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

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

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**ITE (HOLDINGS) LIMITED**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8092)

- (1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;**
- (2) RE-ELECTION OF DIRECTORS;**
- (3) PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION;**
- (4) ADOPTION OF NEW SHARE OPTION SCHEME; AND**
- (5) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the extraordinary general meeting of the Company to be held at Diamond Room 8, B1/F., Eaton Hotel, 380 Nathan Road, Kowloon, Hong Kong on Monday, 8 August 2011 at 10:30 a.m. is set out on pages 23 to 37 of this circular. A form of proxy for use at the extraordinary 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 deposit the same at the Company's registrar in Hong Kong, Hong Kong Registrars Limited at 46/F., 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 the holding of the extraordinary 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 extraordinary general meeting or any adjournment thereof should you so wish and in such event the proxy shall be deemed to be revoked.

24 June 2011

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a high investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

| | |
|--------------------------------|---|
| “AGM” | the annual general meeting of the Company to be held at Diamond Room 8, B1/F., Eaton Hotel, 380 Nathan Road, Kowloon, Hong Kong on Monday, 8 August 2011 at 10:30 a.m., notice of which is set out on pages 23 to 37 of this circular |
| “Annual Report” | the annual report of the Company for the year ended 31 March 2011 |
| “Articles of Association” | the articles of associations of the Company, and “Article” shall mean an article thereof |
| “Board” | the board of Directors from time to time |
| “Business Day” | a day (other than Saturday, Sunday and public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours |
| “Company” | ITE (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the GEM of the Stock Exchange |
| “Directors” | the directors of the Company from time to time |
| “Existing Share Option Scheme” | the existing share option scheme of the Company adopted by the Company on 8 August 2002 |
| “GEM” | the Growth Enterprise Market of the Stock Exchange |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on the GEM |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Issue Mandate” | the general and unconditional mandate proposed to be granted to Directors to allot, issue and deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM, which is extended by the addition of the number of Shares purchased under the Repurchase Mandate |

DEFINITIONS

| | |
|---------------------------|---|
| “Latest Practicable Date” | 22 June 2011, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular |
| “New Share Option Scheme” | the new share option scheme which is proposed to be adopted by the Company at the AGM, the principal terms of which are set out in Appendix III to this circular |
| “Option(s)” | option(s) granted or to be granted to Participant(s) to subscribe for Share(s) under the Existing Share Option Scheme or, after its termination, under the New Share Option Scheme |
| “Participant(s)” | person(s) including any officers and full time or part time employees of the Group (including any directors, whether executive or non-executive and whether independent or not, of the Company or any Subsidiary) and/or any entity in which any member of the Group holds equity interests and any supplier, consultants, agents and advisers who or which is or are eligible to participate as grantee(s) in and receive Option(s) under the share option scheme of the Company |
| “Repurchase Mandate” | the general and unconditional mandate proposed to be granted to Directors to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM |
| “Share(s)” | ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Share(s) from time to time |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | The Hong Kong Code on Takeovers and Mergers |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |

LETTER FROM THE BOARD



ITE (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8092)

Executive Directors:

Mr. Lau Hon Kwong, Vincent
Mr. George Roger Manho
Mr. Cheng Kwok Hung
Mr. Liu Hoi Wah

Independent non-executive Directors:

Dr. Lee Peng Fei, Allen
Mr. Tang Siu, Henry
Mr. Kam Hau Choi, Anthony

Registered office:

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

***Head office and principal place
of business in Hong Kong:***

Units 1005-07, Level 10
Manulife Provident Funds Place
345 Nathan Road
Kowloon
Hong Kong

24 June 2011

To the Shareholders

Dear Sir or Madam,

- (1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;**
- (2) RE-ELECTION OF DIRECTORS;**
- (3) PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION;**
- (4) ADOPTION OF SHARE OPTION SCHEME; AND**
- (5) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the information relating to the resolutions to be proposed at the AGM for (i) general mandates to issue and repurchase shares; (ii) re-election of Directors; (iii) the proposed amendments to the Articles of Association; and (iv) adoption of the New Share Option Scheme and termination of the Existing Share Option Scheme, and to give you the notice of AGM in order to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

At the AGM, it will be proposed, by way of ordinary resolution, that the Directors be given a general and unconditional mandate to exercise all powers of the Company to allot, issue and deal with new Shares in the capital of the Company up to a maximum of 187,145,600 Shares, representing 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution. In addition, it is further proposed, by way of a separate ordinary resolution, that the Issue Mandate be extended by adding the number of Shares that may be purchased under the Repurchase Mandate.

GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, it will also be proposed, by way of ordinary resolution, that the Directors be given a general unconditional mandate to repurchase Shares not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing such resolution.

An explanatory statement containing all relevant information relating to the Repurchase Mandate and pursuant to the GEM Listing Rules, in particular rule 13.08, is set out in the Appendix I to this circular. The information in the explanatory statement is intended to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions relating to the Repurchase Mandate.

RE-ELECTION OF DIRECTORS

According to Article 108A, at each annual general meeting one-third of the Directors for the time being (or if their number is not a multiple of the three, the number nearest to but not exceeding one-third) shall retire from office by rotation provided that no Director holding office as chairman and/or the managing director shall be subject to retirement by rotation or be taken into account in determining the number of Directors to retire. Article 108B further provides that a retiring Director shall be eligible for re-election and any Directors so to retire shall be subject to retirement by rotation who have been longest in office since their last re-election or appointment.

In accordance with the Articles of Association, Dr. Lee Peng Fei, Allen and Mr. Kam Hau Choi, Anthony will retire from office and, be eligible to offer themselves for re-election at the AGM.

Details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

ADOPTION OF THE NEW SHARE OPTION SCHEME

In light of that the Existing Share Option Scheme will be terminated by 2012, the Board proposes to adopt the New Share Option Scheme for the Company and to terminate the Existing Share Option Scheme (without prejudice to the rights and benefits of and attached to all those Option(s), if any, granted under the Existing Share Option Scheme which are outstanding) subject to the approval of the Shareholders.

LETTER FROM THE BOARD

The total issued share capital of the Company as at the Latest Practicable Date is HK\$9,357,280 divided into 935,728,000 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date to the date of the adoption of the New Share Option Scheme, the number of Shares which may fall to be allotted and issued upon exercise in full of New Share Option Scheme would be 93,572,800, representing approximately 10% of the Shares in issue as at the Latest Practicable Date, which is within the overall limit of 30% prescribed under rule 23.03(3) of the GEM Listing Rules.

Existing Share Option Scheme

The Existing Share Option Scheme has also been adopted by the Company on 8 August 2002 under which the Directors may at their discretion grant options to eligible participants to subscribe for Shares in the Company subject to the terms and conditions stipulated in the Existing Share Option Scheme.

As at the Latest Practicable Date, 9,900,000 Options granted under the Existing Share Option Scheme were outstanding.

Termination of the Existing Share Option Scheme

Under the terms of the Existing Share Option Scheme, the Company may at any time by ordinary resolution in general meeting terminate the operation of the Existing Share Option Scheme. It is proposed that the Existing Share Option Scheme is to be terminated upon adoption of the New Share Option Scheme subject to approval of the Shareholders.

Upon termination of the Existing Share Option Scheme, no further Options can be offered thereunder but the provisions of the Existing Share Option Scheme shall remain in all other respects in full force and effect in respect of any Options granted prior to such termination but not yet exercised at the time of termination. The Directors confirm that prior to the AGM, they will not grant any options under the Existing Share Option Scheme.

New Share Option Scheme

The purpose of the New Share Option Scheme is to enable the Company to grant Options to the Participants in order to recognize and motivate the contribution of the employees of the Group and to provide incentives and help the Group in retaining its existing employees and recruiting additional employees and to provide them with a direct economics interest in attaining the long term business objectives of the Group.

The rules of the New Share Option Scheme provide that the Company may specify the Participants to whom Options shall be granted, the number of Shares subject to each Option and the date on which the Options shall be granted. The basis for determining the subscription price is also specified precisely in the rules of the New Share Option Scheme. There is no performance target specified in the New Share Option Scheme. The Directors consider that the aforesaid criteria and rules will serve to preserve the value of the Company and encourage Participant to acquire proprietary interests in the Company.

LETTER FROM THE BOARD

Subject to the approval of the New Share Option Scheme by the Shareholders, a resolution will be proposed at the AGM for the Board to grant options under the New Share Option Scheme and any other schemes for the subscription of not more than 10% of the entire issued capital of the Company (excluding, for this purpose, Options which have lapsed in accordance with the terms any other share option scheme of the Group) as at the date of the passing of the relevant resolution.

The Directors consider that it is not appropriate to state the value of all Options that can be granted pursuant to the New Share Option Scheme as if they had been granted on the Latest Practicable Date as a number of variables which are crucial for the calculation of the Option value have not been determined. Such variables include but not limited to the exercise price, exercise period and lock-up period (if any). The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to Shareholders.

With respect to the operation of the New Share Option Scheme, the Company will, where applicable, comply with the relevant requirement under Chapter 23 of the GEM Listing Rules.

Conditions

The proposed adoption of the New Share Option Scheme is conditional upon:

- (a) the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in any Shares which may fall to be issued and allotted by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme; and
- (b) the passing of the necessary resolution to approve and adopt the New Share Option Scheme in the AGM.

A summary of the principal terms of the New Share Option Scheme which is proposed to be approved and adopted by the Company at the AGM is set out in Appendix III to this circular on pages 14 to 22. A copy of the rules of the New Share Option Scheme is available for inspection at the head office and principal place of business of the Company in Hong Kong at Units 1005-07, Level 10, Manulife Provident Funds Place, 345 Nathan Road, Kowloon, Hong Kong during normal business hours from the date hereof up to and including the date of the AGM.

PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Reference is made to the various amendments made to the GEM Listing Rules in the past relating to, among other things, (i) rotation of Directors; (ii) notice period for general meetings; and (iii) voting by poll at general meetings.

LETTER FROM THE BOARD

In order to bring the constitutions of the Company up-to-date, the Directors propose to seek the approval of the Shareholders by way of passing a special resolution to be proposed at the AGM to amend the Articles of Association. A summary of the proposed amendments are set out below:

- | | |
|---|--|
| Article 1 | To add a new definition of “business day”, “electronic”, “electronic means”, “Electronic Transactions Law” and “clear days” and to amend the definitions of “associates”, “Designated Stock Exchange”, “ordinary resolution”, “writing” or “printing” and “special resolution” to align with the requirement of GEM Listing Rules in relation to the notice period for general meetings. |
| Article 65 | To align with the requirement of the GEM Listing Rules in relation to the notice period for general meetings. |
| Articles 5A, 72, 73, 74, 75, 76, 77, 79, 82, 85, 88, 90, 92(B), 93(B) and 94 | To reflect the requirement of voting by poll under the GEM Listing Rules and to delete the provisions in relation to show of hands at general meetings. |
| Articles 105, 113 and 114 | To align with the requirement to remove any Director in general meeting by ordinary resolution. |
| Articles 108 and 124 | To codify the rotation of any Director at least once every three years. |
| Article 112 | To require any Director appointed by the Board to hold office until the next following general meeting. |
| Articles 1A, 180 and 182 | To allow the Company to use of the Company’s website and the Stock Exchange’s website as a means of communication. The full text of the special resolution containing such proposed amendments (special resolution no. 5) is set out in the notice of AGM set out on pages 23 to 37 of this circular. |

Details regarding the proposed amendments to the Articles of Association are set out in the notice of the AGM. The proposed amendments to the Articles of Association are subject to the approval of the Shareholders by way of a special resolution to be proposed at the AGM.

AGM

A notice convening the AGM to be held at Diamond Room 8, B1/F., Eaton Hotel, 380 Nathan Road, Kowloon, Hong Kong on Monday, 8 August 2011 at 10:30 a.m. is set out on pages 23 to 37 of this circular. Special resolution will be proposed at the AGM to approve the amendments to the Articles of Association.

LETTER FROM THE BOARD

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's registrar in Hong Kong, Hong Kong Registrars Limited at 46/F., 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 the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the proxy shall be deemed to be revoked.

The resolution proposed to be approved at the AGM will be taken by poll and an announcement will be made by the Company after the AGM on the results of the AGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider the proposed adoption of New Share Option Scheme and the proposed amendments to the Articles of Association are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

GENERAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the resolutions to be proposed at the AGM and is required to abstain from voting on the resolution(s) to be proposed at the AGM.

Yours faithfully
By Order of the Board
Lau Hon Kwong Vincent
Chairman

This is an explanatory statement given to Shareholders relating to the resolution 4B to be proposed at the AGM authorising the Repurchase Mandate. This explanatory statement contains all the information required pursuant to Rule 13.08 of the GEM Listing Rules which is set out as follows:

1. Share Capital

As at the Latest Practicable Date, the issued share capital of the Company comprised 935,728,000 Shares.

Subject to the passing of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase Shares up to a maximum of 93,572,800 Shares representing not more than 10% of the share capital of the Company in issue as at the Latest Practicable Date, during the period from the date of passing of the resolution for the approval of the Repurchase Mandate up to (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 or any other applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

2. Reasons for Repurchase

Although the Directors have no present intention of repurchasing the Shares, they believe that it is in the best interest of the Company and its Shareholders for the Directors to have general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders.

3. Funding of Repurchase

The Company is empowered by its memorandum and articles of association to repurchase its Shares. The Cayman Islands law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of shares made for such purpose. The amount of premium payable on redemption may only be paid out of either the profits that would otherwise be available for distribution by way of dividend or out of the share premium of the Company. Under the Cayman Islands law, the repurchased Shares will remain part of the authorised but unissued share capital.

In repurchasing any Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum and articles of association and the applicable laws and regulations of the Cayman Islands. The Company may not purchase securities on the GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

There might be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 March 2011) in the event that the Repurchase Mandate is exercised in full. However, 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 requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. Share Prices

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

| | Price Per Share | |
|--|-----------------|----------------|
| | Highest HK\$ | Lowest HK\$ |
| 2010 | | |
| June | 0.1920 | 0.1610 |
| July | 0.1800 | 0.1220 |
| August | 0.1750 | 0.1320 |
| September | 0.1700 | 0.1200 |
| October | 0.1400 | 0.1160 |
| November | 0.1490 | 0.0970 |
| December | 0.1330 | 0.0950 |
| 2011 | | |
| January | 0.1330 | 0.0980 |
| February | 0.1270 | 0.0960 |
| March | 0.1200 | 0.0980 |
| April | 0.1240 | 0.0850 |
| May | 0.0990 | 0.0820 |
| June (up to the Latest Practicable Date) | 0.0910 | 0.0510 |

5. Undertaking

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules, the memorandum and articles of association of the Company and the applicable laws of the Cayman Islands.

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

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

6. Takeovers Code

If, as a result of a shares repurchase, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code.

As at the Latest Practicable Date, the register of Shareholders maintained by the Company pursuant to Section 336 of the Securities and Futures Ordinance showed that the Company has been notified of the following interests, being 5% or more of the Company's issued share capital:

| Name of Shareholders | Number of Shares held | Approximate percentage of existing shareholding | Approximate percentage of shareholding if the Repurchase Mandate is exercised in full |
|------------------------|-----------------------|---|---|
| Rax-Comm (BVI) Limited | 271,102,348 | 28.97% | 32.19% |
| Cheng Kwok Hung | 133,628,000 | 14.28% | 15.87% |
| George Roger Manho | 63,142,254 | 6.75% | 7.50% |

In the event that the Directors shall exercise in full the Repurchase Mandate, the total interests of the above Shareholders would be increased to approximately the respective percentages shown in the last column above and such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeover Code.

Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate to repurchase shares. If the Directors exercise the Repurchase Mandate (whether in whole or in part), they will not exercise it to the extent which would result in the number of Shares being held by the public falling below the relevant minimum prescribed percentage of the Company as required by the GEM Listing Rules, which is 25% of the entire issued share capital of the Company.

7. Share repurchases made by the Company

During the six months preceding the Latest Practicable Date, the Company has purchased through the Stock Exchange 256,000 ordinary Shares which were then cancelled. Details of which are set out below:

| Date of purchase | Number of ordinary shares repurchased | Price per share Highest HK\$ | Lowest HK\$ |
|------------------|---------------------------------------|------------------------------|-------------|
| 25 February 2011 | 80,000 | 0.098 | 0.098 |
| 16 March 2011 | 176,000 | 0.104 | 0.103 |
| | 256,000 | | |

The details of the Directors who will retire from office at the AGM and being eligible, will offer themselves for re-election at the AGM, are set out below:

(1) Dr. Lee Peng Fei, Allen, CBE, BS, FHKIE, JP, aged 71, an independent non-executive Director

Dr. Lee holds an honorary doctoral degree in engineering from the Hong Kong Polytechnic University and an honorary doctoral in laws from the Chinese University of Hong Kong. He was formerly a member of the Hong Kong Legislative Council from 1978 to 1997 and a senior member of the Hong Kong Legislative Council from 1988 to 1991. Dr. Lee was also a member of the Hong Kong Executive Council from 1985 to 1992. He was appointed as the Company's independent non-executive Director in December 2000.

As at the Latest Practical Date, Dr. Lee has personal interest in 0.19% of the Shares. Save as disclosed above, Dr. Lee does not have any other interests in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Dr. Lee does not have any other relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the GEM Listing Rules) of the Company. Save as being an independent non-executive Director and a member of audit, remuneration and nomination committees of the Company, Dr. Lee does not hold any other positions in the Group. Dr. Lee is also the director of AMS Public Transport Holdings Limited, Giordano International Limited, Playmates Holdings Limited, Sam Woo Holdings Limited, VXL Capital Limited and Wang On Group Limited, all of which are listed on the Stock Exchange. Save as disclosed, Dr. Lee does not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past 3 years.

Dr. Lee has not entered into any service contract with the Company and he is not appointed for a specific term since he is subject to retirement by rotation and re-election in accordance with the Articles of Association. He was entitled to receive a director's fee of HK\$20,000 per month before 20 June 2011. Since then, he is entitled to receive a director's fee of HK\$10,000 per month. The fee is determined based on the estimated time to be spent by him on the Company's matters. Save for the said salary, Dr. Lee is not entitled to any other emolument for holding his office as an independent non-executive Director.

Save as disclosed above, there are no other information that is required to be disclosed pursuant to rule 17.50(2) of the GEM Listing Rules nor there other matters that need to be brought to the attention of the Shareholders.

(2) Mr. Kam Hau Choi, Anthony, aged 45, an independent non-executive Director

Mr. Kam is the managing director of Anthony Kam & Associates Limited, Certified Public Accountants. Mr. Kam holds a Bachelor of Laws degree from the University of Wolverhampton, the United Kingdom, and a Bachelor of Science degree from the University of Hong Kong. Mr. Kam is a fellow member of the Hong Kong Institute of Certified Public Accountants and Association of Chartered Certified Accountants, an associate member of The Institute of Chartered Accountants in England & Wales and a member of the Hong Kong Securities Institute. Mr. Kam has over 21 years experience in auditing, accounting and tax matters, both in private and public companies. Mr. Kam was appointed as the Company's independent non-executive director in September 2004.

As at the Latest Practical Date, Mr. Kam does not have any other interests in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Kam does not have any relationships with any Directors, senior management, management shareholders, substantial shareholders or controlling shareholders (as defined in the GEM Listing Rules) of the Company. Save as being executive Director, Mr. Kam does not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past 3 years.

Mr. Kam has not entered into any service contract with the Company and he is not appointed for a specific term since he is subject to retirement by rotation and re-election in accordance with the Articles of Association. He is entitled to receive a director's fee of HK\$50,000 per annum, which is determined based on the estimated time to be spent by him on the Company's matters. Save for the said salary, Mr. Kam is not entitled to any other emolument for holding his office as an independent non-executive Director.

Save as disclosed above, there are no other information that is required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules nor there other matters that need to be brought to the attention of the Shareholders.

This appendix sets out further information of the New Share Option Scheme and also summarises the rules of the New Share Option Scheme but does not form part of nor was it intended to be, part of the New Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the New Share Option Scheme:

NEW SHARE OPTION SCHEME

Summary of terms

The following is a summary of the principal terms of the New Share Option Scheme proposed to be approved by a resolution of the Shareholders at the AGM, notice of which is set out on pages 23 to 37 of this circular:

(a) Purpose of the New Share Option Scheme

The purpose of the New Share Option Scheme is to enable the Company to grant Options to the Participants in order to recognize and motivate the contribution of the employees of the Group and to provide incentives and help the Group in retaining its existing employees and recruiting additional employees and to provide them with a direct economic interest in attaining the long term business objectives of the Group.

(b) Administration of the New Share Option Scheme

The New Share Option Scheme shall be subject to the administration by the Board which may include a duly authorised committee thereof and the decision of the Board shall be final, conclusive and binding on all parties.

(c) Grant and acceptance of Options

Subject to the terms of the New Share Option Scheme, the Board may, in its absolute discretion, invite any Participant to take up Options to subscribe for Shares at a price calculated in accordance with paragraph (d) below.

An offer of the grant of an Option shall be made to Participants in writing (and unless so made shall be invalid) in such form as the Board may from time to time determine and shall remain open for acceptance by the Participant concerned for a period of 7 days from the date upon which it is made provided that no such offer shall be open for acceptance after the earlier of the 10th anniversary of the adoption date of the New Share Option Scheme or the termination of the New Share Option Scheme or the Participant to whom such offer is made has ceased to be a Participant.

A non-refundable nominal consideration of HK\$1.00 is payable by the grantee upon acceptance of an Option. An Option shall be deemed to have been accepted when the duplicate letter comprising acceptance of the Option duly signed by the Participant together with the said consideration of HK\$1.00 is received by the Company.

Any offer of the grant of an Option may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in such number of Shares as represents a board lot for the time being for the purpose of trading on GEM or an integral multiple thereof.

(d) Exercise of Options and Price of Shares

An Option may be exercised in whole or in part by the grantee giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the subscription price for the Shares in respect of which the notice is given. Within 21 days after receipt of the notice and the remittance and, where appropriate, receipt of the certificate of the Company's auditors or independent financial advisers, the Company shall allot and issue the relevant Shares to the grantee (or his legal personal representative(s)) credited as fully paid.

Shares to be allotted and issued upon the exercise of an Option will be subject to all the provisions of the Articles of Association for the time being in force and will rank pari passu in all respects with the existing 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 (the "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 name of the grantee of the Option(s) has been duly entered onto the register of members of the Company as the holder thereof.

The exercise price for Shares under the New Share Option Scheme may be determined by the Board at its absolute discretion but in any event will not be less than the highest of: (i) the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant, which must be a Business Day; (ii) the average closing price of the Shares as stated in the daily quotations sheets of the Stock Exchange for the five Business Days immediately preceding the date of grant; (iii) the average closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange for the ten Business Days immediately preceding the date of grant; and (iv) the nominal value of the Share on the date of grant.

(e) *Maximum number of Shares available for issue*

- (i) Subject to the GEM Listing Rules, the overall limit on the number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other scheme of the Company must not, in aggregate, exceed 30% of the Shares in issue from time to time (the “Overall Limit”). No Options shall be granted under any share option schemes of the Company (including the New Share Option Scheme) if this will result in the Overall Limit being exceeded.
- (ii) Subject to the Overall Limit, the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option schemes of the Company adopted by the Group must not, in aggregate, exceed 10% of the Shares in issue as at the date of the approval of the New Share Option Scheme (the “Scheme Mandate Limit”), unless Shareholders’ has been obtained pursuant to sub-paragraphs (iii) and (iv) below. Options lapsed in accordance with the terms of the New Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.
- (iii) Subject to the Overall Limit, the Company may refresh the Scheme Mandate Limit at any time subject to approval of the Shareholders in general meeting, provided that the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of the aforesaid Shareholders’ approval (the “Refreshed Limit”). Options previously granted under the New Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with such schemes or exercised Options) will not be counted for the purpose of calculating the Refreshed Limit. The Company must send a circular to the Shareholders containing such information as required under the GEM Listing Rules.
- (iv) The total number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other scheme of the Company must not exceed 30 % of the total issued Shares from time to time. Subject to the Overall Limit, the Company may also seek separate approval of the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit provided that the Options in excess of the Scheme Mandate Limit are granted only to Participants specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing a generic 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 and such other information as required under the GEM Listing Rules.

(f) Grant of Options to connected persons or any of their associates

Any grant of Options to a connected person or its associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options). Where Options are proposed to be granted to a connected person who is also a substantial shareholder of the Company or an independent non-executive Director or their respective associates and if such grant would result in the total number of Shares issued and to be issued upon exercise of the Options granted and to be granted (including Options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant to such person representing in aggregate over 0.1 % of the total issued Shares and having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK\$5 million, then the proposed grant must be subject to the approval of Shareholders taken on a poll in a general meeting. All connected persons of the Company must abstain from voting at such general meeting (except where any connected person intends to vote against the proposed grant provided that his intention to do so has been stated in the shareholders' circular to be issued as stated below).

A circular must be prepared by the Company explaining the proposed grant, disclosing (i) the number and terms of the Options to be granted, (ii) containing a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a grantee) on whether or not to vote in favour of the proposed grant, (iii) containing information relating to any Directors who are trustees of the scheme or have a direct or indirect interest in the trustees.

Any change in the terms of Options granted to a connected person or its associates must be approved by Shareholders in a general meeting.

(g) Maximum entitlement of each Participant

The total number of Shares issued and to be issued upon exercise of the options granted to each Participant or grantee (including exercised and outstanding options) in any twelve (12)-month period up to the date of grant shall not exceed 1% of the Shares in issue at the date of grant (the "Individual Limit"). Where it is proposed that any offer is to be made to a Participant (or where approximate, an existing grantee) which would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the twelve (12)-month period up to and including the relevant date of grant to exceed his, her or its Individual Limit, such offer and any acceptance thereof must be conditional upon Shareholders' approval in general meeting with such Participant (or where appropriate, an existing grantee) and his, her or its associates abstaining from voting. The Company must send a circular to the Shareholders disclosing the identity of the Participant or grantee, the number and terms of options to be granted (and options previously granted) to such Participant, the information required under the Listing Rules. The number and terms

(including the subscription price) of options to be granted to such Participant must be fixed before the date on which Shareholders' approval is sought and the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

(h) Time of Exercise of Options

Subject to the terms of the New Share Option Scheme, an Option may be exercised in whole or in part at any time during the period to be determined and identified by the Board to each grantee at the time of making an offer for the grant of an Option, but in any event no later than 10 years from the date of grant but subject to the early termination of the New Share Option Scheme (the "Option Period").

There is no specified minimum period under the New Share Option Scheme for which an Option must be held or the performance target which must be achieved before an Option can be exercised under the terms of the New Share Option Scheme.

(i) Restrictions on the time of grant of Options

Grant of Options may not 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 relevant requirements of the GEM Listing Rules. In particular, no Option may be granted during the period commencing one month immediately preceding the earlier of (i) the date of the Board meeting for the approval of the Company's quarterly, interim or annual results and (ii) the deadline for the Company to publish its quarterly, interim or annual results announcement and ending on the date of such results announcement.

(j) Rights are personal to grantees

An Option is personal to the grantee and shall not be assignable. An Option shall not be sold, transferred, charged, mortgaged, encumbered or created with any interest in favour of any third party.

(k) Rights on cessation of employment by dismissal

If the grantee of an Option is an employee (the "Employee") of the Group and ceases to be an Employee on one or more of the grounds that he or she has been guilty of persistent or serious misconduct, bankruptcy, insolvency, composition with his or her creditors generally or conviction of any criminal offence or other grounds on which an employer would be entitled to terminate his or her employment pursuant to any applicable law, his or her Option (to the extent not already exercised) will lapse on the date of cessation of his or her employment.

(l) Rights on death

If the grantee of an Option is an Employee and ceases to be an Employee by reason of his or her death before exercising the Options in full and none of the events referred to in paragraph (i) above as ground for termination of his or her Options arises, his or her personal representative(s) may exercise the Option (to the extent not already exercised) within a period of 12 months following the date of death (or such longer period as the Board may determine), failing which it will lapse.

(m) Rights on cessation of employment for other reasons

If the grantee of an Option who is an Employee and ceases to be an Participant for any other reason he or she may exercise the Options (to the extent not already exercised) in whole or in part within a period of three months following the date of such cessation, which date shall be the last actual working with the Group, whether salary is paid in lieu of notice or not. If any of the events referred to in paragraph (n) to (p) below occurs during such period, he or she may exercise the Option pursuant to paragraphs (n) to (p) respectively.

(n) Rights on a general offer

In the event of a general offer being made to all Shareholders (or all such holders other than the offeror and/or person controlled by the offeror and/or any person acting in concert (as defined in the Takeovers Code) with the offeror) and such offer becomes or is declared unconditional during the Option Period of the relevant Option, the grantee (or his personal representative(s)) shall be entitled to exercise the Option in full (to the extent not already exercised) at any time within thereafter and up to the close of such offer.

(o) Rights on winding up

In the event a notice is given by the Company to its members to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as it despatches such notice to each member of the Company give notice thereof to all grantees and any grantee (or his or her personal representative(s) may by notice in writing to the Company accompanied by a remittance for the full amount of the aggregate subscription price in respect of the relevant Option (such notice to be received by the Company no later than four Business Days prior to the propose general meeting)) exercise the Option (to the extent not already exercised) either to its full extent or to the extent that he or she may specify in his or her notice and the Company shall as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot and issue such number of Shares to the grantee credited as fully paid.

(p) Rights on reconstruction, compromise or arrangement

If a compromise or arrangement between the Company and its members or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice to the grantee on the same date as it despatches the notice to each member or creditor of the Company to consider such a compromise or arrangement, and thereupon the grantee (or his or her personal representative(s)) may by notice in writing to the Company accompanied by a remittance of the full amount of the subscription price in respect of which the notice is given (such notice to be received by the Company no later than four Business Days prior to the proposed meeting) exercise the Option (to the extent not already exercised) either to its full extent or to the extent specified in the notice and the Company shall as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed general meeting allot and issue such number of Shares to the grantee credited as fully paid.

(q) Cancellation of Options

The Board may at any time cancel any Option granted but not exercised if the grantee so agrees. Any cancellation of Options granted but not exercised and the issuance of new Options to the same grantee may only be made under the New Share Option Scheme with available unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit referred to in paragraph (e)(i) above. Options lapsed in accordance with the terms of the New Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.

(r) Effect of alterations to share capital

In the event of any alteration in the capital structure of the Company by way of capitalisation of profits or reserved, rights issue, consolidation, subdivision or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction while any Option remains exercisable), such corresponding alterations (if any) will be made in (i) the numbers or nominal amount of Shares subject to any Option so far as such Option remains unexercised and/or (ii) the subscription price per Share and/or (iii) the maximum number of Shares available for subscription and/or; (iv) the method of exercise of the Option as the auditors or independent financial advisers for the time being of the Company shall at the request of the Company or any grantee certify in writing to be in their opinion fair and reasonable, provided that any such alterations shall be made on the basis that the grantee shall have the same proportion of the issued share capital of the Company to which he was entitled before such alteration and the aggregate subscription price payable by the grantee on the full exercise of any Option shall remain as nearly as possible the same as (but not greater than) it was before such event, but so that no such alterations shall be made the effect of which would be to enable a Share to be issue at less than its nominal value. Save in the case of a capitalisation issue, the auditors or independent financial advisers for the time being of the Company must confirm to the Directors in writing that such adjustment(s) satisfy the aforesaid requirements.

(s) *Ranking of Shares*

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the Articles of Associations for the time being in force and will rank pari passu in all respects with the fully paid Shares in issue on the date on which the Option is exercised and accordingly will entitle the holders of Shares to participate in all dividends or other distributions paid or made on or after the date on which the Option is exercised other than any dividends or other distributions previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the date of allotment.

(t) *Duration of the New Share Option Scheme*

The New Share Option Scheme shall continue in force for the period commencing from the Adoption Date and expiring at the close of business on the tenth anniversary thereof, after such period no further Options will be granted but the provisions of the New Share Option Scheme shall remain in full force and effect in respect of any Options granted before its expiry or termination but not yet exercised.

(u) *Alterations to the terms of the New Share Option Scheme*

- (i) The provisions relating to the matters set out in rule 23.03 of the GEM Listing Rules cannot be altered to the advantage of Participants without the prior approval of Shareholders in a general meeting.
- (ii) Any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature or any change to the terms of Options granted must be approved by Shareholders, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme.
- (iii) The amended terms of the New Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 23 of the GEM Listing Rules.
- (iv) Any change to the authority of the Directors or the administrator of the New Share Option Scheme in relation to any alteration to the terms of the New Share Option Scheme must be approved by Shareholders in a general meeting.

(v) *Conditions of the New Share Option Scheme*

The New Share Option Scheme is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in any Shares to be issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme; and

- (ii) the passing of the necessary resolution to approve and adopt the New Share Option Scheme in general meeting.

(w) *Lapse of Options*

An Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (i) the expiry of the Option Period;
- (ii) the expiry of any of the periods referred to in paragraphs (k) to (p);
- (iii) the date on which the Directors shall exercise the Company's right to cancel the Option by reason of a breach of paragraph (j) by the grantee of the Option in respect of that or any other Option; and
- (iv) the date of the commencement of the winding-up of the Company.

(x) *Termination*

The Company by ordinary resolution in general meeting may at any time terminate the operation of the New Share Option Scheme and in such event no further Options will be offered but in all other respects the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options granted prior to such termination.

Details of the Options granted, including Options exercised or outstanding, under the New Share Option Scheme shall be disclosed in the circular to Shareholders seeking approval of any subsequent share option scheme to be established after such termination.

(y) *Miscellaneous*

The terms of the New Share Option Scheme (and any other schemes adopted by the Company from time to time) shall be in accordance with the new requirements set out in Chapter 23 of the GEM Listing Rules.

The Company will comply with the relevant statutory requirements and the GEM Listing Rules from time to time in force on a continuing basis in respect of the New Share Option Scheme and any other schemes of the Company.

Any dispute arising in connection with the number of Shares of an Option and any of the matters referred to in paragraph (r) above shall be referred to the decision of the auditors or the independent financial advisers of the Company who shall act as experts and not as arbitrators and whose decision, in the absence of manifest error, shall be final and binding.

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ITE (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8092)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of ITE (Holdings) Limited (the “Company”) will be held at Diamond Room 8, B1/F., Eaton Hotel, 380 Nathan Road, Kowloon, Hong Kong on Monday, 8 August 2011 at 10:30 a.m. for the purposes of considering and, if thought fit, passing the following resolutions with or without amendments as resolutions of the Company:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and the auditors of the Company for the year ended 31 March 2011;
2. To re-elect retiring directors (the “Directors”) of the Company and authorise the board of Directors to fix the remuneration of directors;
3. To re-appoint auditors of the Company and authorise the board of Directors to fix their remuneration;
4. As special business, to consider and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions;

(A) **“THAT**

- (a) subject to paragraph (c) of this resolution, and pursuant to the Rules (“GEM Listing Rules”) Governing the Listing of Securities on The Growth Enterprise Market (the “GEM”) of The Stock Exchange of Hong Kong Limited (“Stock Exchange”), 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 new shares in the capital of the Company and to make and grant offers, agreements and options (including but not limited to warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require shares to be allotted be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make and grant offers, agreements and options (including but not limited to warrants, bonds,

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debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require shares to be allotted after the end of the Relevant Period;

- (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined); or
 - (ii) an issue of shares upon the exercise of subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to the grantees as specified in such scheme or similar arrangement of shares or rights to acquire shares of the Company; or
 - (iii) any issue of shares pursuant to the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes and other securities of the Company which carry rights to subscribe for or are convertible into shares of the Company; or
 - (iv) an issue of shares pursuant to any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the dividend on shares of the Company in accordance with the articles of association of the Company (the “Articles”), shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the date of 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 any applicable law or the Articles to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.

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“Rights Issue” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares in the Company on the register on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”

(B) **“THAT**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its shares on the GEM or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the GEM Listing Rules of the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing this resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution:

“Relevant Period” means the period from the date of 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 general meeting of the Company is required by any applicable law or the Articles to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”

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- (C) “**THAT**, subject to the passing of the resolution in this notice nos. 4A and 4B, the general mandate granted to the Directors to allot, issue and deal with new shares pursuant to resolution in this notice no. 4A be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares repurchased by the Company under the authority granted pursuant to Resolution in this notice no. 4B provided that such extended amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution.”

SPECIAL RESOLUTION

5. “**THAT** the Articles be and are hereby amended in the following manner:

(a) **Article 1**

- (1) By deleting the existing definition of “associates” in Article 1(A) in its entirety and substituting therefore the following:

““associates” shall have the meaning attributed to it in the rules of the Designated Stock Exchange;”

- (2) By inserting the following definition after the definition of “the Board” or “the Directors” in Article 1(A):

““business day” shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Articles be counted as a business day;”

- (3) By inserting the following new definition in Article 1(A) after the definition of “the Chairman”:

““clear days” in relation to the period of a notice, shall mean that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;”

- (4) By inserting the following new definition in Article 1(A) after the definition of “debenture” and “debenture holder”:

““Designated Stock Exchange” shall mean a stock exchange in respect of which the shares of the Company are listed or quoted and where such stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company;”

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- (5) By inserting the following new definitions of “electronic” in Article 1(A) after the definition of “dividend”:

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

- (6) By inserting the following new definitions of “electronic means” in Article 1(A):

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

- (7) By inserting the following new definitions of “Electronic Signature” in Article 1(A):

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

- (8) By inserting the following new definitions of “Electronic Transactions Law” in Article 1(A):

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

- (9) By deleting the existing definition of “writing” or “printing” in Article 1(A) in its entirety and substituting therefore the following:

““writing” or “printing” shall include writing, printing, lithography, photography, typewriting and every other mode of representing words or figures in a legible and non-transitory form, and including where the representation takes the form of electronic display, provided that the same is available for download onto a user’s computer or for printing through conventional small office equipment or is placed on the Company’s website and, in each case, the shareholder concerned (where the relevant provision of these Articles require the delivery or service of any document or notice on him in his capacity as shareholder) has elected for the receipt of the relevant download or notice through electronic means and both the mode of service of the relevant document or notice and the shareholder’s election comply with all applicable laws and regulations and the requirements of the stock exchange in the Relevant Territory.”

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- (10) By deleting the existing definition of Special Resolution in Article 1(C) in its entirety and substituting therefore the following:

“At all times during the Relevant Period (but not otherwise) a resolution shall be a Special Resolution when it has been passed by a majority of not less than three-fourths of the votes cast by such shareholders as, being entitled so to do, vote in person or by proxy or, in the cases of shareholders which are corporations, by their respective duly authorised representatives at a general meeting of which Notice has been duly given in accordance with Article 65.”

- (11) By deleting the existing definition of Ordinary Resolution in Article 1(D) in its entirety and substituting therefore the following:

“A resolution shall be an Ordinary Resolution when it has been passed by a simple majority of such shareholders as, being entitled so to do, vote in person or, in the case of any shareholder being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Article 65.”

(b) Article 5(A)

By deleting the words “and that any holder of shares of the class present in person or by proxy may demand a poll” at the end of the existing Article 5(A).

(c) Article 65

By deleting the existing Article 65 in its entirety and substituting therefor the following:

“65. An annual general meeting shall be called by Notice or electronic means of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any extraordinary general meeting at which the passing of a Special Resolution is to be considered shall be called by Notice electronic means of not less than twenty-one (21) clear days and not less than ten (10) clear business days. All other extraordinary general meetings may be called by Notice electronic means of not less than fourteen (14) clear days and not less than ten (10) clear business days. The notice shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company, provided that a meeting of the Company shall notwithstanding that it is called by shorter notice than specified in this Article be deemed to have been duly called if it is so agreed:

- (a) in the case of a meeting called as an annual general meeting, by all the shareholders entitled to attend and vote thereat; and

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- (b) in the case of any other meeting, by a majority in number of the shareholders having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.”

(d) Article 72

By deleting the existing Article 72 in its entirety and substituting therefor the following:

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

(e) Article 73

By deleting the existing Article 73 in its entirety and substituting therefor the following:

- “73. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”

(f) Article 74

By deleting the existing Article 74 in its entirety and substituting therefor the following:

- “74. Subject to Article 76, a poll demanded shall be taken in such manner (including the use of ballot or voting papers or tickets) and either forthwith or at such time (being not less than thirty (30) days after the date of the demand) and place as the Chairman directs. It shall not be necessary (unless the Chairman otherwise directs) for notice to be given of a poll not taken immediately.”

(g) Article 75

By deleting the existing Article 75 in its entirety and substituting therefor the words “Intentionally deleted”.

(h) Article 76

By deleting the existing Article 76 in its entirety and substituting therefor the following:

- “76. In the case of an equality of votes on a poll, the Chairman of the meeting shall be entitled to a second or casting vote. In case of any dispute as to the admission or rejection of any vote if the Chairman shall determine the same, and such determination shall be final and conclusive.”

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(i) Article 77

By deleting the existing Article 77 in its entirety and substituting therefor the words “Intentionally deleted”.

(j) Article 79

By deleting the existing Article 79 in its entirety and substituting therefor the following:

“79. Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a poll every shareholder present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy, shall have one vote for every share of which he is the holder which is fully paid or credited as fully paid (but so that no amount paid up or credited as paid on a share in advance of calls or instalments shall be treated for the purposes of this Article as paid up on the share). On a poll a shareholder entitled to more than one vote need not use all his votes or cast all his votes in the same way.”

(k) Article 82

By deleting the words “, whether on a show of hands or on a poll,” after the words “any court having jurisdiction in lunacy may vote” in the 2nd line of the existing Article 82.

(l) Article 85

By deleting the words “or show of hands” after the words “shareholder of the Company.” in the 6th line of the existing Article 85.

(m) Article 88

By deleting the existing Article 88 in its entirety and substituting therefor the following:

“88. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at such place or one of such places (if any) as is specified in the notice of meeting or in the instrument of proxy issued by the Company (or, if no place is specified, at the Registration Office) not less than forty-eight hours before the time for holding the meeting or adjourned meeting (as the case may be) at which the person named in such instrument proposes to vote, and in default the

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instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, except at an adjourned meeting in a case where the meeting was originally held within twelve months from such date. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.”

(n) Article 90

By deleting the words “demand or join in demanding a poll and to” after the words “confer authority upon the proxy to” in the 2nd line of the existing Article 90.

(o) Article 92

By deleting the words “including the right to vote individually on a show of hands” at the end of the existing Article 92(B).

(p) Article 93

By deleting the words “or poll” after the words “adjourned meeting or” in the last line of the existing Article 93(B).

(q) Article 94

By deleting the words “or demand for a poll” after the words “and/or reject his vote” in the 6th line of the existing Article 94.

(r) Article 105

By deleting the existing Article 105 (vii) in its entirety and substituting therefore the following: “105. (vii) if he shall be removed from office by an Ordinary Resolution of the Company under Article 114.”

(s) Article 108

By deleting the existing Article 108 (A) in its entirety and substituting therefore the following:

“108.(A) Notwithstanding any other provisions in the Articles, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that any Director, including those appointed for a specific term,

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shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Company at the general meeting at which a Director retires may fill the vacated office.”

(t) Article 109

By deleting the existing Article 109 in its entirety and substituting therefore the words “intentionally deleted”.

(u) Article 112

By deleting the word “annual” immediately after the words “next following” in the 6th sentence of the existing Article 112.

(v) Article 113

By inserting the following wording at the end of the existing Article 113:

“and the period for lodgement of such notices shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and shall be at least seven (7) clear days in length”

(w) Article 114

By deleting the existing Article 114 in its entirety and substituting therefor the following:

“114. The Company may by Ordinary Resolution remove any Director (including a Managing Director or other Executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and may elect another person in his stead. Any person so elected shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election, but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.”

(x) Article 124

By deleting the existing Article 124 in its entirety and substituting therefor the following: “124. A Director appointed to an office under Article 122 shall be subject to the same provisions as to resignation, rotation and removal as the other Directors of the Company, and he shall ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.”

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(y) **Article 175**

(i) By inserting the words “at the same time as the notice of annual general meeting and” after the words “not less than twenty-one days before the date of the meeting” in the 7th line of the existing Article 175(B) and by inserting the words “affect the operation of paragraph (C) of this Article, or” after the words “this Article shall not” in the 11th line of the existing Article 175(B); and

(ii) By inserting the following paragraph as new Article 175(C):

“(C) Subject to due compliance with the Statutes and the rules of the Designated Stock Exchange, and to obtaining all necessary consents required thereunder, if any, and such consents being in full force and effect, the requirements of Article 172(B) shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes and instead of such copies, a summary financial statement derived from the Company’s annual financial statements and the directors’ report thereon, which shall be in the form and containing the information required by applicable laws and regulation, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors’ report thereon may, if he so requires by Notice served on the Company, demand that the Company sends to him, in addition to a summary financial statement, a complete printed copy of the Company’s annual financial statement and the directors’ report thereon.”

(iii) By inserting the following paragraph as new Article 175(C):

“(D) The requirement to send to a person referred to in paragraph (B) of this Article the documents referred to in that paragraph or a summary financial report in accordance with paragraph (C) of this Article shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, the Company publishes copies of the documents referred to in paragraph (B) of this Article and, if applicable, a summary financial report complying with paragraph (c) of this Article, on the Company’s computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company’s obligation to send to him a copy of such documents.”

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(z) Article 180

By deleting the existing Article 180 in its entirety and substituting therefor the following:

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

(aa) Article 181

By deleting the existing Articles 181(B) and (C) in their entirety and substituting therefor the following:

“(B) Any shareholder who fails (and, where a share is held by joint holders, where the first joint holder named on the register fails) to supply his registered address or electronic address (as the case may be) or a correct registered address or electronic address (as the case may be) to the Company for service of notices and documents on him shall not (and where a share is held by joint holders, none of the other joint holders whether or not they have supplied a registered address or electronic address (as the case may be) shall) be entitled to service of any notice or

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documents by the Company and any notice or document which is otherwise required to be served on him may, if the Directors in their absolute discretion so elect (and subject to them re-electing otherwise from time to time), be served, in the case of notices, by displaying a copy of such notice conspicuously at the Registered Office and the Head Office or, if the Directors see fit, by advertisement in the Newspapers, and, in the case of documents, by posting up a notice conspicuously at the Registered Office and the Head Office addressed to such shareholder which notice shall state the address within the Relevant Territory at which he may obtain a copy of the relevant document, or by displaying or otherwise making available the relevant notice or document on the Company's website and stating the address within the Relevant Territory at which he may obtain a copy of the notice or document. Any notice or document served in the manner so described shall be sufficient service as regards shareholders with no registered or electronic address (as the case may be) or incorrect addresses, provided that nothing in this paragraph (B) shall be construed as requiring the Company to serve any notice or document on any shareholder with no or an incorrect registered address or electronic address (as the case may be) for the service of notice or document on him or on any shareholder other than the first named on the register of members of the Company.

- (C) If on three consecutive occasions notices or other documents have been sent through the post to any shareholder (or, in the case of joint holders of shares, the first holder named on the register) at his registered address or by electronic means to his electronic address or website (in the event that the shareholder concerned has elected for service of any notice or document at this electronic address or website pursuant to Article 180 but have been returned undelivered, such shareholder (and, in the case of joint holders of a share, all other joint holders of the share) shall not thereafter be entitled to receive or be served (save as the Directors may elect otherwise pursuant to paragraph (B) of this Article) and shall be deemed to have waived the service of notices and other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered address or electronic address (in the event that the shareholder concerned has elected for service of any notice or document at his electronic address or website pursuant to Article 180) for the service of notices on him.”

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(bb) Article 182

By deleting the existing Article 182(C) in its entirety and substituting therefore the following:

“182 (C). Any notice or other document sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A Notice or other document placed on the Company’s website or the website of the stock exchange in the Relevant Territory, is deemed given by the Company to a shareholder on the day following that on which a notice of availability is deemed served on the shareholder.””

ORDINARY RESOLUTION

6. “**THAT** the existing share option scheme (the “Existing Share Option Scheme”) of the Company adopted on 8 August 2002 be and is hereby terminated and conditional upon the Stock Exchange granting the listing of and permission to deal in the shares (the “Shares”) of HK\$0.01 each in the capital of the Company falling to be issued pursuant to the new share option scheme (the “New Share Option Scheme”), the terms of which are set out in the document marked “A” which has been produced to this meeting and signed by the chairman of this meeting for the purpose of identification, the rules of the New Share Option Scheme be and are hereby approved and adopted and the Directors be and are hereby authorised to grant options and to allot, issue and deal with shares of the Company pursuant to the exercise of any option granted thereunder and to take all such steps as they may consider necessary or expedient to implement the New Share Option Scheme.”

By the order of the Board
ITE (Holdings) Limited
Yeung Yuen Chun Mona
Company Secretary

Hong Kong, 24 June 2011

Registered office:

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

***Head office and principal place
of business in Hong Kong:***

Units 1005-07, Level 10
Manulife Provident Funds Place
345 Nathan Road
Kowloon
Hong Kong

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Notes:

1. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or, if he is a holder of more than one share, more proxies to attend and, subject to the provisions of the Articles of Association, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the annual general meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. A form of proxy for use at the annual general meeting is enclosed. Such form of proxy is also published on the website of the Stock Exchange at www.hkgem.com. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, at the Company's registrar in Hong Kong, Hong Kong Registrars Limited at 46/F., Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the annual general meeting or any adjournment thereof, should he so wish and in such event, the proxy shall be deemed to be revoked.
3. In the case of joint holders of shares, any one of such holders may vote at the annual general meeting, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holders are present at the annual general meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.