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

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



SAME TIME HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code : 451)

Directors:

YIP Sum Yin (*Chairman*)
YIP How Yin, Maurice (*Chief Executive*)
YU Hung Min
LAI Wing Leung, Peter*
LAM Kwok Cheong*
LEE Mei Ling*

Principal Office:

17th Floor, Phase 1
Kingsford Industrial Building
26-32 Kwai Hei Street
Kwai Chung
New Territories
Hong Kong

* *Independent non-executive Directors*

7th February, 2005

To the shareholders

Dear Sir or Madam,

NEW SHARE OPTION SCHEME

INTRODUCTION

The directors of Same Time Holdings Limited (the “Company”) propose to adopt a new share option scheme of the Company (the “New Share Option Scheme”) relating to the grant of options to directors and employees of the Company and its subsidiaries (the “Group”) to subscribe for shares of the Company.

The purpose of this circular is to give you further details of the proposed adoption of the New Share Option Scheme and to convene a special general meeting to consider and, if thought fit, approve the resolution necessary for such proposal to be implemented.

NEW SHARE OPTION SCHEME

Principal terms of the New Share Option Scheme

A summary of the rules of the New Share Option Scheme is set out in the appendix to this circular.

Reasons for the New Share Option Scheme

On 4th March, 1992, the Company adopted a share option scheme which expired on 1st March, 2002. No option was outstanding under such scheme.

Under the New Share Option Scheme, the directors of the Company (the “Directors”) may grant options without any initial payment to any director or employee of the Group. The New Share Option Scheme will enable the Group to offer valuable incentive to attract and retain quality personnel to work to increase the value of the shares of the Company (“Shares”). To this end, the Directors may specify the minimum period, if any, for which an option must be held or the performance targets, if any, that must be achieved before the option can be exercised.

Conditions of the New Share Option Scheme

The New Share Option Scheme is conditional on:

- (a) the approval of the shareholders of the Company at a special general meeting to be held; and
- (b) the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting listing of and permission to deal in the new shares of the Company which may be issued and allotted pursuant to the exercise of options granted under the New Share Option Scheme up to 10% of the share capital of the Company in issue on the date of shareholders’ approval of the New Share Option Scheme.

Value of the options

The Directors consider it inappropriate to value all the options that can be granted under the New Share Option Scheme on the assumption that they were granted on 3rd February, 2005, being the latest practicable date prior to the bulk printing of this circular (the “Latest Practicable Date”) as a number of factors crucial for the valuation cannot be determined. Such factors include the exercise period and the conditions, such as performance targets, if any, that an option is subject to. Accordingly any valuation of the options based on a large number of speculative assumptions would not be meaningful but would be misleading to the shareholders.

Listing and dealings

Application has been made to the Listing Committee of the Stock Exchange for granting of listing of and permission to deal in the new shares of the Company which may be issued and allotted pursuant to the New Share Option Scheme.

The shares of the Company are only listed on the Stock Exchange and not on any other stock exchange.

SPECIAL GENERAL MEETING

You will find on page 8 of this circular a notice of a special general meeting to be held at 12:00 noon on 23rd February, 2005 at 17th Floor, Phase 1, Kingsford Industrial Building, 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong at which a resolution will be proposed as an ordinary resolution to approve the adoption of the New Share Option Scheme.

There is enclosed a form of proxy for use at the special general meeting. You are requested to complete the form of proxy and return it to the principal office of the Company in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the meeting, whether or not you intend to be present at the meeting. The completion and return of the form of proxy will not prevent you from attending and voting in person should you so wish.

According to the Bye-laws of the Company, before the chairman of the meeting has declared the result of voting on a show of hands on a resolution at the special general meeting, a poll may be demanded by:

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

RECOMMENDATION

The Directors believe that the proposed adoption of the New Share Option Scheme is in the best interest of the Company and the shareholders. Accordingly the Directors recommend you to vote in favour of the resolution to be proposed at the forthcoming special general meeting of the Company.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquires, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement therein misleading.

DOCUMENT AVAILABLE FOR INSPECTION

A draft of the rules of the New Share Option Scheme will be available for inspection at the offices of Jennifer Cheung & Co. at Unit A, 19th Floor, Two Chinachem Plaza, 68 Connaught Road Central, Hong Kong during normal business hours up to and including 23rd February, 2005 and at the forthcoming special general meeting.

Yours faithfully,
YIP Sum Yin
Chairman

APPENDIX SUMMARY OF RULES OF THE NEW SHARE OPTION SCHEME

PURPOSE OF THE SCHEME

The New Share Option Scheme is set up for the purpose of attracting and retaining quality personnel to provide incentive to them to contribute to the business and operation of the Group.

WHO MAY JOIN

The Directors may at their discretion grant options to (i) any director or employee of the Group; or (ii) any discretionary trust whose discretionary objects include any director or employee of the Group; or (iii) a company beneficially owned by any director or employee of the Group as may be determined by the Directors from time to time to subscribe for Shares.

PRICE OF SHARES

Options may be granted without any initial payment for the options at an exercise price (subject to adjustments as provided in the New Share Option Scheme) equal to the highest of (i) the nominal value of the Shares; (ii) the closing price per Share as stated in the Stock Exchange's daily quotations sheet on the date of the grant of the option; and (iii) the average closing price per Share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the grant of the option.

MAXIMUM NUMBER OF SHARES

The maximum number of Shares which may be issued upon the exercise of all options to be granted under the New Share Option Scheme and any other share option scheme(s) of the Company shall not exceed 10 per cent. of the share capital of the Company in issue at the date of shareholders' approval of the New Share Option Scheme (the "General Mandate Limit") provided that:

- (a) the Company may seek approval by shareholders in general meeting to refresh the General Mandate Limit up to 10 per cent. of the issued share capital of the Company at the date of the shareholders' approval to refresh the limit; and
- (b) the Company may seek separate shareholders' approval in general meeting to grant options beyond the General Mandate Limit provided that the options in excess of the General Mandate Limit are granted only to participants specifically identified by the Company before such approval is sought,

subject to the limitation that the maximum number of Shares which may be issued or issuable upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option scheme(s) of the Company shall not exceed 30 per cent. of the issued share capital of the Company from time to time.

On the Latest Practicable Date, there were in issue of 47,438,520 Shares. If no further Shares are issued prior to the date of adoption of the New Share Option Scheme, options to subscribe for a total of 4,743,852 Shares may be issued under the New Share Option Scheme pursuant to the General Mandate Limit.

APPENDIX SUMMARY OF RULES OF THE NEW SHARE OPTION SCHEME

The maximum number of Shares (issued and to be issued) in respect of which options may be granted under the New Share Option Scheme to any one grantee in any 12-month period shall not exceed 1 per cent. of the share capital of the Company in issue unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules.

GRANT OF OPTIONS TO CONNECTED PERSONS

Any grant of options to a director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the option).

Where options are proposed to be granted to a substantial shareholder of the Company or an independent non-executive Director or any of their respective associates, and the proposed grant of options would result in the Shares issued and to be issued upon exercise of all options already granted (including options exercised, cancelled and outstanding) and to be granted to such person in the 12-month period up to and including the date of the grant of such options to represent in aggregate over 0.1 per cent. of the total issued Shares for the time being and have an aggregate value (based on the closing price of a Share at each date of the grant of these options) exceeding HK\$5,000,000, the proposed grant shall be subject to the approval of shareholders of the Company in general meeting in accordance with the requirements of the Listing Rules.

TIME OF EXERCISE OF OPTION

The holder of an option may subscribe for Shares during such period as may be determined by the Directors (which shall not be more than ten years from the date of grant of the relevant option and may include the minimum period, if any, for which an option must be held before it can be exercised).

PERFORMANCE TARGETS

The Directors may at their absolute discretion specify the performance targets, if any, that must be achieved before the option can be exercised.

RIGHTS ARE PERSONAL TO GRANTEE

An option may not be transferred or assigned and will be personal to the holder of the option.

RIGHTS ON CEASING EMPLOYMENT

If a holder of an option is disabled or retires in accordance with the terms of his employment, the holder may exercise the option within a period of six months thereafter or at the expiration of the relevant option period, whichever is earlier, failing which the option will lapse.

RIGHTS ON DEATH

If a holder of an option dies, the personal representatives of the holder may exercise the option within a period of six months thereafter or at the expiration of the relevant option period, whichever is earlier, failing which the option will lapse.

RIGHTS ON DISMISSAL

If the holder of an option resigns or is dismissed from the employment of the Group, the option of such holder will thereupon lapse.

EFFECT OF ALTERATIONS TO CAPITAL

In the event of any reduction, sub-division or consolidation of the share capital of the Company or capitalisation issue, rights issue or distribution of capital assets by the Company, the number or nominal amount of Shares comprised in each option and/or the option price may be adjusted in such manner as the Directors (having received a statement in writing from the auditors of the Company that in their opinion the adjustments proposed satisfy the requirements set out in the note to Rule 17.03(13) of the Listing Rules) may deem appropriate, provided always that an option holder shall have the same proportion of the equity capital of the Company as that to which he was entitled before such adjustments and no increase shall be made in the aggregate subscription price relating to any option, but no such adjustments may be made to the extent that a share would be issued at less than its nominal value.

RIGHTS ON A GENERAL OFFER

If a general offer is made to the holders of Shares, each holder of an option shall be entitled at any time within the period of six months after such control has been obtained to exercise any option in whole or in part, and to the extent that it has not been so exercised, any option shall upon the expiry of such period cease and determine.

RIGHTS ON WINDING UP

If notice is duly given of a general meeting at which a resolution will be proposed for the voluntary winding-up of the Company, every option shall be exercisable in whole or in part at any time thereafter until the resolution is duly passed or defeated or the meeting concluded or adjourned sine die, whichever shall first occur. If such resolution is duly passed, all options shall, to the extent that they have not been exercised, thereupon cease and determine.

RIGHTS ON A COMPROMISE OR ARRANGEMENT

If a compromise or arrangement between the Company and its members or creditors is proposed, each holder of an option may exercise his option forthwith until the expiry of two calendar months thereafter or the date on which such compromise or arrangement is sanctioned by the Court, whichever is earlier, subject to such compromise or arrangement being sanctioned by the Court and becoming effective.

RANKING OF SHARES

Shares allotted on the exercise of options will rank pari passu with the other Shares in issue at the date of exercise of the relevant option except in respect of any dividend or other distribution previously resolved or announced to be paid or made if the record date therefor is before the relevant exercise date.

APPENDIX SUMMARY OF RULES OF THE NEW SHARE OPTION SCHEME

PERIOD OF THE SCHEME

The New Share Option Scheme will remain in force for a period of 10 years from the date of adoption of the New Share Option Scheme.

VARIATION

Except as allowed by the Listing Rules in effect from time to time or with the prior approval of shareholders in general meeting, no alteration shall be made to the provisions of the New Share Option Scheme relating to any of the above matters or of the terms or conditions of the New Share Option Scheme which are of a material nature or change the terms of options granted under the New Share Option Scheme, except where the alteration takes effect automatically under the existing terms of the New Share Option Scheme. The Directors may terminate the New Share Option Scheme at any time, but options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with the rules of such scheme.

CANCELLATION OF UNEXERCISED OPTION

The Company may cancel an option granted under the New Share Option Scheme but not exercised with the approval of the holder of such option. If the Company cancels options and issues new ones to the same option holder, the issue of such new options may only be made under the New Share Option Scheme with available unissued options (excluding the cancelled options) within the limit approved by shareholders as mentioned in the paragraph headed “Maximum number of Shares” above.

NOTICE OF SPECIAL GENERAL MEETING



SAME TIME HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code : 451)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of the abovementioned company (the “Company”) will be held at 17th Floor, Phase 1, Kingsford Industrial Building, 26-32 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong on 23rd February, 2005 at 12:00 noon for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution :

ORDINARY RESOLUTION

“THAT the rules of the share option scheme of the Company (a copy of which has been submitted to the meeting and signed by the Chairman of the meeting for the purpose of identification) be and are hereby approved and that the directors of the Company be and are hereby authorised to implement the same and to grant options and to issue and allot shares of the Company pursuant thereto.”

By Order of the Board

YIP Sum Yin

Chairman

Hong Kong, 7th February, 2005

Principal office:

17th Floor, Phase 1
Kingsford Industrial Building
26-32 Kwai Hei Street
Kwai Chung, New Territories
Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, a form of proxy must be deposited at the Company’s principal office together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting.