

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred** all your shares in Vietnam Manufacturing and Export Processing (Holdings) Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, a licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**VIETNAM MANUFACTURING AND EXPORT PROCESSING (HOLDINGS) LIMITED**

**越南製造加工出口（控股）有限公司**

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

**(Stock Code: 422)**

**GENERAL MANDATES  
TO ISSUE NEW SHARES AND TO REPURCHASE SHARES,  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting of the Company to be held at Montblanc, Pacific Place Conference Centre, 5/F, One Pacific Place, 88 Queensway, Hong Kong on Friday, 30 May 2008 at 3:00 p.m. is contained on pages 19 to 22 of this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1806-7, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish.

Hong Kong, 28 April 2008

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## DEFINITIONS

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

|                           |  |
|---------------------------|--|
| “Annual General Meeting”  | the annual general meeting of the Company to be held at Montblanc, Pacific Place Conference Centre, 5/F, One Pacific Place, 88 Queensway, Hong Kong on Friday, 30 May 2008 at 3:00 p.m. or, where the context so admits, any adjournment thereof |
| “Articles”                | the articles of association of the Company   |
| “Board”                   | the board of Directors   |
| “Companies Law”           | the Companies Law (2004 Revision) of the Cayman Islands  |
| “Company”                 | Vietnam Manufacturing and Export Processing (Holdings) Limited, a limited liability company incorporated in the Cayman Islands, the shares of which are listed on the Stock Exchange   |
| “Director(s)”             | the director(s) of the Company   |
| “Group”                   | the Company and its subsidiaries   |
| “HK\$”                    | Hong Kong dollars, the lawful currency of Hong Kong  |
| “Hong Kong”               | Hong Kong Special Administrative Region of the PRC   |
| “Issue Mandate”           | the issue mandate proposed 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 approving this issue mandate             |
| “Latest Practicable Date” | 24 April 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular  |
| “Listing”                 | the Listing of the Shares on the main board of the Stock Exchange on 20 December 2007  |
| “Listing Rules”           | the Rules Governing the Listing of Securities on the Stock Exchange  |
| “PRC”                     | the People’s Republic of China   |

## DEFINITIONS

|                      |  |
|----------------------|--|
| “Repurchase Mandate” | the repurchase mandate proposed to be granted to the Directors to repurchase Shares up to 10% of the issued share capital of the Company as at the date of passing of the resolution approving this repurchase mandate |
| “Sanyang”            | Sanyang Industry Co., Limited, a company incorporated in Taiwan which is listed on the Taiwan Stock Exchange and which is a controlling Shareholder  |
| “Sanyang Group”      | Sanyang and its subsidiaries (unless otherwise stated herein shall exclude the Company and its subsidiaries)   |
| “SFO”                | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)  |
| “Share(s)”           | ordinary share(s) with a nominal value of HK\$0.01 each in the share capital of the Company  |
| “Shareholder(s)”     | holder(s) of the Share(s)  |
| “Stock Exchange”     | The Stock Exchange of Hong Kong Limited  |
| “SYI”                | SY International Ltd., a company incorporated in Samoa with limited liability and a controlling shareholder of the Company   |
| “Takeovers Code”     | The Codes on Takeovers and Mergers and Share Repurchases as amended from time to time  |

## LETTER FROM THE BOARD



### VIETNAM MANUFACTURING AND EXPORT PROCESSING (HOLDINGS) LIMITED

越南製造加工出口(控股)有限公司

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

**(Stock Code: 422)**

*Executive Directors:*

Mr. Chang Kwang Hsiung (*Chairman*)  
Mr. Chen Pang Hsiung (*Chief Executive Officer*)  
Mr. Lee Hsi Chun  
Mr. Wang Ching Tung

*Non-executive Director:*

Mr. Huang Kwang Wuu  
Mr. Liu Wu Hsiung Harrison

*Independent non-executive Directors:*

Mr. Hsu Nai Cheng Simon  
Ms. Lin Ching Ching  
Mr. Wei Sheng Huang

*Registered office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Principal place of business*

*in Hong Kong:*  
Room 2106, 21/F  
Technology Plaza  
651 King's Road  
North Point  
Hong Kong

28 April 2008

*To the Shareholders*

Dear Sir or Madam,

**GENERAL MANDATES  
TO ISSUE NEW SHARES AND TO REPURCHASE SHARES,  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

#### **INTRODUCTION**

The purpose of this circular is to provide you with information regarding, inter alia, the Issue Mandate, the Repurchase Mandate and the re-election of Directors.

By resolutions approved by the Shareholders of the Company, which were passed on 24 November 2007 prior to the Listing, general mandates were given to the Directors to allot, issue and deal with the Shares and to exercise the powers of the Company to repurchase its own Shares in accordance with the relevant rules set out in the Listing Rules and the Takeovers Code. These general mandates will lapse at the conclusion of

## LETTER FROM THE BOARD

the forthcoming Annual General Meeting unless renewed at that meeting. Ordinary resolutions will therefore be proposed at the Annual General Meeting to renew the general mandates to allot, issue and deal with Shares and to repurchase Shares.

### **ISSUE MANDATE**

At the Annual General Meeting, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, approve and grant the Issue Mandate. The Shares which may be allotted and issued pursuant to the Issue Mandate are up to 20% of the issued share capital of the Company on the date of passing of the resolution approving the Issue Mandate, which assuming no further Shares are issued or repurchased prior to the Annual General Meeting represents 181,536,000 Shares. In addition, an ordinary resolution will also be proposed for the Shareholders to consider and, if thought fit, approve the extension of the Issue Mandate by adding to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Issue Mandate the number of Shares purchased under the Repurchase Mandate, if granted.

Details of the Issue Mandate and the extension of the Issue Mandate are respectively set out in resolutions 6 and 7 in the notice of the Annual General Meeting set out on pages 19 to 22 of this circular. The Issue Mandate will expire upon whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or by the laws of the Cayman Islands to be held; and (c) the date on which the authority given under the ordinary resolution approving the Issue Mandate is revoked or varied by an ordinary resolution of the Shareholders.

### **REPURCHASE MANDATE**

At the Annual General Meeting, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, approve and grant the Repurchase Mandate. The Shares which may be repurchased pursuant to the Repurchase Mandate are up to 10% of the issued share capital of the Company on the date of passing of the resolution approving the Repurchase Mandate, which assuming no further Shares are issued or repurchased prior to the Annual General Meeting represents 90,768,000 Shares.

The Repurchase Mandate will expire upon whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or by the laws of the Cayman Islands to be held; and (c) the date on which the authority given under the ordinary resolution approving the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders.

## LETTER FROM THE BOARD

An explanatory statement as required under the Listing Rules, giving certain information regarding the Repurchase Mandate, is set out in Appendix I to this circular.

### RE-ELECTION OF DIRECTORS

Pursuant to Article 86 of the Articles, the Board of Directors, Messrs. Chang Kwang Hsiung, Chen Pang Hsiung, Lee Hsi Chun, Wang Ching Tung, Huang Kwang Wuu, Liu Wu Hsiung Harrison, Hsu Nai Cheng Simon and Lin Ching Ching, Wei Sheng Huang will offer themselves for re-election at the Annual General Meeting.

Details of the Directors who are prepared to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

### ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting is set out on pages 19 to 22 of this circular. At the Annual General Meeting, ordinary resolutions will be proposed to approve, inter alia, the granting of the Issue Mandate, the Repurchase Mandate and the re-election of Directors.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1806-7, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting. Completion and return of the proxy form will not prevent Shareholders from attending and voting at the Annual General Meeting in person if they so wish.

### RIGHT TO DEMAND A POLL

Article 66 of the Articles sets out the procedures by which Shareholders may demand a poll, and provides that, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded or otherwise required under the Listing Rules. A poll may be demanded by:

- (i) by the chairman of such meeting; or
- (ii) by at least three Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or

## LETTER FROM THE BOARD

- (iii) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (iv) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy and holding Shares in the Company conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all Shares conferring such right; or
- (v) by any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing 5% or more of the total voting rights at such meeting.

### RECOMMENDATIONS

The Board considers that (a) the granting of the Issue Mandate and the Repurchase Mandate; and (b) the re-election of the Directors to be proposed at the Annual General Meeting, are in the interests of the Company and the Shareholders. Accordingly, the Board recommends you to vote in favour of all the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully  
**For and on behalf of the Board**  
**Chang Kwang Hsiung**  
*Chairman*



*The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the Repurchase Mandate.*

## **LISTING RULES**

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their fully-paid up shares on the Stock Exchange subject to certain restrictions.

## **SHAREHOLDERS' APPROVAL**

The Listing Rules provide that all on-market share repurchases by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by specific approval of a particular transaction or by a general mandate to the Directors of the Company to make such repurchases.

## **SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 907,680,000 Shares of HK\$0.01 each. Subject to the passing of the ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, exercise in full of the proposed Repurchase Mandate can result in up to 90,768,000 Shares being repurchased by the Company during the period from 30 May 2008, the date of the Annual General Meeting up to 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 applicable laws or the Articles; and (iii) the date upon which such authority is revoked or varied.

## **REASONS FOR REPURCHASE**

The Directors believe that it is in the interests of the Company and its Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market. Whilst it is not possible to anticipate in advance any specific circumstance in which the Director might think it appropriate to repurchase Shares, they believe that an ability to do so would give the Company additional flexibility that would be beneficial to the Company and its Shareholders as such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share.

## **FUNDING OF REPURCHASE**

Repurchase must be made out of funds which are legally available for such purpose in accordance with all applicable laws of the Cayman Islands, the Articles and the memorandum of association of the Company.

Any purchase by the Company may be made out of the profits of the Company or out of a fresh issue of Shares made for the purpose of the purchase or, if authorised by the Articles and subject to the Companies Law of the Cayman Islands, out of capital and, in the case of any premium payable on the purchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles and subject to the Companies Law of the Cayman Islands, out of capital.

The Directors consider that the exercise in full of the Repurchase Mandate to repurchase Shares might have a material adverse impact on the working capital or the gearing position of the Company as compared with its financial position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2007. However, no repurchase will be made in circumstances that may have a material adverse impact on the working capital or gearing position of the Company unless the Directors consider that such repurchases are in the best interests of the Company notwithstanding such material adverse impact.

## SHARE PRICES

The monthly highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the previous five months since the Listing were as follows:

| Month                                     | Share Prices (per Share) |                       |
|---|--------------------------|-----------------------|
|   | Highest<br><i>HK\$</i>   | Lowest<br><i>HK\$</i> |
| 2007                                      |                          |                       |
| December                                  | 4.12                     | 3.01                  |
| 2008                                      |                          |                       |
| January                                   | 3.74                     | 2.31                  |
| February                                  | 3.05                     | 2.59                  |
| March                                     | 2.65                     | 2.20                  |
| April (up to the Latest Practicable Date) | 3.04                     | 2.35                  |

## THE TAKEOVERS CODE

If as a result of a repurchase of Shares by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or group of Shareholders acting in concert, depending on the level of increase of shareholding interest, 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, Sanyang (through SYI) was interested in a total of 629,520,000 Shares, representing approximately 69.4% of the total issued share capital of the Company. In the event that the Company exercises the Repurchase Mandate in full, assuming that the issued Shares of the Company remains at 907,680,000 Shares and there is no alteration to the existing shareholding of Sanyang and SYI, the indirect shareholding of Sanyang in the Company will increase to approximately 77.1%. The Directors are not aware of any consequence that would give rise to an obligation on the part of Sanyang to make a mandatory offer under Rule 26 of the Takeovers Code. However, the public float requirement under Rule 8.08 of the Listing Rules may be breached. The Directors have no present intention to repurchase Shares to an extent which will result in the number of Shares held by the public being reduced to less than 25%.

### **DIRECTORS AND THEIR ASSOCIATES AND CONNECTED PERSONS**

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

No connected person (as the term is defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company and no such person has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

### **UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, to exercise the power of the Company conferred to it under the Repurchase Mandate in accordance with the Listing Rules and all applicable laws of the Cayman Islands.

### **REPURCHASE MADE BY THE COMPANY**

No Shares has been purchased by the Company in the preceding six months (whether on the Stock Exchange or otherwise) ending on the Latest Practicable Date.

The following are the particulars of the Directors proposed to be re-elected at the Annual General Meeting:

**1. Mr. Chang Kwang Hsiung**

Mr. Chang Kwang Hsiung (張光雄), age 67, was appointed as an executive Director in August 2007 and as the chairman of the Company in November 2007. As the chairman of the Company, he is in charge of corporate strategy, planning and overall development of the Group. Mr. Chang was the general director of VMEP from February 1993 when he joined VMEP, until November 1995 and was the chairman of VMEP from May 1993 to September 1999. During his six years of service at VMEP, he had established extensive connections in the Vietnam motorbike market. He was also appointed as a director of Chin Zong in September 2007 and as a director of VMEP in November 2007. Mr. Chang has over 40 years of experience in the motorbike manufacturing industry in Vietnam and Taiwan. Mr. Chang worked at the product development department of Sanyang from 1966 to 1990 and at the management department from 1990 to 1994. In 1994, he was promoted as the vice general director of Sanyang till 1997. He was the senior consultant to Sanyang in relation to the motorbike manufacturing industry from 1997 until his resignation in November 2007. Thereafter, he ceased to hold any office in any company within the Sanyang Group. He is also a director of Chinfon Cement Corporation (慶豐水泥公司) which specialises in the sale and production of cement since 1992. In 2000, Mr. Chang was awarded the third level of Labor Model for National Excellent Manufacturing Operation Activities by the Vietnamese government. Mr. Chang graduated from the National Taipei Institute of Technology (臺北工專機械科) with an undergraduate degree in mechanical engineering in 1962.

Save as disclosed herein, Mr. Chang has no relationship with any of the other Directors, senior management or substantial or controlling shareholders of the Company. Save as disclosed herein, Mr. Chang did not hold any directorship in any other listed public companies during the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, other than a share option which was granted to Mr. Chang to subscribe for 498,000 Shares, Mr. Chang did not have any interest in the Company pursuant to Part XV of the SFO. As at the Latest Practicable Date, the abovementioned share option remained outstanding and Mr. Chang had not exercised any part thereof. Mr. Chang has entered into a service contract with the Company for a period of three years under which Mr. Chang is currently entitled to a remuneration comprising an annual salary of US\$77,400 and a discretionary bonus to be determined by the Board and the remuneration committee of the Company having regard to the performance of the Group and the abilities and performance of Mr. Chang.

Save as disclosed above, there is no other information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules. There are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of the above retiring Director.

## 2. Mr. Chen Pang Hsiung

Mr. Chen Pang Hsiung (陳邦雄), age 49, was appointed as an executive Director in August 2007 and as the chief executive officer of the Company in November 2007. Mr. Chen has over 24 years of experience in the motorbike industry which he has acquired through his work experience at the Sanyang Group and the Group. Mr. Chen first joined the Group in September 1998. He worked in the procurement department of VMEP in the position of manager from 1998 to 2002 and was appointed as the head of the department from February 2002 to August 2003. He was promoted to be the vice general director of VMEP in September 2003. He returned to Sanyang in February 2005 and was seconded to VMEP again in August 2005. He has been the general director of VMEP and a member of the senior management team since 2005. He had a dominant leadership role in the overall management of the business operations of the Group and, has been a director of Vietnam Casting Forge Precision Limited and C.Q.S. Molds Inc. since January 2007 and a director of Vietnam Three Brothers Machinery Industry Co., Limited since February 2007. He has also been appointed as a director of Chin Zong in September 2007 and as a director of VMEP in November 2007. From 1983 to 1998, Mr. Chen worked in the research and development department and the overseas marketing management department of Sanyang. In September and October 2007, Mr. Chen was awarded the title of Outstanding Merchant in Vietnam by the Ministry of Industry and Trade and the title of Outstanding Merchant in Dong Nai Province by the Dong Nai Province People's Committee respectively. In 2004, Mr. Chen was awarded the title of Special Contributor to the Development of Vietnam's Motorbike Industry by the Ministry of Industry and Trade. Mr. Chen graduated from the National Tsing Hua University (國立清華大學) with an undergraduate degree in mechanical engineering in 1981.

Save as disclosed herein, Mr. Chen has no relationship with any of the other Directors, senior management or substantial or controlling shareholders of the Company. Save as disclosed herein, Mr. Chen did not hold any directorship in any other listed public companies during the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, other than a share option which was granted to Mr. Chen to subscribe for 498,000 Shares, Mr. Chen did not have any interest in the Company pursuant to Part XV of the SFO. As at the Latest Practicable Date, the abovementioned share option remained outstanding and Mr. Chen had not exercised any part thereof. Mr. Chen has entered into a service contract with the Company for a period of three years under which Mr. Chen is currently entitled to a

remuneration comprising an annual salary of US\$78,000 and a discretionary bonus to be determined by the Board and the remuneration committee of the Company having regard to the performance of the Group and the abilities and performance of Mr. Chen.

Save as disclosed above, there is no other information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules. There are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of the above retiring Director.

### 3. Mr. Lee Hsi Chun

Mr. Lee Hsi Chun (李錫村), age 53, was appointed as an executive Director in August 2007. Mr. Lee joined the Group in May 1997 and worked in the administration department of VMEP from 1997 to 2000. From 2000 to 2002, he worked in both the administration and financial department of VMEP. He was appointed as the head of the administration and financial department of VMEP and became a member of the senior management team in 2002. He was appointed as a director of VMEP in November 2007. Prior to joining the Group, he joined Sanyang in 1980 and has acquired over 20 years of experience in administration, human resources and sales in the motorbike industry. He has a dominant leadership role in the overall management of the business operations of VMEP, in particular, in the administration and finance field and, together with other members of the senior management team of VMEP, contributed to the strategic and operational decisions of VMEP. Mr. Lee graduated from Chung Yuan Christian University (私立中原大學, formerly known as 私立中原理工大學院) with an undergraduate degree in business administration in 1977.

Save as disclosed herein, Mr. Lee has no relationship with any of the other Directors, senior management or substantial or controlling shareholders of the Company. Save as disclosed herein, Mr. Lee did not hold any directorship in any other listed public companies during the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, other than a share option which was granted to Mr. Lee to subscribe for 398,000 Shares, Mr. Lee did not have any interest in the Company pursuant to Part XV of the SFO. As at the Latest Practicable Date, the abovementioned share option remained outstanding and Mr. Lee had not exercised any part thereof. Mr. Lee has entered into a service contract with the Company for a period of three years under which Mr. Lee is currently entitled to a remuneration comprising an annual salary of US\$73,000 and a discretionary bonus to be determined by the Board and the remuneration committee of the Company having regard to the performance of the Group and the abilities and performance of Mr. Lee.

Save as disclosed above, there is no other information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules. There are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of the above retiring Director.

#### 4. Mr. Wang Ching Tung

Mr. Wang Ching Tung (王清桐), age 43, was appointed as an executive Director in August 2007. Mr. Wang joined VMEP in February 1993 and had worked in the sales department of VMEP since then and was appointed as the manager of the northern sales department of VMEP from 1997 to 1999. From 1999 to 2002, he was appointed as a manager of the southern sales department of VMEP. In 2002, Mr. Wang was appointed as the head of the sales department of VMEP and became the vice general director of the sales and marketing department of VMEP in 2006. He was appointed as a director of VMEP in November 2007. He has over 15 years experience in motorbike sales and marketing. Prior to joining the Group, he worked in the administration department of Sanyang from 1989 to 1993. He has been a senior management member of VMEP since 2002 and has a dominant leadership role in the overall management of the business operations of VMEP and, together with other members of the senior management team of VMEP, contributed to the strategic and operational decisions of VMEP. Mr. Wang graduated from National Cheng Kung University (國立成功大學) with an undergraduate degree in industrial design in 1987.

Save as disclosed herein, Mr. Wang has no relationship with any of the other Directors, senior management or substantial or controlling shareholders of the Company. Save as disclosed herein, Mr. Wang did not hold any directorship in any other listed public companies during the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, other than a share option which was granted to Mr. Wang to subscribe for 398,000 Shares, Mr. Wang did not have any interest in the Company pursuant to Part XV of the SFO. As at the Latest Practicable Date, the abovementioned share option remained outstanding and Mr. Wang had not exercised any part thereof. Mr. Wang has entered into a service contract with the Company for a period of three years under which Mr. Wang is currently entitled to a remuneration comprising an annual salary of US\$73,000 and a discretionary bonus to be determined by the Board and the remuneration committee of the Company having regard to the performance of the Group and the abilities and performance of Mr. Wang.

Save as disclosed above, there is no other information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules. There are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of the above retiring Director.

**NON-EXECUTIVE DIRECTORS****5. Mr. Huang Kwang Wu**

Mr. Huang Kwang Wu (黃光武), age 56, was appointed as a non-executive Director in November 2007. He is only responsible for assisting the executive Directors to formulate the Group's development strategies and does not have any executive function or active participation in the day-to-day management and operation of the Group. Mr. Huang joined VMEP in June 1997, as the general director of VMEP until April 2001. He was a director of VMEP from March 1999 to November 2007. He was also a director of Chin Zong from July 2007 to September 2007 but had not carried out any management role as a director as Chin Zong did not commence its operations during that period. Mr. Huang had no active participation in the daily management of the Group over the Track Record Period. He has over 29 years of experience in the motorbike manufacturing industry in Vietnam and Taiwan. He has been a director of Sanyang since 2002 and is in charge of the execution of corporate strategies and overall management of the Sanyang Group. Mr. Huang was the vice general director of the overseas business relationships department of Sanyang from 2000 to 2002. He is also the director of certain subsidiaries of Sanyang in Taiwan, Indonesia and the People's Republic of China which engage in the manufacture of motorbikes. Mr. Huang received his undergraduate degree in mechanical engineering and masters degree in mechanical engineering from National Cheng Kung University (國立成功大學) in 1973 and 1976, respectively.

Save as disclosed herein, Mr. Huang has no relationship with any of the other Directors, senior management or substantial or controlling shareholders of the Company. Save as disclosed herein, Mr. Huang did not hold any directorship in any other listed public companies during the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, other than a share option which was granted to Mr. Huang to subscribe for 498,000 Shares, Mr. Huang did not have any interest in the Company pursuant to Part XV of the SFO. As at the Latest Practicable Date, the abovementioned share option remained outstanding and Mr. Huang had not exercised any part thereof. Mr. Huang has entered into a letter of appointment with the Company for an initial period of one year and thereafter for further successive periods of one year each, subject to a maximum period of three years. Under such letter of appointment, Mr. Huang is currently entitled to a remuneration comprising an annual salary of US\$25,000. Mr. Huang's remuneration is to be determined by the Board from time to time with reference to the prevailing market practice, his duties and responsibilities in the Company and his contribution to the Company.

Save as disclosed above, there is no other information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules. There are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of the above retiring Director.



## 6. Mr. Liu Wu Hsiung Harrison

Mr. Liu Wu Hsiung Harrison (劉武雄), age 43, was appointed as a non-executive Director in November 2007. He is only responsible for assisting the executive Directors to formulate the Group's strategies regarding export sales and distribution of the Group's products and does not have any executive function or active participation in the day-to-day management and operation of the Group. Mr. Liu joined the Group in April 1996. From 1996 to 1999, Mr. Liu was mainly engaged in the sales department of VMEP as the assistant manager. He was a director of Chin Zong from July 2007 to September 2007 but had not carried out any management role as a director, as Chin Zong had not yet commenced operations during that period. Mr. Liu had not been involved in the daily management of the Group over the Track Record Period. Mr. Liu has over 12 years of experience in trading and export sales of motorbikes and related parts. Mr. Liu worked in the export department and the sales and marketing department of Sanyang from 1995 to 2001, and became the manager of the overseas business division of Sanyang from 2001 to 2004 and the head of the Asian business department from 2005 to 2006 and was responsible mainly for the export strategy and business of the Sanyang Group. In 2006, Mr. Liu was appointed as the vice general director of the overseas business division of Sanyang. He is also a director of a subsidiary of Sanyang which engages in property development, a subsidiary of Sanyang which engages in the trading and manufacturing of motor car and motorbike spare parts and a company in India which is listed on the Bombay Stock Exchange and in which Sanyang has a 10.29% interest. Mr. Liu graduated from Feng Chia University (私立逢甲大學) with an undergraduate degree in international trade in 1986.

Save as disclosed herein, Mr. Liu has no relationship with any of the other Directors, senior management or substantial or controlling shareholders of the Company. Save as disclosed herein, Mr. Liu did not hold any directorship in any other listed public companies during the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, other than a share option which was granted to Mr. Liu to subscribe for 413,000 Shares, Mr. Liu did not have any interest in the Company pursuant to Part XV of the SFO. As at the Latest Practicable Date, the abovementioned share option remained outstanding and Mr. Liu had not exercised any part thereof. Mr. Liu has entered into a letter of appointment with the Company for an initial period of one year and thereafter for further successive periods of one year each, subject to a maximum period of three years. Under such letter of appointment, Mr. Liu is currently entitled to a remuneration comprising an annual salary of US\$25,000. Mr. Liu's remuneration is to be determined by the Board from time to time with reference to the prevailing market practice, his duties and responsibilities in the Company and his contribution to the Company.

Save as disclosed above, there is no other information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules. There are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of the above retiring Director.

## 7. Mr. Hsu Nai Cheng Simon

Mr. Hsu Nai Cheng Simon (徐乃成), age 47, was appointed as an independent non-executive Director in November 2007. He is a member of the remuneration committee and the audit committee of the Company. Mr. Hsu has over 17 years of executive experience in companies based in Asia-Pacific and the United States with international clientele in basic industries and finance. He is both the founder and chairman of e-commerce Logistics Limited which was incorporated in 1999 and a Greater China focused logistics management company headquartered in Hong Kong. Since 1996, he has been the director of United Pacific Industries Limited (“UPI”), a Hong Kong listed company. UPI had no business activity or shareholding interest in any member of the Group during the Track Record Period and is not otherwise connected to the Group and the Sanyang Group. Since 1996, he has also been a director of Kidde Consumer Durables (Singapore) Ltd., a sourcing and trading company with customers in the United States and Europe. From 2004 to 2006, he was an independent non-executive director of ASJ Holdings Limited, a Singapore listed company which engages in the manufacture and distribution of electronic components in the telecommunications, consumer electronics, computer and automotive industries. Prior to joining UPI, he was the group managing director of Hanson Pacific Ltd. (“Hanson”), the Asian arm of Hanson PLC, an international industrial conglomerate with operating companies in basic industries, including coal, chemicals, building materials, tobacco and forest products. Prior to the Hanson appointment, he was the group managing director of CEF Taiwan Ltd., a Hong Kong based merchant bank jointly owned by Cheung Kong (Holding) Ltd., and Canadian Imperial Bank of Commerce which engages in raising capital for Taiwanese and foreign companies on the international capital market. Mr. Hsu is also the director of various trading and investment holding companies in Hong Kong and Taiwan. Mr. Hsu graduated from California State University at Northridge in 1983 with an undergraduate degree in business administration, specialising in finance and real estate.

Mr. Hsu has no relationship with any of the other Directors, senior management or substantial or controlling shareholders of the Company. Save as disclosed herein, Mr. Hsu did not hold any directorship in any other listed public companies during the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Hsu did not have any beneficial interest in the Company pursuant to Part XV of the SFO. Mr. Hsu has entered into a letter of appointment with the Company for an initial period of one year and thereafter for further successive periods of one year each, subject to a maximum period of three years. Under such letter of appointment, Mr. Hsu is currently entitled to a

remuneration comprising an annual salary of US\$25,000. Mr. Hsu's remuneration is to be determined by the Board from time to time with reference to the prevailing market practice, his duties and responsibilities in the Company and his contribution to the Company.

Save as disclosed above, there is no other information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules. There are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of the above retiring Director.

#### **8. Ms. Lin Ching Ching**

Ms. Lin Ching Ching (林青青), age 43, was appointed as an independent non-executive Director in November 2007. She is the chairman of the audit committee of the Company. Ms. Lin has approximately 15 years of experience in the financial industry. From December 2003 to April 2007, she led a corporate finance team at Deloitte & Touche, Corporate Finance Co., Ltd., specialising in mergers and acquisitions, fund raising and corporate restructuring. Her roles involved reviewing and analysing audited financial statements of public companies and performing valuation analysis of those companies. She was a director of Yangshangde Business Company Limited (陽尚德事業有限公司), a trading and consultancy company, from 2004 until it was voluntarily wound up by its shareholders in November 2006 when the company was solvent. From 1992 to 1999, Ms. Lin was the vice president of Citibank, N.A., Taipei, in which she was involved in a number of corporate finance and merger and acquisition projects. Ms. Lin graduated from Eastern Michigan University with a master's degree in business administration in 1991 and graduated from Fu-Jen Catholic University in Taipei with an undergraduate degree in accounting in 1987. With Ms. Lin's financial management experience and expertise in corporate finance and her educational background in business administration and accounting, the Directors believe that Ms. Lin possesses adequate financial management expertise as required under Rule 3.10(2) of the Listing Rules.

Ms. Lin has no relationship with any of the other Directors, senior management or substantial or controlling shareholders of the Company. Save as disclosed herein, Ms. Lin did not hold any directorship in any other listed public companies during the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Ms. Lin did not have any beneficial interest in the Company pursuant to Part XV of the SFO. Ms. Lin has entered into a letter of appointment with the Company for an initial period of one year and thereafter for further successive periods of one year each, subject to a maximum period of three years. Under such letter of appointment, Ms. Lin is currently entitled to a remuneration comprising an annual salary of US\$25,000. Ms. Lin's remuneration is to be determined by the Board from time to time with reference to the prevailing market practice, her duties and responsibilities in the Company and her contribution to the Company.

Save as disclosed above, there is no other information which is discloseable nor is/was she involved in any matters required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules. There are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of the above retiring Director.

#### 9. Mr. Wei Sheng Huang

Mr. Wei Sheng Huang (魏昇煌), age 55, was appointed as an independent non-executive Director in November 2007. He is a member of the audit committee of the Company and the chairman of the remuneration committee of the Company. Mr. Wei has over 15 years of experience in the motor car parts manufacturing and related industries. Since 1992, he has been the director of a company which was established in Taiwan in 1991 and specialises in the manufacture and sale of motor car parts. Such company is not connected with the Group or the Sanyang Group and did not have any business transactions with the Group during the Track Record Period. Mr. Wei obtained a masters degree in business administration from Hofstra University in 1988 and graduated from the University of Cincinnati in 1981 with a master's degree in computer engineering. Mr. Wei graduated from National Chiao Tung University (國立交通大學) with an undergraduate degree in electro physics in 1974. Mr. Wei has no previous employment with Sanyang.

Mr. Wei has no relationship with any of the other Directors, senior management or substantial or controlling shareholders of the Company. Save as disclosed herein, Mr. Wei did not hold any directorship in any other listed public companies during the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Wei did not have any beneficial interest in the Company pursuant to Part XV of the SFO. Mr. Wei has entered into a letter of appointment with the Company for an initial period of one year and thereafter for further successive periods of one year each, subject to a maximum period of three years. Under such letter of appointment, Mr. Wei is currently entitled to a remuneration comprising an annual salary of US\$25,000. Mr. Wei's remuneration is to be determined by the Board from time to time with reference to the prevailing market practice, his duties and responsibilities in the Company and his contribution to the Company.

Save as disclosed above, there is no other information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules. There are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of the above retiring Director.

## NOTICE OF ANNUAL GENERAL MEETING



### VIETNAM MANUFACTURING AND EXPORT PROCESSING (HOLDINGS) LIMITED 越南製造加工出口(控股)有限公司

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

**(Stock Code: 422)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Shareholders of Vietnam Manufacturing and Export Processing (Holdings) Limited ("**Company**") will be held at Montblanc, Pacific Place Conference Centre, 5/F, One Pacific Place, 88 Queensway, Hong Kong on Friday, 30 May 2008 at 3:00 p.m. for the following purposes:

- (1) To receive and consider the audited consolidated financial statements for the year ended 31 December 2007 together with the reports of the directors and the independent auditor thereon.
- (2) To declare a final dividend of US\$0.0218 per share for the year ended 31 December 2007.
- (3) To re-elect the retiring directors and authorise the board of directors of the Company to fix their remuneration.
- (4) To re-appoint auditors and authorise the board of directors of the Company to fix their remuneration.

As special business, to consider and, if thought fit, to pass with or without modification the following ordinary resolutions:

#### **ORDINARY RESOLUTIONS**

- (5) **"THAT:**
  - (a) subject to resolution number (5)(b) below, the exercise by the directors of the Company ("**Directors**") during the Relevant Period (as defined below) of all the powers of the Company to purchase shares of the Company ("**Shares**") subject to and in accordance with the applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") be and is hereby generally and unconditionally approved;
  - (b) the aggregate nominal amount of Shares which may be purchased or agreed conditionally or unconditionally to be purchased by the Company pursuant to the approval in resolution number (5)(a) above shall not exceed 10 percent of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution, and the said approval shall be limited accordingly; and

## NOTICE OF ANNUAL GENERAL MEETING

(c) for the purpose 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; and
- (ii) the revocation or variation of the authority given to the Directors under this resolution by the passing of an ordinary resolution of the Shareholders of the Company in general meeting; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by its memorandum and articles of association or any applicable laws of the Cayman Islands to be held.”

(6) **“THAT:**

- (a) subject to resolution number (6)(c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional Shares and to make or grant offers, agreements, options (including bonds, warrants and debentures or other securities convertible into Shares) and rights of exchange or conversion which would or might require the exercise of such power, subject to and in accordance with all applicable laws and requirements of the Listing Rules, be and is hereby generally and unconditionally approved;
- (b) the approval in resolution number (6)(a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options (including bonds, warrants and debentures or other securities convertible into Shares) and rights of exchange or conversion which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of additional Shares allotted, issued, dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with, by the Directors pursuant to the approval in resolution number (6)(a) and (b) above, otherwise than pursuant to (i) a Rights Issue (as defined below), or (ii) any option scheme or similar arrangement for the time being adopted for the granting or issuance of Shares or rights to acquire Shares, or (iii) any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company, shall not exceed 20 percent of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution; and

## NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purposes of this resolution:
- (i) “**Relevant Period**” shall have the same meaning as assigned to it under resolution number (5) set out in the notice convening this meeting; and
  - (ii) “**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to the holders of Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”
- (7) “**THAT** subject to the passing of the resolutions number (5) and (6) above, the general mandate granted to the Directors to allot, issue and deal with any additional Shares pursuant to resolution number (6) above be and is hereby extended by the addition thereto of the total nominal amount of Shares which may be purchased by the Company under the authority granted pursuant to resolution number (5) above, provided that such amount of Shares so purchased shall not exceed 10 percent of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution.”

By order of the Board  
**Chang Kwang Hsiung**  
*Chairman*

Hong Kong, 28 April 2008

*Registered Office:*  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Principal Place of Business in Hong Kong:*  
Room 2106, 21/F  
Technology Plaza  
651 King's Road  
North Point  
Hong Kong

## NOTICE OF ANNUAL GENERAL MEETING

*Notes:*

- (a) The register of members of the Company will be closed from 28 May 2008 to 30 May 2008, both days inclusive, during which period no transfer of Shares of the Company can be registered.
- (b) Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, in the event of a poll, to vote in his stead. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number of Shares in respect of which each such proxy is appointed.
- (c) 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 such power or authority, must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1806-07, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 48 hours before the time fixed for holding of the Annual General Meeting or any adjourned meeting.
- (d) With reference to resolution number (2) above, the Board has resolved to recommend the payment of a final dividend of US\$0.0218 per share (or equivalent to HK\$0.17 per share), amounting to approximately US\$19,782,769 in aggregate for the year ended 31 December 2007 which is to be paid on or before 17 June 2008 to the shareholders whose names appear on the register of members at the close of business on 28 May 2008, subject to the final approval at the annual general meeting of the Company, to be held on 30 May 2008.