

**IMPORTANT**

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

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

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*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 653)**

**GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES,  
EXTENSION OF GENERAL MANDATE TO ISSUE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS,  
TERMINATION OF EXISTING SHARE OPTION SCHEME,  
ADOPTION OF NEW SHARE OPTION SCHEME,  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening an annual general meeting of the Company to be held at 11th Floor, Bonjour Tower, 3 Yuk Yat Street, Tokwawan, Kowloon, Hong Kong on Wednesday, 27 May 2009 at 11:00 a.m. is set out on pages 25 to 28 of this circular. A form of proxy for use at the annual general meeting is enclosed. If you do not intend to attend and vote at the annual general meeting in person, you are requested to complete and return the accompanying form of proxy to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 11th Floor, Bonjour Tower, 3 Yuk Yat Street, Tokwawan, Kowloon, Hong Kong on Wednesday, 27 May 2009 at 11:00 a.m. at which the Annual Report will be adopted;
“Annual Report”	the audited consolidated financial statements and the reports of the directors and auditors of the Company for the year ended 31 December 2008;
“Articles of Association”	the articles of association of the Company;
“Board”	the board of Director(s);
“Company”	Bonjour Holdings Limited;
“Director(s)”	director(s) of the Company;
“Existing Scheme”	the existing share option scheme of the Company adopted pursuant to a resolution passed by the then Shareholders on 17 June 2003;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Issue Mandate”	the proposed issue mandate to be granted to the Directors to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the resolution for approving the issue mandate;
“Latest Practicable Date”	16 April 2009, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

## DEFINITIONS

“New Scheme”	the new share option scheme proposed to be adopted by the Company at the AGM for the benefit of the employees and directors of the Group and other eligible participants;
“Repurchase Mandate”	the proposed repurchase mandate to be granted to the Directors to exercise the power of the Company to repurchase fully paid Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the resolution for approving the repurchase mandate;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases approved by the Securities and Futures Commission as amended from time to time; and
“%”	per cent.



**BONJOUR**

**Bonjour Holdings Limited**  
**卓悦控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 653)**

*Executive Directors:*

Dr. Ip Chun Heng, Wilson  
*(Chairman and Chief Executive Officer)*  
Ms. Chung Pui Wan *(Vice Chairman)*  
Mr. Yip Kwok Li  
Mr. Chan Chi Chau

*Registered Office:*

Clifton House  
75 Fort Street  
George Town  
Grand Cayman  
Cayman Islands

*Independent Non-executive Directors:*

Mr. Wong Chi Wai  
Dr. Chow Ho Ming  
Mr. Lo Hang Fong

*Principal Place of Business in*

*Hong Kong:*  
10/F., Bonjour Tower  
3 Yuk Yat Street  
Tokwawan, Kowloon  
Hong Kong

24 April 2009

*To the Shareholders,  
and, for information only,  
holders of the share options of the Company*

Dear Sir or Madam,

**GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES,  
EXTENSION OF GENERAL MANDATE TO ISSUE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS,  
TERMINATION OF EXISTING SHARE OPTION SCHEME,  
ADOPTION OF NEW SHARE OPTION SCHEME,  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with information in respect of the ordinary resolutions to approve (i) the Repurchase Mandate; (ii) the Issue Mandate; (iii) the extension of the Issue Mandate; (iv) the re-election of the retiring Directors; (v) the termination of Existing Scheme; and (vi) the adoption of New Scheme at the AGM and to give you notice of AGM.

## LETTER FROM THE BOARD

An explanatory statement containing all the information necessary to enable the Shareholders to make informed decisions on whether to vote for or against the Repurchase Mandate as required by the Listing Rules is set out in Appendix I to this circular.

### **2. GENERAL MANDATE TO REPURCHASE SHARES**

At the annual general meeting of the Company held on 5 June 2008, an ordinary resolution was passed by the Shareholders to grant the existing repurchase mandate to the Directors.

The existing repurchase mandate will expire at the conclusion of the AGM. An ordinary resolution will be proposed at the AGM to grant to the Directors a fresh Repurchase Mandate, i.e. a general and unconditional mandate to repurchase Shares subject to the maximum number of shares of up to 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of such resolution. The fresh Repurchase Mandate, if granted, will remain in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles of Association or any applicable laws of the Cayman Islands; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

### **3. GENERAL MANDATE TO ISSUE SHARES**

At the annual general meeting of the Company held on 5 June 2008, an ordinary resolution was passed by the Shareholders to grant the existing issue mandate to the Directors.

The existing Issue Mandate will expire at the conclusion of the AGM. An ordinary resolution will be proposed at the AGM to grant to the Directors a fresh Issue Mandate, i.e. a general and unconditional mandate to allot, issue and deal with, otherwise by way of rights issue or any option scheme or similar arrangements for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares in the Company or any shares of the Company issued as scrip dividends pursuant to the memorandum and articles of association of the Company, additional Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of such resolution. Based on 225,222,000 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued and no Shares are repurchased after the Latest Practicable Date and up to the date of the AGM, the Directors will be able to allot, issue and deal with for up to a total of 45,044,400 Shares if the fresh Issue Mandate is granted at the AGM, which will remain in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles of Association or any applicable laws of the Cayman Islands; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

## LETTER FROM THE BOARD

### 4. EXTEND GENERAL MANDATE TO ISSUE SHARES

Subject to the passing of the resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the AGM to extend the Issue Mandate by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company pursuant to the Repurchase Mandate provided that such extended amount shall not exceed 10% of the aggregate of the total nominal amount of the issued share capital of the Company in issue on the date of passing the resolution for approving the Issue Mandate.

### 5. RE-ELECTION OF RETIRING DIRECTORS

In relation to ordinary resolution number 3 set out in the notice of the AGM regarding the re-election of retiring Directors, Dr. Ip Chun Heng, Wilson, Ms. Chung Pui Wan and Mr. Wong Chi Wai shall retire as the Directors by rotation at the AGM pursuant to article 108 of the Articles of Association, and, being eligible, will offer themselves for re-election. Particulars relating to each of Dr. Ip Chun Heng, Wilson, Ms. Chung Pui Wan and Mr. Wong Chi Wai are set out below for the Shareholders' consideration.

**Dr. Ip Chun Heng, Wilson, ("Dr. Ip")**, aged 51, is the Chairman, Chief Executive Officer and an Executive Director. Dr. Ip together with Ms. Chung Pui Wan founded the business of the Group in June 1991. Dr. Ip has more than 31 years' experience in running retail and service business. Dr. Ip has received World Outstanding Chinese Award and honorary doctoral degree from State Gleska University of California in 2007. Based on his solid experience in retail and wholesale industries, he has successfully led the business of the Group grow tremendously since 1996. Dr. Ip is responsible for the overall strategic planning and formulation of corporate policies of the Group. He is a director of Bonjour Beauty (Shanghai) Limited, Bonjour Beauty International Limited, Bonjour Beauty Limited, Bonjour Cosmetic (Overseas) Limited, Bonjour Cosmetic Wholesale Center Limited, Bonjour Duty Free Wholesale Center Limited, Bonjour Group Limited, Bonjour Medical Science & Technology Beauty Center Limited, Fine Hero Industrial Limited, Full Gain Developments Limited, Good Merit International Enterprise Limited, L'avance Cosmetics Limited, Richly Fine Limited, Royal Health International (Holdings) Limited, Sheen Honour International Limited, Speedwell Group Limited and Win Come Hong Limited, all of these companies are wholly-owned subsidiaries of the Company. Save as aforesaid, Dr. Ip did not hold other directorship in any public listed companies in the last three years and he does not hold other position in the Group.

## LETTER FROM THE BOARD

Save as Dr. Ip is the spouse of Ms. Chung Pui Wan, the Vice-chairman and an Executive Director, and the brother of Mr. Yip Kwok Li, an Executive Director, Dr. Ip does not have any relationships with other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Group. In addition, he is interested in 164,064,000 Shares, of which 4,000,000 underlying Shares were share options granted to him by the Company under the Existing Scheme, within the meaning of Part XV of the SFO.

Dr. Ip has entered into a service contract with the Company for an initial term of two years commencing from 1 July 2003, and will continue thereafter until terminated by either party giving not less than three months' notice in writing. The annual remuneration of Dr. Ip is HK\$3,114,000, which is determined upon negotiation between Dr. Ip and the Company at arm's length on the basis of his previous experience, professional qualifications, responsibilities to be involved in the Company and the amount of time devoted to the Company's business as well as the current position of the Company and the prevailing market condition. In addition, Dr. Ip is also entitled to a discretionary management bonus determine provided that the aggregate amount of the bonus payable to all Executive Directors for any financial year of the Company but shall not exceed 15% of the audited profits attributable to the Shareholders in respect of that financial year. All the annual remuneration and discretionary management bonus are covered by the service contract.

**Ms. Chung Pui Wan ("Ms. Chung")**, aged 48, is the Vice-chairman and an Executive Director. Ms. Chung, spouse of Dr. Ip Chun Heng, Wilson, has more than 26 years' experience in sales and marketing of cosmetic products. Before the Group was founded in 1991, Ms. Chung had worked for several cosmetic companies in the sales and marketing of branded cosmetic products for over 5 years. With her sales promotion technique and in-depth product knowledge in cosmetics, Ms. Chung has significant contribution to the Group's product innovation and marketing strategy. Ms. Chung is responsible for the overall sales and marketing operations management. She is a director of Bonjour Beauty (Shanghai) Limited, Bonjour Beauty International Limited, Bonjour Beauty Limited, Bonjour Cosmetic (Overseas) Limited, Bonjour Cosmetic Wholesale Center Limited, Bonjour Duty Free Wholesale Center Limited, Bonjour Group Limited, Bonjour Medical Science & Technology Beauty Center Limited, Fine Hero Industrial Limited, Full Gain Developments Limited, Good Merit International Enterprise Limited, L'avance Cosmetics Limited, Richly Fine Limited, Royal Health International (Holdings) Limited, Sheen Honour International Limited, Speedwell Group Limited and Win Come Hong Limited, all of these companies are wholly-owned subsidiaries of the Company. Save as aforesaid, Ms. Chung did not hold other directorship in any public listed companies in the last three years and she does not hold other position in the Group.

Save as Ms. Chung is the spouse of Dr. Ip Chun Heng, Wilson, the Chairman, Chief Executive Officer and Executive Director, Ms. Chung does not have any relationships with other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Group. In addition, she is interested in 164,064,000 Shares, of which 4,000,000 were share options granted to her by the Company under the Existing Scheme, within the meaning of Part XV of the SFO.



## LETTER FROM THE BOARD

Ms. Chung has entered into a service contract with the Company for an initial term of two years commencing from 1 July 2003, and will continue thereafter until terminated by either party giving not less than three months' notice in writing. The annual remuneration of Ms. Chung is HK\$3,114,000, which is determined upon negotiation between Ms. Chung and the Company at arm's length on the basis of her previous experience, professional qualifications, responsibilities to be involved in the Company and the amount of time devoted to the Company's business as well as the current position of the Company and the prevailing market condition. In addition, Ms. Chung is also entitled to a discretionary management bonus determine provided that the aggregate amount of the bonus payable to all executive directors of the Company for any financial year of the Company but shall not exceed 15% of the audited profits attributable to the shareholders of the Company in respect of that financial year. All the annual remuneration and discretionary management bonus are covered by the service contract.

**Mr. Wong Chi Wai ("Mr. Wong")**, aged 43, is an Independent Non-Executive Director since July 2004. Mr. Wong is a Certified Public Accountant (Practicing) in Hong Kong and an associate member of the Institute of Chartered Accountants in England and Wales. Mr. Wong has also been admitted as a barrister of the High Court of Hong Kong since 1998. Mr. Wong has over 21 years of experience in the accountancy profession and he currently is the owner of a certified public accountants firm and an advisor of a law firm. Mr. Wong is an independent non-executive director of Kin Yat Holdings Limited and Arts Optical International Holdings Limited, both companies are listed on the Main Board of the Stock Exchange. Save as aforesaid, Mr. Wong did not hold other directorship in any public listed companies in the last three years and he does not hold other position in the Group.

Mr. Wong does not have any relationships with any Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Group. In addition, he is not interested in any interests or short position related to the Shares, underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO), which were notifiable to the Company and the Stock Exchange pursuant to Part XV of SFO.

Mr. Wong has entered into an appointment letter with the Company for a term of one year commencing from 1 July 2008, which can be terminated by either party giving not less than one month's notice in writing. The annual remuneration of Mr. Wong is HK\$150,000 (which is covered by the service contract), which is determined upon negotiation between Mr. Wong and the Company at arm's length on the basis of his previous experience, professional qualifications, responsibilities to be involved in the Company and the amount of time devoted to the Company's business as well as the current position of the Company and the prevailing market condition. Save for the annual remuneration of HK\$150,000, Mr. Wong is not entitled to any other remuneration and bonus.

Mr. Wong was an independent non-executive director of Tin Tin Publication Development Limited ("Tin Tin") during the periods from 3 June 2000 to 31 August 2000 and from 18 December 2000 to 27 June 2002. Tin Tin was engaged in the publication business. Mr. Wong had never participated in the management of Tin Tin during his

## LETTER FROM THE BOARD

appointment as a director of Tin Tin. His re-appointment on 18 December 2000 as a director of Tin Tin was for the sole purpose of constituting a valid board quorum pursuant to the articles of association of Tin Tin so that Tin Tin could enter into settlement agreements with and release funds to its creditors after Tin Tin lost a court case in the Final Court of Appeal in July 2000. A judgment creditor obtained a judgment against Tin Tin on or about 11 January 2002 for a sum of HK\$4,675,325 and then applied to the Court for winding-up of Tin Tin. The order for winding up of Tin Tin was granted on 7 August 2002. No further information about the progress of the winding up of Tin Tin is available after the resignation of Mr. Wong as a director on 27 June 2002. This incident had been duly disclosed to the Company and the Stock Exchange when he was appointed as the Director. However, due to his oversight, Mr. Wong omitted to mention his directorship in Tin Tin when he filled in the application form for application of membership of the Hong Kong Federation of Insurers (“HKFI”) in May 2004. Mr. Wong subsequently informed HKFI of his omission in July 2004 and HKFI decided to suspend his application as an insurance agent for 9 months until June 2005. Mr. Wong disclosed the decision of the HKFI to the Company and the SEHK promptly in October 2004.

Saved as disclosed above, there are no other matters in relation to the afore-proposed re-election of the retiring Directors that needed to be brought to the attention of the Stock Exchange or the Shareholders and there is no information relating to all the retiring Directors that is required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules.

### 6. TERMINATION OF EXISTING SCHEME

#### Termination of the Existing Scheme

By a resolution of the then Shareholders passed on 17 June 2003, the Existing Scheme was adopted. Under the Existing Scheme, the Directors were authorised to grant to full-time employees of the Group, including executive directors of the Company and its subsidiaries, options to subscribe for Shares.

As at the Latest Practicable Date, the Company had outstanding 35,834,000 share options granted pursuant to the Existing Scheme which remained outstanding and not exercised.

Other than the Existing Scheme, the Company currently does not maintain any other share option scheme.

For the reasons stated below, the Board proposes to terminate the Existing Scheme and adopt the New Scheme which are subject to the approval of the Shareholders at the AGM.

Upon the termination of the Existing Scheme, no further options would be offered pursuant to the Existing Scheme but the Existing Scheme would in all other respects remain in force to the extent necessary to give effect to the exercise of the outstanding options granted under it prior to its termination (“Existing Options”). The Existing Options will continue to be valid and exercisable in accordance with the terms of the Existing Scheme.

## LETTER FROM THE BOARD

### 7. ADOPTION OF NEW SCHEME

#### The New Scheme

Set out in Appendix II to this circular are the principal terms of the New Scheme. The rules of the New Scheme proposed to be adopted by the Company at the AGM will be available for inspection at the principal place of business in Hong Kong at 10/F., Bonjour Tower, 3 Yuk Yat Street, Tokwawan, Kowloon, Hong Kong during normal business hours from 24 April 2009 up to and including the date of AGM.

Under the terms of the New Scheme, the scope of eligible participants is expanded which include:

- (a) any employee (whether full-time or part-time including any executive director but excluding any non-executive director) of the Company, any of our subsidiaries or any entity (“**Invested Entity**”) in which the Group holds an equity interest;
- (b) any non-executive directors (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity;
- (c) any supplier of goods or services to any member of the Group or any Invested Entity;
- (d) any customer of any member of the Group or any Invested Entity;
- (e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity;
- (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;
- (g) any adviser (professional or otherwise) or consultant to any area of business or business development of the Group or any Invested Entity; and
- (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group.

The initial maximum number of Shares which may be allotted and issued upon exercise of all outstanding options granted under the New Scheme and any other share option schemes of the Company (including the Existing Scheme) may represent up to 10% of the Shares in issue on the date of approval of the New Scheme by the Shareholders at the AGM (“**General Scheme Limit**”), which maximum number may however be refreshed as detailed in paragraph (3) of Appendix II to this circular.

## LETTER FROM THE BOARD

On the basis of 225,222,000 Shares in issue as at the Latest Practicable Date and assuming that, prior to the AGM, no Shares are issued or repurchased by the Company, the General Scheme Limit will be 22,522,200 Shares.

### **Conditions of the adoption of the New Scheme**

The adoption of the New Scheme is conditional upon (i) the termination of the Existing Scheme by an ordinary resolution at the AGM; (ii) the approval of the New Scheme at the AGM and the allotment and issue of the Shares which may fall to be allotted and issued upon the exercise of the options granted under the New Scheme; and (iii) the Stock Exchange granting approval of the listing of, and permission to deal in, the Shares which may fall to be allotted and issued upon the exercise of the options granted up to 10% of the Shares in issue as at the date of the AGM under the New Scheme.

Application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares representing 10% of the issued share capital of the Company as at the date of the AGM which may fall to be allotted and issued upon the exercise of options to be granted under the New Scheme.

### **Reasons for the proposal**

Under the terms of the Existing Scheme, the Company may only grant share options to the Directors or any person who is an employee of members of the Group or any entity in which the Group holds any equity interests.

The Directors consider that the adoption of the New Scheme is in the interest of the Company and the Shareholders as a whole because it enables the Company to reward and provide incentives to, and strengthen the Group's business relationship with, the prescribed classes of participants who may contribute to the growth and development of the Group.

### **Values of all options that can be granted under the New Scheme**

The Directors consider that it is not possible to state the value of all options that may be granted pursuant to the New Scheme as if they had been granted on the Latest Practicable Date, because the calculation of the value of the options is based on a number of variables such as the exercise price, exercise period, interest rate, expected volatility and other relevant variables. As options have not been granted under the New Scheme, certain variables are not available for calculating the value of the options. The Directors believe that any calculation of the value of the options as at the Latest Practicable Date based on a great number of speculative assumptions would not be meaningful to the Shareholders.

## LETTER FROM THE BOARD

### 8. ANNUAL GENERAL MEETING

The notice of the AGM is set out on pages 25 to 28 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, the granting of the Repurchase Mandate and Issue Mandate and the extension of the Issue Mandate, the re-election of retiring Directors, the termination of Existing Scheme, and the adoption of New Scheme.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)). In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. The completion and return of the form of proxy will not preclude any Shareholder from attending and voting at the meeting if so wished.

### 9. LISTING RULES REQUIREMENT

According to rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, all the resolutions put to the vote at the AGM will be taken by way of poll. No Shareholders are required to abstain from voting at the AGM.

### 10. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules or 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.

### 11. RECOMMENDATION

The Directors consider that the granting of the Repurchase Mandate and the Issue Mandate, the extension of the Issue Mandate, the re-election of the retiring Directors, the termination of Existing Scheme, and the adoption of New Scheme are in the best interests of the Company and the Shareholders. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the AGM on pages 25 to 28.

Yours faithfully,  
For and on behalf of the Board of  
**Bonjour Holdings Limited**  
**Ip Chun Heng, Wilson**  
*Chairman*

*The following explanatory statement contains all the information required pursuant to Rule 10.06 of the Listing Rules to be given to all Shareholders relating to the resolution to be proposed at the forthcoming AGM authorising the Repurchase Mandate.*

## **1. EXERCISE OF THE REPURCHASE MANDATE**

As at the Latest Practicable Date, the issued ordinary share capital of the Company comprised 225,222,000 Shares. Subject to the passing of the ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing of such resolution, the Directors would be authorised to repurchase up to 22,522,200 Shares (being 10% of the Shares in issue) during the period up to (i) the next annual general meeting of the Company in 2010; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles of Association or any applicable law of the Cayman Islands; or (iii) the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

## **2. REASONS FOR REPURCHASE**

The Directors have no present intention to repurchase any Shares but consider that the mandate will provide the Company the flexibility to make such repurchases when appropriate and beneficial to the Company. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of the net assets and/or earnings per Share.

## **3. FUNDING OF REPURCHASES**

Repurchasing Shares must be made of the funds legally available for such purpose in accordance with the memorandum and articles of association of the Company and the applicable laws of the Cayman Islands and Hong Kong. The Companies laws (2004 Revision) of the Cayman Islands (the "Laws") provide that a share repurchase by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of shares made for the purpose or, if so authorised by the articles of association of the Company and subject to the provisions of the Laws, out of capital. Any premium payable on a repurchase over the par value of the Shares repurchased or conditionally or unconditionally to be purchased must be provided for out of profits of the Company or out of the Company's share premium account or, if so authorised by the Articles of Association and subject to the provisions of the Laws, out of capital.

## **4. IMPACT ON WORKING CAPITAL OR GEARING LEVEL**

As compared with the financial position of the Company as disclosed in its most recent published audited consolidated accounts as at 31 December 2008, the Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company in the event that the proposed Share repurchases were to be carried out in full during the proposed purchase period. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Company.

## 5. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), has any present intention, in the event that the repurchase proposal is approved by the Shareholders, to sell Shares to the Company or its subsidiaries.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has a present intention to sell Shares to the Company or its subsidiaries, or has undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

## 6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases of Shares pursuant to the Repurchase Mandate and in accordance with the Listing Rules and all applicable laws of the Cayman Islands, and in accordance with the regulations set out in the memorandum and articles of association of the Company.

## 7. EFFECT OF TAKEOVERS CODE

If on exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such an increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors are not aware of any Shareholders, or a group of Shareholders acting in concert, who may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code in the event that the Directors exercise the power to repurchase Shares pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, Promised Return Limited, a company owned by Deco City Limited, which in turn owned by DBS Trustee H.K. (Jersey) Limited (a company owned by a discretionary trust which beneficiaries are the family members of Dr. Ip Chun Heng, Wilson and Ms. Chung Pui Wan (the "Ip Family")) beneficially owned 145,872,000 Shares, representing approximately 64.77% of the issued ordinary share capital of the Company. In the event that the Directors exercised in full the power to repurchase Shares in accordance with the Repurchase Mandate, the interests of Ip Family in the Company would be increased to approximately 71.96% of the issued share capital of the Company.

The Directors confirm to the best knowledge having made all reasonable enquiries that, if the Repurchase Mandate were exercised in full at any time during the proposed repurchase period, it would not cause the Ip Family, which holds Shares of the Company through Promised Return Limited and Deco City Limited to make a mandatory offer

under the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to such an extent that would result in takeover obligation or the public holding of Shares would be reduced below 25% of the issued share capital of the Company.

#### 8. SHARE PURCHASE MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company has repurchased a total of 2,419,000 Shares on the Stock Exchange as follows:

Date of Repurchase	Number of Shares Repurchased	Price per ordinary share		Total Price Paid (HK\$)
		Highest (HK)	Lowest (HK\$)	
10/10/2008	52,000	2.48	2.40	125,490
13/10/2008	34,000	2.43	2.43	82,620
15/10/2008	100,000	2.40	2.39	239,500
16/10/2008	201,000	2.35	2.27	466,450
23/10/2008	60,000	2.28	2.20	133,800
27/10/2008	165,000	2.10	1.90	339,660
28/10/2008	60,000	2.00	1.95	119,700
29/10/2008	80,000	2.05	2.00	161,500
13/11/2008	35,000	2.03	2.00	70,650
21/11/2008	60,000	2.02	1.99	120,000
08/01/2009	398,000	2.05	2.00	806,590
13/01/2009	150,000	2.05	2.05	307,500
14/01/2009	700,000	2.03	2.02	1,420,000
15/01/2009	108,000	2.00	1.98	215,740
22/01/2009	51,000	2.05	2.05	104,550
18/02/2009	100,000	3.29	3.29	329,000
03/03/2009	10,000	3.10	3.10	31,000
05/03/2009	55,000	3.18	3.17	174,820



## 9. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months prior to the Latest Practicable Date were as follows:

Months	Per Share	
	Highest HK\$	Lowest HK\$
<b>2008</b>		
April	3.49	1.87
May	5.32	3.09
June	5.15	3.90
July	4.60	3.72
August	4.16	3.33
September	4.10	2.99
October	3.16	1.87
November	2.40	1.90
December	2.39	1.89
<b>2009</b>		
January	2.35	1.95
February	3.50	2.20
March	3.75	3.00
April (up to the Latest Practicable Date)	4.10	3.46

Set out below is a summary of the principal terms and conditions of the New Scheme to provide sufficient information to the Shareholders for their consideration of the New Scheme proposed to be adopted at the AGM.

#### (1) PURPOSES OF THE SCHEME

The purpose of the New Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group. The Directors consider the New Scheme, with its broadened basis of participation, will enable the Group to reward the employees, the Directors and other selected participants for their contributions to the Group. Given that the Directors are entitled to determine any performance targets to be achieved as well as the minimum period that an option must be held before an option can be exercised on a case by case basis, and that the exercise price of an option cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by the Directors, it is expected that grantees of an option will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalise on the benefits of the options granted.

#### (2) WHO MAY JOIN

The Directors (which expression shall, for the purpose of this Appendix, include a duly authorised committee thereof) may, at its absolute discretion, invite any person belonging to any of the following classes of participants, to take up options to subscribe for Shares:

- (a) any employee (whether full-time or part-time including any executive director but excluding any non-executive director) of the Company, any of our subsidiaries or any entity (“**Invested Entity**”) in which the Group holds an equity interest;
- (b) any non-executive directors (including independent non-executive directors) of the Company, any of our subsidiaries or any Invested Entity;
- (c) any supplier of goods or services to any member of the Group or any Invested Entity;
- (d) any customer of any member of the Group or any Invested Entity;
- (e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity;
- (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;
- (g) any adviser (professional or otherwise) or consultant to any area of business or business development of the Group or any Invested Entity; and

- (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group,

and, for the purposes of the New Scheme, the options may be granted to any company wholly-owned by one or more persons belonging to any of the above classes of participants. For the avoidance of doubt, the grant of any options by the Company for the subscription of Shares or other securities of the Group to any person who fall within any of the above classes of participants shall not, by itself, unless the Directors otherwise determined, be construed as a grant of option under the New Scheme.

The eligibility of any of the above class of participants to the grant of any option shall be determined by the Directors from time to time on the basis of the Directors' opinion as to his contribution to the development and growth of the Group.

### (3) MAXIMUM NUMBER OF SHARES

- (a) The maximum number of Shares to be issued upon the exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other share option scheme of the Group must not in aggregate exceed 30% of the issued share capital of the Company from time to time.
- (b) The initial total number of Shares which may be issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the New Scheme and any other share option scheme of the Group) to be granted under the New Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the Shares in issue at the day on which the New Scheme is approved ("**General Scheme Limit**").
- (c) Subject to (a) above but without prejudice to (d) below, the Company may issue a circular to the Shareholders and seek approval of the Shareholders in general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be issued upon exercise of all options to be granted under the New Scheme and any other share options scheme of the Group must not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit and for the purpose of calculating the refreshed limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with the New Scheme and any other share option scheme of the Group) previously granted under the New Scheme and any other share option scheme of the Group will not be counted. The circular sent by the Company to the Shareholders shall contain, among other information, the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

- (d) Subject to (a) above and without prejudice to (c) above, the Company may seek separate Shareholders' approval in general meeting to grant options beyond the General Scheme Limit or, if applicable, the refreshed limit referred to in (c) above to participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to the Shareholders containing a general description of the specified participants, the number and terms of options to be granted, the purpose of granting options to the specified participants with an explanation as to how the terms of the options serve such purpose, the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

#### (4) MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the New Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being ("**Individual Limit**"). Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the issue of a circular to the Shareholders and the Shareholders' approval in general meeting of the Company with such participant and his associates abstaining from voting. The number and terms (including the exercise price) of options to be granted to such participant must be fixed before Shareholders' approval and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under note (1) to Rule 17.03(9) of the Listing Rules.

#### (5) GRANT OF OPTIONS TO CONNECTED PERSONS

- (a) Any grant of options under the New Scheme to a director, chief executive or substantial shareholder of the Company or any of their respective associates (as defined under the Listing Rules) must be approved by independent non-executive Directors of the Company (excluding independent non-executive Director who is the grantee of the options).
- (b) Where any grant of options to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:
- (i) representing in aggregate over 0.1% of the Shares in issue; and

- (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million;

such further grant of options must be approved by the Shareholders in general meeting. The Company must send a circular to the Shareholders containing the information required under the Listing Rules and where the Listing Rules shall so require, the vote at the Shareholders' meeting convened to obtain the requisite approval shall be taken on a poll with those persons required under the Listing Rules abstaining from voting. Any change in the terms of options granted to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates must be approved by the Shareholders in general meeting.

#### **(6) TIME OF ACCEPTANCE AND EXERCISE OF OPTION**

An offer of the grant of the option may be accepted by a participant within 21 days from the date of the offer of grant of the option.

An option may be exercised in accordance with the terms of the New Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. Unless otherwise determined by the Directors and stated in the offer of the grant of options to a grantee, there is no minimum period required under the New Scheme for the holding of an option before it can be exercised.

#### **(7) PERFORMANCE TARGETS**

Unless the Directors otherwise determined and stated in the offer of the grant of options to a grantee, a grantee is not required to achieve any performance targets before any options granted under the New Scheme can be exercised.

#### **(8) SUBSCRIPTION PRICE FOR SHARES AND CONSIDERATION FOR THE OPTION**

The subscription price for Shares under the New Scheme will be a price determined by the Directors, but shall not be less than the higher of (i) the closing price of Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a business day; (ii) the average closing price of Shares as stated in the Stock Exchange's daily quotations for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the Shares.

A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

**(9) RANKING OF SHARES**

- (a) Shares allotted upon the exercise of an option will be subject to all the provisions of the Articles of Association of the Company and will rank *pari passu* in all respects with the fully paid Shares in issue on the date on which the option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members (“**Exercise Date**”) and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Exercise Date. A Share allotted upon the exercise of an option shall not carry voting rights until the completion of the registration of the grantee on the register of members of the Company as the holder thereof.
- (b) Unless the context otherwise requires, references to “Shares” in this paragraph include references to shares in the ordinary equity share capital of the Company of such nominal amount as shall result from a subdivision, consolidation, re-classification or reduction of the share capital of the Company from time to time.

**(10) RESTRICTIONS ON THE TIME OF GRANT OF OPTIONS**

For so long as the Shares are listed on the Stock Exchange, no offer for grant of options shall be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been announced in accordance with the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of (a) the date of the meeting of the Directors for the approval of the Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (b) the last date on which the Company must publish an announcement of its results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the announcement of the results, no offer for grant of option may be made.

The Directors may not grant any option to a participant who is subject to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company during the periods or times in which such participants is prohibited from dealing in Shares pursuant to such code.

**(11) PERIOD OF THE NEW SCHEME**

The New Scheme will remain in force for a period of 10 years commencing on the date on which the New Scheme is adopted.

**(12) RIGHTS ON CEASING EMPLOYMENT**

If the grantee of an option is an Eligible Employee and ceases to be an Eligible Employee for any reason other than death, ill-health or retirement in accordance with his contract of employment or for serious misconduct or other grounds referred to in sub-paragraph (14) below before exercising his option in full, the option (to the extent not already exercised) will lapse on the date of cessation and will not be exercisable unless the Directors otherwise determine in which event the grantee may exercise the option (to the extent not already exercised) in whole or in part within such period as the Directors may determine following the date of such cessation, which will be taken to be the last day on which the grantee was at work with the Group or the Invested Entity whether salary is paid in lieu of notice or not.

Eligible Employee means any employee (whether full time or part time employee, including any executive director but not any non-executive director) of the Company, any of our subsidiaries or any Invested Entity.

**(13) RIGHTS ON DEATH, ILL-HEALTH OR RETIREMENT**

If the grantee of an option is an Eligible Employee and ceases to be an Eligible Employee by reason of his death, ill-health or retirement in accordance with his contract of employment before exercising the option in full, his personal representative(s), or, as appropriate, the grantee may exercise the option (to the extent not already exercised) in whole or in part within a period of 12 months following the date of cessation which date shall be the last day on which the grantee was at work with the Group or the Invested Entity whether salary is paid in lieu of notice or not or such longer period as the Directors may determine.

**(14) RIGHTS ON DISMISSAL**

If the grantee of an option is an Eligible Employee and ceases to be an Eligible Employee by reason that he has been guilty of serious misconduct or has committed any act of bankruptcy or has become insolvent or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the grantee or the Group or the Invested Entity into disrepute), his option will lapse automatically and will not in any event be exercisable on or after the date of cessation to be an Eligible Employee.

**(15) RIGHTS ON BREACH OF CONTRACT**

If the Directors shall at their absolute discretion determine that (i) the grantee of any option (other than an Eligible Employee) or his associate has committed any breach of any contract entered into between the grantee or his associate on the one part and the Group or any Invested Entity on the other part; or (ii) that such grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or (iii) such grantee could no longer make any contribution to the growth and

development of the Group by reason of the cessation of its relations with the Group or by other reason whatsoever, the option granted to such grantee under the New Scheme shall lapse, his option will lapse automatically and will not in any event be exercisable on or after the date on which the event referred to (i), (ii) or (iii) above has occurred.

**(16) RIGHTS ON A GENERAL OFFER, A COMPROMISE OR ARRANGEMENT**

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the grantees on the same terms, *mutatis mutandis*, and assuming that they will become, by the exercise in full of the options granted to them, Shareholders. If such offer becomes or is declared unconditional, a grantee shall be entitled to exercise his option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to the Company in exercise of his option at any time before the close of such offer (or any revised offer) or the record date for entitlements under such scheme of arrangement, as the case may be. Subject to the above, an option will lapse automatically (to the extent not exercised) on the date on which such offer (or, as the case may be, revised offer) closes.

**(17) RIGHTS ON WINDING UP**

In the event of a resolution being proposed for the voluntary winding-up of the Company during the option period, the grantee may, subject to the provisions of all applicable laws, by notice in writing to the Company at any time not less than two business days before the date on which such resolution is to be considered and/or passed, exercise his option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of the New Scheme and the Company shall allot and issue to the grantee the Shares in respect of which such grantee has exercised his option not less than one business day before the date on which such resolution is to be considered and/or passed whereupon the grantee shall accordingly be entitled, in respect of the Shares allotted and issued to him in the aforesaid manner, to participate in the distribution of the assets of the Company available in liquidation *pari passu* with the holders of the Shares in issue on the day prior to the date of such resolution. Subject thereto, all options then outstanding shall lapse and determine on the commencement of the winding-up of the Company.

**(18) GRANTEE BEING A COMPANY WHOLLY OWNED BY ELIGIBLE PARTICIPANTS**

If the grantee is a company wholly-owned by one or more eligible participants:

- (a) paragraphs (12), (13), (14) and (15) shall apply to the grantee and to the options to such grantee, *mutatis mutandis*, as if such options had been granted to the relevant eligible participant, and such options shall accordingly lapse or fall to be exercisable after the event(s) referred to in paragraphs (12), (13), (14) and (15) shall occur with respect to the relevant eligible participant; and



- (b) the options granted to the grantee shall lapse and determine on the date the grantee ceases to be wholly owned by the relevant eligible participant provided that the Directors may in their absolute discretion decide that such options or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may impose.

#### **(19) ADJUSTMENTS TO THE SUBSCRIPTION PRICE**

In the event of a capitalisation issue, rights issue, subdivision or consolidation of Shares or reduction of capital of the Company whilst an option remains exercisable, such corresponding alterations (if any) certified by the auditors for the time being or an independent financial adviser to the Company as fair and reasonable will be made to the number or nominal amount of Shares, the subject matter of the New Scheme and the option so far as unexercised and/or the option price of the option concerned, provided that (i) any adjustments shall give a grantee the same proportion of the issued share capital to which he was entitled prior to such alteration; (ii) the issue of Shares or other securities of the Group as consideration in a transaction may not be regarded as a circumstance requiring adjustment; and (iii) no alteration shall be made the effect of which would be to enable a Share to be issued at less than its nominal value and in each case, any adjustment must be made, and in each case, any adjustment must be made in compliance with the Listing Rules and such rules, codes and guidance notes of the Stock Exchange from time to time. In addition, in respect of any such adjustments, other than any made on a capitalisation issue, such auditors or independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provision of the Listing Rules.

#### **(20) CANCELLATION OF OPTIONS**

Any cancellation of options granted but not exercised must be subject to the consent of the relevant grantee and the approval of the Directors.

When the Company cancels any option granted to a grantee but not exercised and issues new option(s) to the same grantee, the issue of such new option(s) may only be made with available unissued options (excluding the options so cancelled) within the General Scheme Limit or the new limits approved by the Shareholders pursuant paragraphs (3) (c) and (d) above.

#### **(21) TERMINATION OF THE NEW SCHEME**

The Company may by resolution in general meeting at any time terminate the New Scheme and in such event no further options shall be offered but in all other respects the provisions of the New Scheme shall remain in force to the extent necessary to give effect to the exercise of any options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provisions of the New Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the New Scheme.

**(22) RIGHTS ARE PERSONAL TO THE GRANTEE**

An option is personal to the grantee and shall not be transferable or assignable.

**(23) LAPSE OF OPTION**

An option shall lapse automatically (to the extent not already exercised) on the earliest of (a) the expiry of the option period in respect of such option; (b) the expiry of the periods or dates referred to in paragraphs (12), (13), (14), (15), (16), (17) and (18); or (c) the date on which the Directors exercise the Company's right to cancel the option by reason of a breach of paragraph (22) above by the grantee.

**(24) OTHERS**

- (a) The New Scheme is conditional on the Stock Exchange granting the listing of and permission to the obtaining of the approval of the Shareholders at the AGM and deal in, such number of Shares to be issued pursuant to the exercise of any options which may be granted under the New Scheme, such number being not less than that of the General Scheme Limit.
- (b) The terms and conditions of the New Scheme relating to the matters set out in Rule 17.03 of the Listing Rules shall not be altered to the advantage of grantees of the options except with the approval of the Shareholders in general meeting.
- (c) Any alterations to the terms and conditions of the New Scheme which are of a material nature or any change to the terms of options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the New Scheme.
- (d) The amended terms of the New Scheme or the options shall comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (e) Any change to the authority of the Directors or the scheme administrators in relation to any alteration to the terms of the New Scheme shall be approved by the Shareholders in general meeting.

# NOTICE OF ANNUAL GENERAL MEETING



## BONJOUR

**Bonjour Holdings Limited**  
**卓悦控股有限公司**

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

**(Stock code: 653)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Bonjour Holdings Limited (the “Company”) will be held at 11th Floor, Bonjour Tower, 3 Yuk Yat Street, Tokwawan, Kowloon, Hong Kong on Wednesday, 27 May 2009 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and the auditors for the year ended 31 December 2008.
2. To approve a final dividend of HK23.0 cents per ordinary share for the year ended 31 December 2008.
3. To re-elect directors and to authorize the board of directors to fix their remuneration.
4. To re-appoint RSM Nelson Wheeler as auditor and to authorize the board of directors to fix their remuneration.

As special business, to consider, and if thought fit, pass the following ordinary resolutions:

### **ORDINARY RESOLUTIONS**

5. **“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) shall authorize 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;

## NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate nominal amount of share capital allotted and issued 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), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) the exercise of the subscription rights under the share option scheme of the Company or (iii) an issue of shares as scrip dividends pursuant to the memorandum and articles of association of the Company from time to time shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law of the Cayman Islands to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register 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 law of, or the requirements of any recognized regulatory body or any stock exchange in any territory applicable to the Company).”

6. **“THAT:**

- (a) the exercise by the directors of the Company during the Relevant Period of all powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval be limited accordingly; and

## NOTICE OF ANNUAL GENERAL MEETING

(c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law of the Cayman Islands to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

7. “**THAT** conditional upon resolutions nos. 5 and 6 above being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the directors as mentioned in resolution no. 6 above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution no. 5 above.”
8. “**THAT** with effect from the close of business of the day on which this resolution is passed, the existing share option scheme (“**Existing Scheme**”) adopted by the Company pursuant to a resolution passed by the then shareholders of the Company on 17 June 2003 (a copy of the Existing Scheme is produced to the meeting marked “**A**” and signed by the chairman of the meeting for the purpose of identification) be and it is hereby terminated and shall cease to have with any further effect save and except that the Existing Scheme will remain in force to the extent necessary to give effect to the exercise of the options granted thereunder prior to termination thereof.”
9. “**THAT** subject to the passing of resolution numbered 8 and subject also to and conditional upon the The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) granting the listing of, and permission to deal in, such number of shares of the Company which may fall to be allotted and issued pursuant to the exercise of the option which may be granted under the rules of the new share option scheme (“**New Scheme**”), a draft of which is produced to the meeting marked “**B**” and signed by the chairman of the meeting for the purpose of identification, representing an amount (“**General Scheme Limit**”) up to 10 per cent. of the issued shares of the Company as at the day on which this resolution is passed, with effect from the close of business of the day on which this resolution is passed, the rules of the New Scheme be approved and adopted and the directors of the Company be and they are hereby authorised:

## NOTICE OF ANNUAL GENERAL MEETING

(a) to approve any amendments to the rules of the New Scheme as may be acceptable or not objected to by the Stock Exchange; (b) at their absolute discretion to grant options to subscribe for shares of the Company in accordance with the rules of the New Scheme; (c) to allot, issue and deal with shares of the Company pursuant to the exercise of options granted under the New Scheme provided that the aggregate nominal amount of shares which fall to be allotted and issued pursuant to this authority, together with any issue of shares of the Company upon the exercise of any options granted under any other share option scheme as may from time to time be adopted by the Company or its subsidiaries, shall not exceed the General Scheme Limit; and (d) to take all such steps as may be necessary, desirable or expedient to carry the New Scheme into effect.”

By Order of the Board  
**Ip Chun Heng, Wilson**  
*Chairman*

Hong Kong, 24 April 2009

*Principal Place of Business in Hong Kong:*

10/F., Bonjour Tower  
3 Yuk Yat Street  
Tokwawan, Kowloon  
Hong Kong

*Notes:*

- (1) A member of the Company entitled to attend and vote at the meeting convened by the above notice 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. In order to be valid, the form of proxy must be deposited at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting.
- (2) Completion and return of the form of proxy will not preclude members from attending and voting in person at the annual general meeting or any adjournment.
- (3) The Register of Members of the Company will be closed from Wednesday, 20 May 2009 to Wednesday, 27 May 2009, both days inclusive, during which period no transfers of shares shall be effected. In order to qualify for the final dividend for the year ended 31 December 2008 and attending the forthcoming Annual General Meeting, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Tuesday, 19 May 2009.