

**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 to be taken, you should consult your stockbroker or other registered dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Truly International Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or other transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---

**TRULY<sup>®</sup>**

**TRULY INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 00732)**

**GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES  
RE-ELECTION OF DIRECTORS AND  
AMENDMENTS TO ARTICLES OF ASSOCIATION**

---

A letter from the Board of Directors of Truly International Holdings Limited is set out on pages 2 to 13 of this circular. A notice convening the Annual General Meeting of Truly International Holdings Limited to be held at 2nd Floor, Chung Shun Knitting Centre, 1-3 Wing Yip Street, Kwai Chung, New Territories, Hong Kong on Thursday, 11 June 2009 at 10:30 a.m. (or any adjournment thereof), is set out on pages 19 to 26 of this circular.

Whether or not they intend to attend the said meeting, Shareholders are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's principal office at 2nd Floor, Chung Shun Knitting Centre, 1-3 Wing Yip Street, Kwai Chung, New Territories, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting thereof. Completion and return of the form of proxy shall not preclude Shareholders from attending and voting at the meeting or any adjourned meeting should they so desire.

27 April 2009

# CONTENTS

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board of Directors</b> .....	2
<b>Appendix I — Explanatory Statement</b> .....	14
<b>Appendix II — Details of Directors proposed to be Re-elected at the AGM</b> .....	17
<b>Notice of AGM</b> .....	19

## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 2/F., Chung Shun Knitting Centre, 1–3 Wing Yip Street, Kwai Chung, N.T., Hong Kong on Thursday, 11 June 2009 at 10:30 a.m., notice of which is set out on pages 19 to 26 of this circular
“Articles of Association”	the articles of association of the Company
“Company”	Truly International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Latest Practicable Date”	24 April 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing The Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	at any time means the holder(s) of Shares at that time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region

**TRULY**<sup>®</sup>

**TRULY INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 00732)**

*Directors:*

Lam Wai Wah, Steven  
Wong Pong Chun, James  
Cheung Tat Sang, James  
Li Jian Hua  
Chung Kam Kwong\*  
Ip Cho Ting, Spencer\*  
Heung Kai Sing\*

*Registered Office:*

P.O. Box 309  
Grand Cayman  
Cayman Islands  
British West Indies

*(\* independent non-executive directors)*

27 April 2009

*To the Shareholders*

Dear Sir or Madam,

**GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES  
RE-ELECTION OF DIRECTORS AND  
AMENDMENTS TO ARTICLES OF ASSOCIATION**

**INTRODUCTION**

The purpose of this circular is to provide Shareholders with information relevant to the proposed: (i) general mandates to be given to the Directors for the issue and repurchase of Shares; (ii) re-election of the retiring Directors; and (iii) amendments to the Articles of Association. A notice of annual general meeting of the Company to be convened to consider and, if thought fit, to pass resolution in connection with the above matters is set out on pages 19 to 26 of this circular.

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**

Ordinary resolutions will be proposed at the AGM to (i) grant a general mandate to the Directors to issue, allot and otherwise deal with Shares up to a maximum of 10 per cent. of the aggregate nominal amount of the issued and fully-paid share capital of the Company as at the date of passing of the resolution (the "Issue Mandate") and (ii) approve the addition to the Issue Mandate so granted to the Directors any Shares with a nominal amount equal to the Shares repurchased by the Company under the authority and upon the granting of the Repurchase Mandate (as defined below). The Directors have no present intention to issue any new Shares.

## LETTER FROM THE BOARD OF DIRECTORS

An ordinary resolution will be proposed at the AGM to grant to the Directors to exercise the powers of the Company to repurchase its own securities on the Stock Exchange at any time during the period ended on the earliest of (i) the conclusion of the next annual general meeting of the Company, (ii) the date upon which such authority is revoked or varied at a general meeting of the Shareholders and (iii) the date by which the next annual general meeting of the Company is required to be held by laws or the Articles of Association, provided that the aggregate nominal amount of Shares to be purchased shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of the relevant resolution (the “Repurchase Mandate”).

As at the Latest Practicable Date, the number of Shares in issue was 472,879,527. Accordingly, assuming no repurchase or issue of Shares prior to the AGM, the exercise of the Repurchase Mandate in full would enable the Company to repurchase up to 47,287,952 Shares and the exercise of the Issue Mandate in full would enable the Company to allot and issue up to 47,287,952 Shares.

An explanatory statement to provide relevant information in respect of the Repurchase Mandate is set out in Appendix I to this circular.

### RE-ELECTION OF DIRECTORS

According to Article 120 of the Articles of Association, not less than one-third of the Directors for the time being shall retire from office by rotation at every annual general meeting of the Company and the retiring Directors shall be eligible for re-election.

In accordance with Article 120, Mr. Cheung Tat Sang, James (“Mr. Cheung”), Mr. Li Jian Hua (“Mr. Li”) and Mr. Chung Kam Kwong (“Mr. Chung”) shall retire from their offices by rotation at the AGM.

Being eligible, Mr. Cheung, Mr. Li and Mr. Chung will offer themselves for re-election as Directors. At the AGM, ordinary resolutions will be proposed for their respective re-election.

Particulars relating to Mr. Cheung, Mr. Li and Mr. Chung are set out in Appendix II to this circular.

### AMENDMENTS TO ARTICLES OF ASSOCIATION

Certain provisions in the Articles have become inconsistent or otherwise no longer align with the Listing Rules following certain relevant amendments to the Listing Rules which came into effect in January 2009.

The Board proposes that the relevant provisions in the Articles be amended so as to align the Articles with the latest amendments to the Listing Rules. The proposed amendments to the Articles are subject to the approval of the Shareholders by way of special resolution to be proposed at the Annual General Meeting.

## LETTER FROM THE BOARD OF DIRECTORS

The effects of the proposed amendments to the Articles are summarized as follows:

1. An annual general meeting shall be called by notice in writing of not less than a period which is the longer of 21 days and 20 clear business days, any extraordinary general meeting called for the passing of a special resolution shall be called by notice in writing of not less than a period which is the longer of 21 days and 10 clear business days, and any other extraordinary general meeting shall be called by notice in writing of not less than a period which is the longer of 14 days and 10 clear business days;
2. At any general meeting, a resolution put to the vote of the meeting shall be decided by poll; and
3. Apart from the giving and delivery of documents by the Company to you by post, any corporate communication given or issued from the Company to you may also be by cable, telex or facsimile transmission message or other form of electronic transmission or communication, and such corporate communication may be served or delivered by the Company to you by transmitting the same to any telex or facsimile transmission number or electronic number or address or website supplied by you to the Company for the giving of notice to you or by placing the same on the Company's website and giving you a notice stating that such corporate communication is available there and such notice may be given to you by any of the aforementioned means.

Details of the proposed amendments to the Articles are also set out as follows:

### **(1) Article 2**

An existing definition of "electronic" in Article 2 provides that:

““electronic” shall mean relating to technology having electrical, digital, magnetic, wireless, optical electromagnetic or similar capabilities;”

It is proposed that the existing definition of "electronic" be deleted in its entirety and substituted therefor the following:

““electronic” shall have the meaning attributed to it in the Electronic Transactions Law;”

The following new definitions be inserted into Article 2:

““business day(s)” shall mean any day on which the Exchange is open for the business of dealing in securities;”

““corporate communication” shall mean any document issued or to be issued by the Company for the information or action of the members of the Company, including but not limited to:

- (i) the directors' report, its annual accounts together with a copy of the auditors' report and, where applicable, its summary financial report;
- (ii) the interim report and, where applicable, its summary interim report;

## LETTER FROM THE BOARD OF DIRECTORS

- (iii) a notice of meeting;
- (iv) a listing document;
- (v) a circular; and
- (vi) a proxy form;”

““electronic means” shall include sending or otherwise making available to the intended recipients of the communication in electronic format;”

““Electronic Transactions Law” shall mean the Electronic Transactions Law (2003 Revision) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;”

““Electronic Signature” shall mean an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a person with the intent to sign the electronic communication;”

### (2) Article 2

The following new margin note and paragraph be inserted immediately below the margin note “Words in Law to bear same meaning in Articles” and the paragraph headed by such margin note:

“section 8 of Electronic Transactions Law does not apply	section 8 of the Electronic Transactions Law shall not apply;”
--	--

### (3) Article 2

An existing margin note “writing/printing” and the paragraph headed by such margin note in Article 2 provide that:

“writing/printing	“writing” or “printing” shall include writing, printing, lithography, photography, type-writing, cable and telex messages, facsimile transmission and any and every other mode of representing or reproducing words or figures in a visible, legible and non-transitory form;”
-------------------	--

## LETTER FROM THE BOARD OF DIRECTORS

It is proposed that the existing margin note “writing/printing” and the paragraph headed by such margin note be deleted in its entirety and be substituted therefor the following:

“writing/printing

“writing” or “printing” shall include writing, printing, lithograph, photograph, type writing and every other mode of representing words or figures in a legible and non transitory form and, only where used in connection with a notice served by the Company on shareholders or other persons entitled to receive notices hereunder, shall also include a record maintained in an electronic medium which is accessible in visible form so as to be useable for subsequent reference;”

### **(4) Article 74(A)**

The first sentence of the existing Article 74(A) provides that:

“An annual general meeting or a meeting convened for the purpose of passing of a special resolution shall be called by 21 clear days’ notice in writing at the least, and a meeting of the Company other than an annual general meeting or a meeting convened for the purpose of passing a special resolution shall be called by 14 clear days’ notice in writing at the least.”

It is proposed that the first sentence of Article 74(A) be deleted in its entirety and be substituted therefor the following:

“An annual general meeting shall be called by notice in writing of not less than a period which is the longer of 21 days and 20 clear business days, any extraordinary general meeting called for the passing of a special resolution shall be called by notice in writing of not less than a period which is the longer of 21 days and 10 clear business days, and any other extraordinary general meeting shall be called by notice in writing of not less than a period which is the longer of 14 days and 10 clear business days.”

### **(5) Article 81**

The existing Article 81 provides that:

“At any general meeting a resolution put to the vote at the meeting shall be determined in the first instance by a show of hands of the members present in person or by proxy or (in the case of a member being a corporation) by its duly authorized representative and entitled to vote unless a poll is required under the Listing Rules or (before or on the declaration of the result of the show of hands) is duly demanded:

(1) by the Chairman; or

## LETTER FROM THE BOARD OF DIRECTORS

- (2) by at least five members present in person or by proxy of (in the case of a member being a corporation) by its duly authorized representative for the time being entitled to vote at the meeting; or
- (3) by any member or members present in person or by proxy or (in the case of a member being a corporation) by its duly authorized representative and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting.

Unless a poll is required or duly demanded in accordance with the foregoing provisions, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by any particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.”

It is proposed that Article 81 be deleted in its entirety and be substituted therefor the following:

“At any general meeting a resolution put to the vote of the meeting shall be decided by poll.”

The existing margin note to Article 81 provides that:

“Evidence of the passing of a resolution where poll not demanded”

It is proposed that the margin note to Article 80 be deleted in its entirety and be substituted therefor the following:

“Vote of general meeting by poll”;

### **(6) Article 82**

The existing Article 82 provides that:

“If a poll is required or duly demanded in accordance with foregoing provisions, it shall (subject as provided in Article 83) be taken in such manner (including the use of ballot or voting papers or tickets) and at once of at such time and place, not being later than thirty days after the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn but only with the consent of the Chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.”

It is proposed that Article 81 be deleted in its entirety.

## LETTER FROM THE BOARD OF DIRECTORS

### (7) Article 83

The existing Article 83 provides that:

“Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.”

It is proposed that Article 82 be deleted in its entirety.

### (8) Article 84

The existing Article 84 provides that:

“In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.”

It is proposed that Article 84 be deleted in its entirety and be substituted therefor the following:

“In the case of an equality of votes, the Chairman of the meeting shall be entitled to a second or casting vote.”

### (9) Article 86

The existing Article 86 provides that:

“The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.”

It is proposed that Article 86 be deleted in its entirety.

### (10) Article 87

The existing Article 87 provides that:

“Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares or in accordance with the Articles, at any general meeting on a show of hands every member who (being an individual) is present in person or proxy or (being a corporation) is present by a representative duly authorized pursuant to Article 92 shall have one vote, and on a poll every member present in person or by proxy shall have one vote for every fully-paid share of which he is the holder but no amount paid or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of these Articles as paid up on the share. On a poll a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Where any member is under the Listing Rules,

## LETTER FROM THE BOARD OF DIRECTORS

required to abstain from voting for or against any particular or restricted to voting for or against any particular resolution any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.”

It is proposed that Article 87 be deleted in its entirety and be substituted therefor the following:

“Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting every member present in person (or, in the case of a member being a corporation, by its duly authorized representative) or by proxy shall have one vote for each share registered in his name in the register. A member entitled to more than one vote is under no obligation to cast all his votes in the same way. Where any member is under the Listing Rules, required to abstain from voting for or against any particular or restricted to voting for or against any particular resolution any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.”

### **(11) Article 95**

The existing Article 95 provides that:

“The instrument of proxy, which need not be witnessed, appointing a proxy to vote at a general meeting shall:

- (1) be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit; and
- (2) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.”

It is proposed that Article 95 be deleted in its entirety and be substituted therefor the following:

“The instrument appointing a proxy to vote at a general meeting shall: (a) be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit; and (b) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates, provided that the meeting was originally held within 12 months from such date.”

## LETTER FROM THE BOARD OF DIRECTORS

### **(12) Article 166(B)**

The existing Article 166(B) provides that:

“Every balance sheet of the Company shall be approved by the Board and signed on behalf of the Board by two of the Directors, and a copy of every balance sheet (including every document required by law to be annexed thereto) and profit and loss account or income and expenditure account which is to be laid before the Company in general meeting together with a copy of the Directors’ report, shall, not less than twenty-one days before the date of the meeting, be delivered or sent by post to the registered address of every member of the Company and every other person entitled to receive notices of general meetings of the Company, provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.”

It is proposed that Article 166(B) be deleted in its entirety and be substituted therefor the following:

“Copies of those documents to be laid before the members of the Company at an annual general meeting shall not less than 21 days before the date of the meeting be sent or otherwise made available to every member of the Company and every holder of debentures of the Company in the form of printed copies or electronic copies as published on the Company’s website, provided that where printed copies are sent, the Company shall not be required to send printed copies of those documents to any person of whose address the Company is not aware or to more than one of the jointholders of any shares or debentures.”

### **(13) Articles 170 and 170A**

The existing Articles 170 and 170A provides that:

“170. Any notice or document may be served by the Company on any member either personally or by hand delivery or sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or in the case of a notice (for such period as the shares of the Company are listed on the Designated Stock Exchange) by advertisement in newspapers circulating in Hong Kong in accordance with Article 177. In case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders. Without limiting the generality of the foregoing but subject to the applicable laws and regulations and these Articles and any rules prescribed by the Designated Stock Exchange from time to time, a notice or document may be served or delivered by the Company to any shareholders by electronic means to such address as may from time to time be authorised by the shareholder concerned or by publishing it on a computer network and notifying the shareholder concerned, in such manner as he may from time to time authorize, that it has been so published.

## LETTER FROM THE BOARD OF DIRECTORS

170A. Any such notice or document may be served or delivered by the Company by reference to the register as it stands at any time not more than fifteen days before the date of service or delivery. No change in the register after that time shall invalidate that service or delivery. Where any notice or document is served or delivered to any person in respect of a share in accordance with these Articles, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that notice or document.”

It is proposed that Articles 170 and 170A be deleted in its entirety and be substituted therefor the following:

“170. (A) Any share certificate may be served by the Company on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register; and

(B) Any notice or other document (including any corporate communication), whether or not, to be given or issued under these Articles from the Company to a member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such notice and document may be served or delivered by the Company on or to any member either personally or by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly received by the member or may also be served by advertisement published in the newspapers or by placing it on the Company’s website and giving to the member a notice stating that the notice or other document is available there (a “notice of availability”). The notice of availability may be given to the member by any of the means set out above. In case of joint holders of a share, all notices shall be given to that holder for the time being one of the joint holders whose name stands first in the register and notice so given shall be deemed a sufficient notice to all the joint holders.”

### **(14) Article 172**

The existing Article 172 provides that:

“Any notice or other document, if sent by mail, postage prepaid, shall be deemed to have been served or delivered on the day following that on which the letter, envelope, or wrapper containing the same is put into the post. In proving such service it shall be sufficient to prove that the letter, envelope or wrapper containing the notice or document was properly addressed and put into the post as prepaid mail. Any notice or document not sent by post but deposited by the Company at a registered address shall be deemed to have been served or delivered on the day that it was so deposited. Any notice or document, if sent by electronic means (including through any relevant system), shall be deemed to have been given on the day following that on which the

## LETTER FROM THE BOARD OF DIRECTORS

electronic communication was sent by or on behalf of the Company. Any notice or document served or delivered by the Company by any other means authorised in writing by the shareholder concerned shall be deemed to have been served when the Company has carried out the action it has been authorised to take for that purpose. Any notice or other document published by way of advertisement or on a computer network shall be deemed to have been served or delivered on the day it was so published.”

It is proposed that Article 172 be deleted in its entirety and be substituted therefor the following:

“172. (A) Any notice or document sent by post shall be deemed to have been served on the day following that on which it is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or document was so addressed and put into such post office shall be conclusive evidence therefor. Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left. Any notice served by advertisement shall be deemed to have been served on the day of issue of the official publication and/or newspaper(s) in which the advertisement is published (or on the last day of issue if the publication and/or newspaper(s) are published on different dates); and

(B) Any notice or document sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company’s website is deemed given by the Company to a member on the day following that on which a notice of availability is deemed served on the member.”

### **(15) Article 176**

The existing Article 176 provides that:

“The signature to any notice to be given by the Company may be written or printed.”

It is proposed that Article 176 be deleted in its entirety and be substituted therefor the following:

“The signature to any notice to be given by the Company may be written or printed by means of facsimile or by Electronic Signature.”

Shareholders should refer to the special resolution as set out in the notice of Annual General Meeting on pages 19 to 26 of this circular for details of the proposed amendments to the Articles of Association.

## LETTER FROM THE BOARD OF DIRECTORS

### ANNUAL GENERAL MEETING AND PROXY PROCEDURE

A notice convening the AGM for the purpose of considering and, if thought fit, passing the above-mentioned ordinary resolutions is set out on pages 19 to 26 of this circular. A form of proxy is enclosed for use by Shareholders at the AGM. Shareholders are requested to complete and return the form of proxy to the Company's principal place of business in Hong Kong at 2nd Floor, Chung Shun Knitting Centre, 1-3 Wing Yip Street, Kwai Chung, New Territories, Hong Kong as soon as possible, but in any event not later than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. The lodging of a form of proxy will not preclude a Shareholder from attending the AGM and voting in person should he so wish.

Pursuant to the amended Listing Rule 13.39, which came into effect in January 2009, at any general meeting a resolution put to the vote of the meeting shall be decided by poll.

### RECOMMENDATIONS

The Directors believe that the Issue Mandate to issue Shares and the Repurchase Mandate to repurchase Shares, the re-election of Directors and the amendments to the Articles of Association are in the best interests of the Company. Accordingly the Directors recommend that you vote in favour of the resolutions to be proposed at the AGM.

### RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. 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.

Yours faithfully,  
For and on behalf of the Board of  
**Truly International Holdings Limited**  
**LAM WAI WAH, STEVEN**  
*Chairman*

*The following is the Explanatory Statement required to be sent to Shareholders for their consideration by the Listing Rules in relation to the Repurchase Mandate.*

## **REPURCHASE MANDATE**

It is proposed that, pursuant to the Repurchase Mandate, up to 10 per cent. of the fully-paid Shares in issue as at the date of the passing of the resolution for the grant of the Repurchase Mandate.

As at the Latest Practicable Date, the number of Shares in issue was 472,879,527. Accordingly, assuming that no Shares will be issued or repurchased prior to the AGM, the exercise of the Repurchase Mandate in full would enable the Company to repurchase up to 47,287,952 fully-paid Shares in issue.

## **Reasons for repurchases**

The Directors believe that it is in the best interests of the Company and its Shareholders for the Directors to have a general authority from Shareholders to repurchase Shares in the market. Repurchases of Shares will only be made when and to the extent that the Directors believe that such repurchases will benefit the Company and its Shareholders. Repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of the Shares and/or the earnings per Share.

## **Funding of repurchases**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association and the laws of the Cayman Islands. It is envisaged that the funds required for any repurchase would be derived from the capital paid up on the Shares to be repurchased and/or from the distributable profits of the Company.

**Market prices**

The highest and lowest market prices at which the Shares have been traded on the Stock Exchange in the previous twelve months preceding the Latest Practicable Date are as follows:

	<b>Per Share</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2008</b>		
April	9.71	8.10
May	11.46	8.80
June	9.71	7.12
July	7.42	6.26
August	8.00	5.80
September	6.91	4.22
October	6.30	2.96
November	3.80	3.05
December	4.24	3.10
<b>2009</b>		
January	5.58	3.70
February	4.22	3.75
March	4.47	3.52
April (up to the latest practicable date)	4.80	4.00

No repurchases of Shares have been made by the Company whether on the Stock Exchange or otherwise during the six months prior to 24 April 2009.

**General**

The Repurchase Mandate, if exercised in full, may have a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the Company's audited financial statements for the year ended 31 December 2008. The Directors, however, do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse impact on the working capital requirements or the gearing levels of the Company at the time of the relevant purchases.

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

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

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

If as a result of a share repurchase, a Shareholder's proportionate interest in the voting rights of the Company will increase, such increase will be treated as an acquisition for the purposes of Rules 26 and 32 of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). As a result, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. As at the Latest Practicable Date, Mr. Lam Wai Wah, Steven ("Mr. Lam") and his family are beneficially interested in approximately 46.67 per cent. of the issued share capital of the Company. In the event the Directors exercised in full the power to repurchase Shares pursuant to the Repurchase Mandate, the percentage of the issued share capital of the Company in which Mr. Lam and his family would be beneficially interested would increase to 51.85 per cent.. Such an increase would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. In the event that any exercise of the Repurchase Mandate would, to the knowledge of the Directors, have such a consequence under Rule 26 of the Takeovers Code, the Directors would not exercise the mandate to such an extent.

The details of the retiring Directors who offer themselves to be re-elected at the AGM are as follows:

**Mr. Cheung Tat Sang, James** (“Mr. Cheung”), aged 53, is an Executive Director of the Company. He is responsible for the sales of the Group’s LCD products and other semiconductor components. Prior to joining the Group in 1989, he was sales manager for a number of electronics companies for over 10 years. Mr. Cheung does not have any relationship with any Director, senior management or controlling shareholder of the Company, and, as at the date hereof, he is beneficially interested in 1,554,000 ordinary shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no service contract between the Company and Mr. Cheung. His total remuneration was in the total sum of HK\$1,928,333 for the financial year ended 31 December 2008. The amount comprised basic salary of HK\$1,592,333 per annum, a year end performance bonus of HK\$312,000 and contribution to Mandatory Provident Fund of HK\$24,000. The level of this remuneration was reviewed by the Remuneration Committee and determined on the basis of his responsibilities to be involved in the Company, the prevailing market conditions and the performance of the Company’s results in LCD business. His employment with the Company may be terminated by either party at any time upon one party giving to the other party three months’ prior notice in writing or payment in lieu of notice.

**Mr. Li Jian Hua** (“Mr. Li”), aged 45, is the Head of the Group’s LCD Production Division and an Executive Director of the Company. Mr. Li graduated from the Jilin University of Technology and Engineering Management in 1987 and joined the group in 1989. Prior to joining the Group, he worked in a multinational motor car manufacturer in Guangzhou City, the PRC for almost two years. Mr. Li does not have any relationship with any Director, senior management or controlling shareholder of the Company, and, as at the date hereof, he is beneficially interested in 1,680,000 ordinary shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no service contract between the Company and Mr. Li. His total remuneration was in the total sum of HK\$2,540,000 for the financial year ended 31 December 2008. The amount comprised basic salary of HK\$1,888,000 per annum, a year end performance bonus of HK\$640,000 and contribution to Mandatory Provident Fund of HK\$12,000. The level of this remuneration was reviewed by the Remuneration Committee and determined on the basis of his responsibilities to be involved in the Company, the prevailing market conditions and the performance of the Company’s results. His employment with the Company may be terminated by either party at any time upon one party giving to the other party three months’ prior notice in writing or payment in lieu of notice.

**Mr. Chung Kam Kwong** (“Mr. Chung”), aged 51, is an independent Non-executive Director of the Company and the Chairman of the Group’s Audit, Remuneration and Nomination Committees. He is a practicing Certified Public Accountant in Hong Kong and is members of the Hong Kong Institute of Certified Public Accountants and the Australian Society of Certified Practising Accountants and a council member of the Macau Society of Certified Practising Accountants. Mr. Chung has extensive experience in accounting and financial management and has been the independent Non-executive Directors of two listed companies (namely Hua Yi Copper Holdings Limited and Solartech International Holdings Limited) in Hong Kong. Mr. Chung does not have any relationship with any Director, senior management or controlling shareholder of the Company, and, as at the date hereof, he does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no service contract between the Company and Mr. Chung. The appointment of Mr. Chung as an independent non-executive director of the Company is for a term of one year. The term shall continue thereafter for successive terms of one year unless terminated by either party giving not less than one month’s notice in writing to the other party. For the financial year ended 31 December 2008, Mr. Chung received an annual director’s fee of HK\$88,000. The amount of director’s fee of Mr. Chung was reviewed by the Remuneration Committee and determined by reference to his duties and responsibilities within the Group.

Other than the directorships with the Company, Mr. Cheung, Mr. Li and Mr. Chung did not have other directorships held in listed public companies in the last three years.

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

# **TRULY**<sup>®</sup>

## **TRULY INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 00732)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Company will be held at 2nd Floor, Chung Shun Knitting Centre, 1–3 Wing Yip Street, Kwai Chung, New Territories, Hong Kong on Thursday, 11 June 2009 at 10:30 a.m. for the following purposes:

1. To receive and consider the Financial Statements and the Reports of the Directors and the Auditors for the year ended 31 December 2008.
2. To declare a final dividend for the year ended 31 December 2008.
3. To re-elect retiring Directors and to authorise the Board of Directors to fix their remuneration.
4. To appoint Auditors and to authorise the Board of Directors to fix their remuneration.
5. As special business, to consider and, if thought fit, pass the following resolutions, with or without modifications, as Ordinary Resolutions:

A. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company in accordance with all the applicable laws and 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 shares which may be repurchased by the Directors of the Company pursuant to the approval in paragraph (a) above shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
  - (i) the conclusion of the next Annual General Meeting of the Company;
  - (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; and
  - (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the Company in general meeting.”

## NOTICE OF AGM

**B. “THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company, and to make or grant offers, agreements and options which might require the exercise of such power, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), (ii) the exercise of any option granted under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries and/or other persons of options to subscribe for, or rights to acquire, shares of the Company, or (iii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company, or any other securities which are convertible into shares of the Company, and from time to time outstanding, shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution:

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

- (i) the conclusion of the next Annual General Meeting of the Company;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the Company in general meeting; and

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

## NOTICE OF AGM

- C. “**THAT**, subject to the passing of the Resolutions set out as Resolutions A and B in paragraph 5 of the notice convening this meeting, the general mandate granted to the Directors of the Company to exercise the powers of the Company to allot, issue and deal with additional shares in the capital of the Company pursuant to Resolution B referred to above be and is hereby extended by adding thereto an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company pursuant to Resolution A referred to above (provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution).”
6. As special business, to consider and, if thought fit, pass the following resolutions, with or without modifications, as Special Resolutions:
- A. “**THAT** the articles of association of the Company be amended as follows:
- (a) By deleting the definition of “electronic” in Article 2 in its entirety and substituting therefor the following:
- ““electronic” shall have the meaning attributed to it in the Electronic Transaction Law;”;
- By inserting the following new definitions of “business day(s)”, “corporate communication”, “electronic means”, “Electronic Transactions Law” and “Electronic Signature” in Article 2:
- ““business day(s)” shall mean any day on which the Exchange is open for the business of dealing in securities;”;
- ““corporate communication” shall mean any document issued or to be issued by the Company for the information or action of the members of the Company, including but not limited to:
- (i) the directors’ report, its annual accounts together with a copy of the auditors’ report and, where applicable, its summary financial report;
  - (ii) the interim report and, where applicable, its summary interim report;
  - (iii) a notice of meeting;
  - (iv) a listing document;
  - (v) a circular; and
  - (vi) a proxy form;”;
- ““electronic means” shall include sending or otherwise making available to the intended recipients of the communication in electronic format;”;

## NOTICE OF AGM

““Electronic Transactions Law” shall mean the Electronic Transactions Law (2003 Revision) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;” ; and

““Electronic Signature” shall mean an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a person with the intent to sign the electronic communication;”;

- (b) By inserting the following new margin note and paragraph immediately below the margin note “Words in Law to bear same meaning in Articles” and the paragraph headed by such margin note:

“section 8 of Electronic Transactions Law does not apply      section 8 of the Electronic Transactions Law shall not apply;”;

- (c) By deleting the paragraph headed by the margin note “writing/printing” in Article 2 in its entirety and substituting therefor the following:

“writing/printing”      “writing” or “printing” shall include writing, printing, lithograph, photograph, type writing and every other mode of representing words or figures in a legible and non transitory form and, only where used in connection with a notice served by the Company on shareholders or other persons entitled to receive notices hereunder, shall also include a record maintained in an electronic medium which is accessible in visible form so as to be useable for subsequent reference;”;

- (d) Article 74(A)

By deleting the first sentence of Article 74(A) in its entirety and substituting therefor the following:

“An annual general meeting shall be called by notice in writing of not less than a period which is the longer of 21 days and 20 clear business days, any extraordinary general meeting called for the passing of a special resolution shall be called by notice in writing of not less than a period which is the longer of 21 days and 10 clear business days, and any other extraordinary general meeting shall be called by notice in writing of not less than a period which is the longer of 14 days and 10 clear business days.”;

## NOTICE OF AGM

(e) Article 81

By deleting Article 81 in its entirety and substituting therefor the following:

“At any general meeting a resolution put to the vote of the meeting shall be decided by poll.”; and

By deleting the margin note to Article 81 in its entirety and substituting therefor the following:

“Vote of general meeting by poll”;

(f) Article 82

By deleting Article 82 in its entirety;

(g) Article 83

By deleting Article 83 in its entirety;

(h) Article 84

By deleting Article 84 in its entirety and substituting therefor the following:

“In the case of an equality of votes, the Chairman of the meeting shall be entitled to a second or casting vote.”;

(i) Article 86

By deleting Article 86 in its entirety;

(j) Article 87

By deleting Article 87 in its entirety and substituting therefor the following:

“Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting every member present in person (or, in the case of a member being a corporation, by its duly authorized representative) or by proxy shall have one vote for each share registered in his name in the register. A member entitled to more than one vote is under no obligation to cast all his votes in the same way. Where any member is under the Listing Rules, required to abstain from voting for or against any particular or restricted to voting for or against any particular resolution any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.”;

## NOTICE OF AGM

(k) Article 95

By deleting Article 95 in its entirety and substituting therefor the following:

“The instrument appointing a proxy to vote at a general meeting shall: (a) be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit; and (b) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates, provided that the meeting was originally held within 12 months from such date.”;

(l) Article 166(B)

By deleting Article 166(B) in its entirety and substituting therefor the following:

“Copies of those documents to be laid before the members of the Company at an annual general meeting shall not less than 21 days before the date of the meeting be sent or otherwise made available to every member of the Company and every holder of debentures of the Company in the form of printed copies or electronic copies as published on the Company’s website, provided that where printed copies are sent, the Company shall not be required to send printed copies of those documents to any person of whose address the Company is not aware or to more than one of the jointholders of any shares or debentures.”;

(m) Articles 170 and 170A

By deleting Articles 170 and 170A in its entirety and substituting therefor the following:

“170 (A) Any share certificate may be served by the Company on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register; and

(B) Any notice or other document (including any corporate communication), whether or not, to be given or issued under these Articles from the Company to a member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such notice and document may be served or delivered by the Company on or to any member either personally or by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly received by the member or may also be served by

## NOTICE OF AGM

advertisement published in the newspapers or by placing it on the Company's website and giving to the member a notice stating that the notice or other document is available there (a "notice of availability"). The notice of availability may be given to the member by any of the means set out above. In case of joint holders of a share, all notices shall be given to that holder for the time being one of the joint holders whose name stands first in the register and notice so given shall be deemed a sufficient notice to all the joint holders.";

(n) Article 172

By deleting Article 172 in its entirety and substituting therefor the following:

"172 (A) Any notice or document sent by post shall be deemed to have been served on the day following that on which it is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or document was so addressed and put into such post office shall be conclusive evidence therefor. Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left. Any notice served by advertisement shall be deemed to have been served on the day of issue of the official publication and/or newspaper(s) in which the advertisement is published (or on the last day of issue if the publication and/or newspaper(s) are published on different dates); and

(B) Any notice or document sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company's website is deemed given by the Company to a member on the day following that on which a notice of availability is deemed served on the member."; and

(o) Article 176

By deleting Article 176 in its entirety and substituting therefor the following:

"The signature to any notice to be given by the Company may be written or printed by means of facsimile or by Electronic Signature."

By Order of the Board  
**Ng Sui Wa, Thomas**  
*Company Secretary*

Hong Kong, 27 April 2009

## NOTICE OF AGM

*Notes:*

- (1) For ascertaining the entitlement to the final dividends (if declared), the register of members of the Company will be closed from 11 May 2009 to 15 May 2009, both days inclusive, during which period no transfers of shares will be registered.
- (2) In order to qualify for the final dividends, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 8 May 2009.
- (3) A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (4) In order to be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power of attorney or other authority, must be lodged at the Company's principal office in Hong Kong at 2nd Floor, Chung Shun Knitting Centre, 1-3 Wing Yip Street, Kwai Chung, New Territories, Hong Kong not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof.
- (5) Concerning the ordinary resolutions set out in paragraphs 5B and 5C of the above notice, the approval is being sought from members as a general mandate in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Directors of the Company have no immediate plans to issue any new shares of the Company.
- (6) Concerning the resolutions set out in paragraph 5 of the above notice, a circular containing particulars of the proposed resolutions, a notice of the Annual General Meeting and an explanatory statement containing information regarding the resolution set out as Resolution A in paragraph 5 will be sent to shareholders with the Company's 2008 Annual Report.
- (7) Pursuant to the amended Rule 13.39 of the Listing Rules which came into effect in January 2009, at any general meeting a resolution put to the vote of the meeting shall be decided by poll.