
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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**RE-ELECTION OF DIRECTORS,
GENERAL MANDATE TO REPURCHASE ORDINARY SHARES
AND 2010 WARRANTS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the 2008 Annual General Meeting of Paliburg Holdings Limited (the “Company”) to be held at the Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Thursday, 5th June, 2008 at 11:30 a.m. is appended to this circular. If you do not propose to attend the Meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company’s branch registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the Meeting or at any adjourned meeting should you so wish.

25th April, 2008

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LETTER FROM THE CHAIRMAN



Directors:

LO Yuk Sui (*Chairman and Chief Executive Officer*)
Donald FAN Tung (*Chief Operating Officer*)
Bowen Joseph LEUNG Po Wing, GBS, JP*
Jimmy LO Chun To
LO Po Man
Kenneth NG Kwai Kai
NG Siu Chan*
Abraham SHEK Lai Him, SBS, JP*
WONG Chi Keung*
Kenneth WONG Po Man

*Head office and principal place
of business:*

11th Floor, 68 Yee Wo Street
Causeway Bay
Hong Kong

* *Independent Non-Executive Directors*

25th April, 2008

*To the Shareholders and, for information only,
to the Warrantholders*

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS,
GENERAL MANDATE TO REPURCHASE ORDINARY SHARES
AND 2010 WARRANTS
AND
NOTICE OF ANNUAL GENERAL MEETING**

The purpose of this circular is to provide the Shareholders of the Company with requisite information with respect to the resolutions to be proposed at the forthcoming annual general meeting of the Company to be held on Thursday, 5th June, 2008 (the “2008 Annual General Meeting”) relating to (1) the re-election of the Directors of the Company who will retire and, being eligible, have offered themselves for re-election at the 2008 Annual General Meeting, and (2) the grant of a general mandate (the “Repurchase Mandate”) to the Directors of the Company for the repurchase of its ordinary shares of HK\$0.01 each (“Ordinary Shares”) and warrants carrying rights to subscribe for new Ordinary Shares at a subscription price of HK\$0.21 per share (subject to adjustment) (Stock Code: 504) (“2010 Warrants”) on the terms set out in the Ordinary Resolution 5(A) (the “Repurchase Proposal”) as contained in the Notice of the 2008 Annual General Meeting.

LETTER FROM THE CHAIRMAN

Re-election of Directors

In accordance with Bye-law 99 of the Bye-laws of the Company and for compliance with the Code on Corporate Governance Practices (the “Code”) set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), Mr. LO Yuk Sui, the Chairman and Chief Executive Officer, Mr. Donald FAN Tung, an Executive Director and the Chief Operating Officer, and Mr. WONG Chi Keung, an Independent Non-Executive Director, will retire from office by rotation at the 2008 Annual General Meeting.

In accordance with Bye-law 102 of the Bye-laws of the Company, Mr. Bowen Joseph LEUNG Po Wing, who was appointed as an Independent Non-Executive Director of the Company on 13th February, 2008, shall hold office until the 2008 Annual General Meeting.

Mr. LO Yuk Sui, Mr. Donald FAN Tung, Mr. Bowen Joseph LEUNG Po Wing and Mr. WONG Chi Keung (collectively, the “Retiring Directors”), being eligible, have offered themselves for re-election at the 2008 Annual General Meeting.

The re-election of the Retiring Directors at the 2008 Annual General Meeting will not be for any specific term of office, but they will be subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws of the Company and the retirement requirement under the Code. The particulars of the Retiring Directors offering for re-election, which are required to be disclosed pursuant to the Listing Rules, are set out in Appendix I to this circular.

General Mandate to Repurchase Ordinary Shares and 2010 Warrants

The Directors wish to seek the approval of Shareholders of the Company to the Repurchase Mandate for the Repurchase Proposal. The explanatory statement regarding the Repurchase Proposal required to be sent to Shareholders in accordance with the Listing Rules is set out in Appendix II to this circular.

Notice of Annual General Meeting and Procedures for demanding a poll

The Notice of the 2008 Annual General Meeting is contained in pages 11 to 13 of this circular and details relating to the procedures for demanding a poll at general meetings of the Company are set out in Appendix III to this circular.

Yours faithfully,
LO YUK SUI
Chairman

APPENDIX I PARTICULARS OF DIRECTORS OFFERING FOR RE-ELECTION

(I) Mr. LO Yuk Sui (*Chairman and Chief Executive Officer*)

Mr. Lo Yuk Sui, aged 63, was appointed as Chairman and Managing Director of the Company since 1993 and designated as Chief Executive Officer in 2007. He has been the Managing Director and the Chairman of the predecessor listed companies of the Group (comprising the Company and its subsidiaries) since 1984 and 1986 respectively. He is also the chairman and chief executive officer of Century City International Holdings Limited (“Century”), the ultimate listed holding company of the Company, and Regal Hotels International Holdings Limited (“Regal”), the listed associate of the Company, and the chairman of Regal Portfolio Management Limited (“RPML”), the manager of Regal Real Estate Investment Trust (the listed associate of Regal). Mr. Lo is a qualified architect. In his capacity as the Chief Executive Officer, Mr. Lo oversees the overall policy and decision making of the Group. Save as disclosed herein, Mr. Lo has not held any directorships in other listed public companies during the last three years.

Mr. Lo’s directorship with the Company is subject to retirement by rotation pursuant to the relevant provisions under the Bye-laws of the Company. Mr. Lo does not have a service contract with the Group. He is entitled to normal Director’s fee in the amount of HK\$100,000 per annum in acting as a Director of the Company, which was determined based on the duties and responsibilities in respect of such office and was previously approved by Shareholders of the Company at general meeting. With respect to his executive role, Mr. Lo presently receives from the Group emoluments of HK\$196,000.00 per month, which were determined by reference to industry norm and market conditions and allocated on the basis of the services rendered to the Group and, in addition, performance based discretionary bonus, incentive share options and other related employee benefits.

As at 18th April, 2008 (the “Latest Practicable Date”), Mr. Lo directly and, through his associates (as defined in the Listing Rules), indirectly held interests in 6,194,695,620 issued Ordinary Shares, and derivative interests in 661,492,641 new Ordinary Shares through interests in 2010 Warrants carrying subscription rights in an aggregate amount of HK\$138,913,454.61 and 200,880,000 new Ordinary Shares through interests in certain share options granted to him under the share option scheme of the Company named as “The Paliburg Holdings Limited Share Option Scheme” (the “Share Option Scheme”), in aggregate representing approximately 69.25% of the issued ordinary share capital of the Company as at the Latest Practicable Date, within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”). Details of the directorships of Mr. Lo in the substantial and controlling shareholders (as defined in the Listing Rules) of the Company are disclosed under the section headed “Substantial Shareholders’ Interests in Share Capital” in the Report of the Directors which is contained in the Company’s 2007 Annual Report accompanying this circular. Mr. Lo is the father of Mr. Jimmy Lo Chun To and Miss Lo Po Man, both being Executive Directors of the Company and executive directors of Century. Save as disclosed herein, Mr. Lo does not have any other relationships with any Directors, senior management, substantial or controlling shareholders of the Company.

There is no information that is required to be disclosed by Mr. Lo pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the holders of the securities of the Company in relation to the re-election of Mr. Lo.

APPENDIX I PARTICULARS OF DIRECTORS OFFERING FOR RE-ELECTION

(II) Mr. Donald FAN Tung (*Executive Director and Chief Operating Officer*)

Mr. Donald Fan, aged 51, was appointed to the Board as an Executive Director of the Company in 1993 and designated as Chief Operating Officer in 2007. He is also an executive director of Century and Regal and a non-executive director of RPML. He has been with the Group since 1987 and is principally involved in the Group's property development, architectural design and project management functions as well as overseeing the building construction business of the Group. Mr. Fan is a qualified architect. Save as disclosed herein, Mr. Fan has not held any directorships in other listed public companies during the last three years.

Mr. Fan's directorship with the Company is subject to retirement by rotation pursuant to the relevant provisions under the Bye-laws of the Company. Mr. Fan has a service contract with the Group, which does not have a specific length of service and is determinable by either party on 3 months' notice. Under his service contract, he is presently entitled to receive from the Group emoluments of HK\$77,000.00 per month, which were determined by reference to industry norm and market conditions and allocated on the basis of the services rendered to the Group and, in addition, performance based discretionary bonus, incentive share options and other related employee benefits. Mr. Fan is also entitled to normal Director's fee in the amount of HK\$100,000 per annum in acting as a Director of the Company, which was determined based on the duties and responsibilities in respect of such office and was previously approved by Shareholders of the Company at general meeting.

As at the Latest Practicable Date, Mr. Fan directly held interests in 4,718 issued Ordinary Shares and derivative interests in 855 new Ordinary Shares through interests in 2010 Warrants carrying subscription rights in an aggregate amount of HK\$179.55 and 22,320,000 new Ordinary Shares through interests in certain share options granted to him under the Share Option Scheme, in aggregate representing approximately 0.22% of the issued ordinary share capital of the Company as at the Latest Practicable Date, within the meaning of Part XV of the SFO. Details of the directorships of Mr. Fan in the substantial and controlling shareholders (as defined in the Listing Rules) of the Company are disclosed under the section headed "Substantial Shareholders' Interests in Share Capital" in the Report of the Directors contained in the 2007 Annual Report of the Company. Save as disclosed herein, Mr. Fan does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.

There is no information that is required to be disclosed by Mr. Fan pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the holders of the securities of the Company in relation to the re-election of Mr. Fan.

APPENDIX I PARTICULARS OF DIRECTORS OFFERING FOR RE-ELECTION

(III) Mr. Bowen Joseph LEUNG Po Wing (*Independent Non-Executive Director*)

Mr. Bowen Leung, aged 58, was invited to the Board as an Independent Non-Executive Director in February 2008. Mr. Leung previously served the Hong Kong Government for over 32 years until his retirement as the Director of the Office of the Government of the Hong Kong Special Administration Region in Beijing (“Beijing Office”) in November 2005. Mr. Leung joined the Administrative Service in June 1973 and rose to the rank of Administrative Officer Staff Grade A1 in June 1996. During his service in the Administrative Service, Mr. Leung had served in various policy bureaux and departments. Senior positions held by Mr. Leung included: Deputy Secretary for District Administration (later retitled as Deputy Secretary for Home Affairs) (April 1987 - September 1990); Deputy Secretary for Planning, Environment and Lands (September 1990 - December 1992); Private Secretary, Government House (December 1992 - March 1995); and Secretary for Planning, Environment and Lands (May 1995 - November 1998). He was appointed the Director of the Beijing Office in November 1998. Mr. Leung has extensive experience in corporate leadership and public administration. During his tenure as the Director of the Beijing Office, he had made commendable efforts in promoting Hong Kong in the Mainland, as well as fostering closer links and co-operation between Hong Kong and the Mainland. Mr. Leung is also an independent non-executive director and a member of the audit committee of PYI Corporation Limited, a company listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Save as disclosed herein, Mr. Leung has not held any directorships in other listed public companies during the last three years.

Mr. Leung’s directorship with the Company is subject to retirement by rotation pursuant to the relevant provisions under the Bye-laws of the Company. Mr. Leung does not have a service contract with the Group. He is entitled to normal Director’s fee in the amount of HK\$100,000 per annum in acting as a Director of the Company. Mr. Leung is also entitled to normal fee in the amount of HK\$50,000 per annum as being a member of the Audit Committee of the Company. The normal fees were determined based on the duties and responsibilities in respect of such respective offices and, where required, were previously approved by Shareholders of the Company at general meeting.

Mr. Leung does not hold any interests in the securities of the Company within the meaning of Part XV of the SFO. He does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.

There is no information that is required to be disclosed by Mr. Leung pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the holders of the securities of the Company in relation to the re-election of Mr. Leung.

APPENDIX I PARTICULARS OF DIRECTORS OFFERING FOR RE-ELECTION

(IV) Mr. WONG Chi Keung (*Independent Non-Executive Director*)

Mr. Wong Chi Keung, aged 53, was invited to the Board in 2004 and is an Independent Non-Executive Director of the Company. He is also an independent non-executive director of Century and Regal. Mr. Wong holds a master's degree in business administration from the University of Adelaide in Australia. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants and the CPA Australia and an associate member of The Institute of Chartered Secretaries and Administrators and The Chartered Institute of Management Accountants. Mr. Wong is also a responsible officer for asset management, advising on securities and corporate finance for Legend Capital Partners, Inc. under the SFO. Mr. Wong was an executive director, the deputy general manager, group financial controller and company secretary of Guangzhou Investment Company Limited, a company listed on the Stock Exchange, for over ten years. Mr. Wong is an independent non-executive director and a member of the audit committee of Asia Orient Holdings Limited, Asia Standard International Group Limited, China Nickel Resources Holdings Company Limited, China Ting Group Holdings Limited, First Natural Foods Holdings Limited, FU JI Food and Catering Services Holdings Limited, Golden Eagle Retail Group Limited, Great Wall Motor Company Limited, International Entertainment Corporation, PacMOS Technologies Holdings Limited and TPV Technology Limited, all of which companies are listed on the Stock Exchange. He was also formerly an independent non-executive director of China Treasure (Greater China) Investments Limited (now known as Opes Asia Development Limited), a company listed on the Stock Exchange. Save as disclosed herein, Mr. Wong has not held any directorships in other listed public companies during the last three years. Mr. Wong has over 30 years of experience in finance, accounting and management.

Mr. Wong's directorship with the Company is subject to retirement by rotation pursuant to the relevant provisions under the Bye-laws of the Company. Mr. Wong does not have a service contract with the Group. He is entitled to normal Director's fee in the amount of HK\$100,000 per annum in acting as a Director of the Company. Mr. Wong is also entitled to normal fee in the amount of HK\$100,000 per annum in acting also as Chairman of the Audit Committee of the Company. The normal fees were determined based on the duties and responsibilities in respect of such respective offices and, where required, were previously approved by Shareholders of the Company at general meeting.

Mr. Wong does not hold any interests in the securities of the Company within the meaning of Part XV of the SFO. Save as disclosed herein, he does not have any relationships with any Directors, senior management, substantial or controlling shareholders of the Company.

There is no information that is required to be disclosed by Mr. Wong pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the holders of the securities of the Company in relation to the re-election of Mr. Wong.

This is the explanatory statement to provide requisite information to you for your consideration of the Repurchase Proposal, as required by the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange. The Ordinary Shares and the 2010 Warrants are listed on the Stock Exchange.

1. SHARE CAPITAL

As at the Latest Practicable Date, there were 10,190,910,045 Ordinary Shares in issue and outstanding 2010 Warrants attaching subscription rights in an aggregate amount of HK\$236,582,837.82 to subscribe for a total number of 1,126,584,942 new Ordinary Shares at the subscription price of HK\$0.21 per share (subject to adjustment).

Subject to the passing of the Ordinary Resolution 5(A) referred to in the letter from the Chairman preceding this appendix, the Company would be allowed under the buy back mandate to repurchase a maximum of 1,019,091,004 Ordinary Shares and 2010 Warrants in an aggregate nominal value of HK\$23,658,283.74, on the assumption that there will be no variation in the issued Ordinary Shares and the outstanding 2010 Warrants during the period up to 5th June, 2008. The aggregate nominal amounts of Ordinary Shares and 2010 Warrants which may be repurchased under the Repurchase Mandate will not exceed 10% of those of the issued Ordinary Shares and the outstanding 2010 Warrants, respectively, at the date of the 2008 Annual General Meeting.

The Repurchase Mandate will be valid for the period from the date of passing the Ordinary Resolution 5(A) 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 is required by the Bye-laws of the Company or The Companies Act 1981 of Bermuda or any other applicable law of Bermuda to be held; and (iii) the revocation or variation of the authority given under the Ordinary Resolution 5(A) by an ordinary resolution of Shareholders of the Company in general meeting.

2. REASONS FOR REPURCHASES

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

3. FUNDING OF REPURCHASES

Pursuant to the buy back mandate, repurchases would be funded entirely from the Company's funds legally available for the purpose in accordance with the Company's Memorandum of Association and Bye-laws and the laws of Bermuda. Any shares repurchased under the buy back mandate must be funded out of the capital paid up on the repurchased shares or the funds of the

Company which would otherwise be available for dividend or distribution, or out of the proceeds of a fresh issue of shares. Any premium payable on the repurchase must be provided for out of the funds of the Company otherwise available for dividend or distribution, or out of the Company's share premium account.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31st December, 2007) in the event that the proposed repurchases were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the buy back mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE AND WARRANT PRICES

The highest and lowest prices at which the Ordinary Shares and the 2010 Warrants have traded on the Stock Exchange, respectively, in each of the previous twelve months and in April 2008 (up to the Latest Practicable Date) were as follows:

	Ordinary Shares		2010 Warrants	
	Highest HK\$ (Note 1)	Lowest HK\$ (Note 1)	Highest HK\$ (Note 2)	Lowest HK\$ (Note 2)
April 2007	0.384	0.299	—	—
May 2007	0.362	0.314	—	—
June 2007	0.373	0.321	—	—
July 2007	0.354	0.310	—	—
August 2007	0.314	0.240	—	—
September 2007	0.303	0.284	—	—
October 2007	0.295	0.254	—	—
November 2007	0.265	0.200	—	—
December 2007	0.260	0.210	—	—
January 2008	0.275	0.204	—	—
February 2008	0.235	0.210	0.087	0.058
March 2008	0.220	0.172	0.074	0.046
From 1st April, 2008 to the Latest Practicable Date	0.222	0.205	0.064	0.048

Notes:

- (1) The prices for the months of April to September 2007 were adjusted for the open offer of Ordinary Shares made pursuant to the prospectus of the Company dated 22nd October, 2007.

- (2) The 2010 Warrants commenced trading on the Stock Exchange on 13th February, 2008 and are traded in board lots of 50,000 units carrying aggregate subscription rights of HK\$10,500.

5. DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates (as defined in the Listing Rules) have any present intention to sell any Ordinary Shares or 2010 Warrants to the Company under the Repurchase Proposal if such is approved by Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Ordinary Resolution 5(A) in accordance with the Listing Rules and the laws of Bermuda.

No other connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Ordinary Shares or 2010 Warrants to the Company, or have undertaken not to do so, in the event that the Repurchase Proposal is approved by Shareholders.

As at the Latest Practicable Date, Century, of which Mr. LO Yuk Sui is the chairman and controlling shareholder, held approximately 53.39% shareholding interests in the issued ordinary share capital of the Company. In the event that the Repurchase Mandate granted to the Directors pursuant to the Repurchase Proposal were to be carried out in full, the shareholding interests of Century in the Company would increase to approximately 59.33% of the issued ordinary share capital of the Company, assuming there are no other changes in the capital structure of the Company. Based on information known to date, the Directors are not aware of any consequences which may arise under the Hong Kong Code on Takeovers and Mergers even if the Repurchase Mandate granted to the Directors pursuant to the Repurchase Proposal were to be carried out in full. Nevertheless, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, trigger off any potential consequences under the Hong Kong Code on Takeovers and Mergers.

Furthermore, the Directors have no intention to exercise the Repurchase Mandate to such extent as would cause the public float to fall below 25% or such other minimum percentage as prescribed by the Listing Rules from the time to time.

6. SECURITIES PURCHASES MADE BY THE COMPANY

The Company has not purchased any of its Ordinary Shares and 2010 Warrants (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.

APPENDIX III PROCEDURES FOR DEMANDING A POLL AT GENERAL MEETINGS

Pursuant to the Bye-laws of the Company, the procedures for demanding a poll for voting on any resolution to be put forth for Shareholders' approval at the 2008 Annual General Meeting of the Company are as follows:

According to Bye-law 70, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

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

NOTICE OF ANNUAL GENERAL MEETING



NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at the Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Thursday, 5th June, 2008 at 11:30 a.m. for the following purposes:

1. To receive and consider the Audited Financial Statements and the Reports of the Directors and the Auditors for the year ended 31st December, 2007.
2. To declare a final dividend for the year ended 31st December, 2007 of HK0.4 cent per ordinary share.
3. To elect Directors.
4. To appoint Auditors and authorise the Board of Directors to fix their remuneration.
5. To consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

(A) “ **THAT:**

- (a) subject to paragraphs (b) and (c) below, the exercise by the Directors during the Relevant Period of all the powers of the Company to purchase the ordinary shares of HK\$0.01 each (“Ordinary Shares”) in the capital of the Company and the registered warrants of the Company attaching rights to subscribe for new Ordinary Shares at a subscription price of HK\$0.21 per share (subject to adjustment) (“2010 Warrants”), subject to and in accordance with all applicable laws and the relevant requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Ordinary Shares of the Company which may be purchased by the Company pursuant to paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the Ordinary Shares in issue at the date of this Resolution, and the said approval shall be limited accordingly;
- (c) the aggregate amount of subscription rights attaching to the 2010 Warrants which may be purchased by the Company pursuant to paragraph (a) above shall not exceed 10% of the aggregate amount of subscription rights attaching to the 2010 Warrants outstanding at the date of this Resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
- (i) the conclusion of the next Annual General Meeting of the Company;
 - (ii) the expiration of the period within which the next Annual General Meeting is required by the Bye-laws of the Company or The Companies Act 1981 of Bermuda or any other applicable law of Bermuda to be held; and
 - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders in general meeting.”
- (B) “**THAT** the exercise by the Directors during the Relevant Period (as defined in Resolution 5(A) set out in the Notice of this Meeting) of all the powers of the Company to issue, allot and dispose of additional Ordinary Shares of the Company (including making and granting offers, agreements and options which would or might require Ordinary Shares to be issued, allotted or disposed of, whether during or after the end of the Relevant Period) be and is hereby generally and unconditionally approved, provided that, otherwise than pursuant to a rights issue where Ordinary Shares are offered to shareholders on a fixed record date in proportion to their then holdings of Ordinary Shares (subject to such exclusions 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 any recognised regulatory body or any stock exchange in, any territory outside Hong Kong), the additional Ordinary Shares issued, allotted or disposed of (including Ordinary Shares agreed conditionally or unconditionally to be issued, allotted or disposed of, whether pursuant to an option or otherwise) shall not in aggregate exceed 20% of the aggregate nominal amount of the Ordinary Shares in issue at the date of this Resolution, and the said approval shall be limited accordingly.”
- (C) “**THAT** the general mandate granted to the Directors under Resolution 5(B) above be and is hereby extended by the addition of an amount representing the aggregate nominal amount of Ordinary Shares purchased by the Company pursuant to the general mandate approved in Resolution 5(A) above.”

By Order of the Board
Paliburg Holdings Limited
Eliza Lam Sau Fun
Secretary

Hong Kong, 25th April, 2008

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A shareholder entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
2. The form of proxy must be deposited with the Company's branch registrar in Hong Kong, Tricor Tengis Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for the Meeting.
3. The Register of Ordinary Shareholders will be closed from Monday, 2nd June, 2008 to Thursday, 5th June, 2008, both days inclusive, during which period no transfers of ordinary shares will be effected. In order to qualify for the proposed final dividend, all transfers of ordinary shares and/or subscriptions of the outstanding 2010 Warrants, duly accompanied by the relevant certificates together with, where appropriate, the relevant subscription moneys, must be lodged with the Company's branch registrar in Hong Kong, Tricor Tengis Limited, at the address set out above not later than 4:00 p.m. on Friday, 30th May, 2008.
4. A circular of the Company containing further details relating to the re-election of Directors and an explanatory statement regarding Resolution 5(A) above will be sent to the Company's shareholders together with the 2007 Annual Report of the Company.