liu Ching Hua	(1)	118,750,000 (L)	Through a controlled corporation	6.91
Ms. Lam Ngar Lan	(2)	118,750,000 (L)	Interests of spouse	6.91
Mr. Yeung Tony Ming Kwong	(1)	118,750,000 (L)	Through a corporation	6.91
Ms. Ho Wai Chun Priscilla	(3)	118,750,000 (L)	Interests of spouse	6.91
Rich Game	(4)	123,560,000 (L)	Beneficial owner and deemed interest	7.19
Mr. Scolari Jean-Christophe	(4)	123,560,000 (L)	Interest in corporation	7.19
Sansar Capital Management, LLC	(5)	168,904,681 (L)	Investment manager	11.95
Sansar Capital Special Opportunity Master Fund, LP	(5)	168,904,681 (L)	Beneficial owner	11.95

Name	Note	Number of Shares	Type of interests	Approximate percentage of the Company's issued share capital (%)
Kingdon Capital Management, LLC	(6)	102,787,972 (L)	Beneficial owner	7.28
Kingdon Mark	(6)	102,787,972 (L)	Interest in corporation	7.28
M. Kingdon Offshore Ltd.	(6)	73,511,568 (L)	Beneficial owner	5.20
Capital Research and Management Company		82,265,161 (L)	Investment manager	5.50
Mr. Chen Yi-Ming	(7)	244,140,625 (L)	Interest in corporation	14.20
Power Rush Holdings Limited	(7)	244,140,625 (L)	Beneficial owner	14.20
Mr. Sin Chun Shing	(8)	224,000,000 (L)	Interest in corporation	13.03
Multi Fit Investments Limited	(8)	224,000,000 (L)	Beneficial owner	13.03

*Notes*

(L) denotes long position

(S) denotes short position

- (1) Smart Town is owned as to 50% by Mr. Yeung Tony Ming Kwong and 50% by Mr. Liu Ching Hua. Smart Town will have the rights in 118,750,000 Shares as a result of the assignment of its rights under certain Shares and convertible bonds by Power Rush to Smart Town. It includes the 40,000,000 Shares and the convertible bond in a principal sum of HK\$252 million, which if fully converted at an initial conversion price of HK\$3.2 per conversion shares, resulting in 78,750,000 Shares.
- (2) Mr. Lam Ngar Lan is the spouse of Mr. Liu Ching Hua, who beneficially owns 50% of the shareholdings of Smart Town.
- (3) Ms. Ho Wai Chun Priscilla is the spouse of Mr. Yeung Tony Ming Kwong, who beneficially owns 50% of the shareholdings of Smart Town.
- (4) Rich Game is owned as to 51% by Global Rainbow Ltd. and as to 49% by Smart Gallant Limited which are wholly-owned by Mr. Scolari Jean-Christophe. Rich Game is holding 17,560,000 Shares and will have additional 106,000,000 underlying Shares upon conversion of the convertible bonds issued pursuant to the sale and purchase agreement dated 27 February 2007 in respect of the acquisition of the entire issued share capital of Richsense Limited.

- (5) Sansar Capital Management, LLC is the fund manager of Sansar Capital Special Opportunity Master Fund, LP.
- (6) Kingdon Capital Management, LLC is held as to 94.95% by Mr. Mark Kingdon. It is the 100% owner of M. Kingdon Offshore Ltd. which holds 73,511,568 shares of the Company.
- (7) Power Rush Holdings Limited is wholly-owned by Mr. Chen Yi-Ming.
- (8) Multi Fit Investments Limited is wholly-owned by Mr. Sin Chun Shing.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interest or short positions in the Shares or underlying Shares (including any interests in options in respect of such capital), which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who are, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

#### 4. DIRECTORS' SERVICE CONTRACTS

Mr. Pun Yuen Sang and Mr. Tang Hin Keung, Alfred, have entered into service contracts with the Company for a term of two years commencing on 1 July 2002, which shall continue thereafter until terminated by either party giving to the other not less than six months' prior written notice, with such notice not expiring earlier than 1 July 2004.

Mr. Lum Chor Wah, Richard, has entered into a service contract with the Company for a term of two years commencing on 1 August 2004, which shall continue thereafter until terminated by either party giving to the other not less than six months' prior written notice, with such notice not expiring earlier than 1 August 2006.

Save as disclosed herein, as at the Latest Practicable Date, none of the Directors has entered into any service contract or management agreement, proposed or otherwise with any member of the Group (excluding contracts expiring or terminable by the employer within one year without payment of compensation other than statutory compensation).

#### 5. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries were engaged in any litigation, arbitration or claim of material importance and there is no litigation, arbitration or claim of material importance known to the Directors to be pending or threatened against the Company or any of its subsidiaries.

## 6. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or their respective associates had any interests in a business which competes or may compete, either directly or indirectly, with the business of the Group or, any other conflicts of interest within the Group.

## 7. EXPERTS

The followings are the qualifications of the experts who have given an opinion or advice contained in this circular:

<b>Name</b>	<b>Qualification</b>
Michael Li & Co.	Legal advisers to Hong Kong laws
Leong Hon Man Law Office	Legal advisers to Macau laws

As at the Latest Practicable Date, each of Michael Li & Co. and Leong Hon Man Law Office was not interested beneficially or non-beneficially in any Shares in the Company or any of its subsidiaries or any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Each has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its respective letter and/or report and/or reference to its name in the form and context in which it respectively appears.

## 8. MISCELLANEOUS

- (a) The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (b) The head office and principal place of business of the Company in Hong Kong is located at Foom 2108, Two International Finance Centre, No. 8 Finance Street, Central, Hong Kong.
- (c) The branch share registrar and transfer office of the Company in Hong Kong is Union Registrars Limited at Room 1901-02, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong.
- (d) The secretary and the qualified accountant of the Company is Mr. Leung Wai Man, who is member of the Association of Chartered Certified Accountant.
- (e) The English text of this circular shall prevail over the Chinese text.