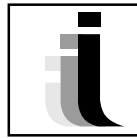

IMPORTANT

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

If you have sold or transferred all your securities in Topsearch International (Holdings) Limited (the “Company”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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TOPSEARCH INTERNATIONAL (HOLDINGS) LIMITED **至卓國際(控股)有限公司***

(Incorporated in Bermuda with limited liability)

Executive Directors:

CHEOK Ho Fung

(Chairman and Chief Executive Officer)

NG Chi Shing

KWOK Chi Kwong, Danny

WONG Shui Hing

Registered Office:

Cedar House

41 Cedar Avenue

Hamilton HM12

Bermuda

Independent Non-executive Directors:

NG Kwok Ying, Alvin

TANG Yok Lam, Andy

Principal Place of Business:

3301, China Merchants Tower

Shun Tak Centre

168-200 Connaught Road Central
Hong Kong

22 April 2003

To the shareholders of the Company

Dear Sir/Madam,

GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES

I. INTRODUCTION

The directors of the Company (the “Directors”) published the announcement dated 11 April 2003 of the audited consolidated results of the Company for the year ended 31 December 2002 and the proposal to seek general mandates at the Annual General Meeting of the Company (the “Annual General Meeting”) to be held on 15 May 2003 for the Directors to issue shares and repurchase shares of the Company. This statement gives you details of those mandates and seeks your approval of such general mandates at the Annual General Meeting.

* For identification purpose only

1. General Mandate to Issue Shares

In order to ensure flexibility and discretion to the Directors, in the event that it becomes desirable to issue any share of the Company (the “Shares”), approval is to be sought from the shareholders of the Company (the “Shareholders”) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), for a general mandate to issue Shares. At the Annual General Meeting, an Ordinary Resolution No. 6 will be proposed to grant a general mandate to the Directors to exercise the powers of the Company to allot and issue new Shares in the share capital of the Company up to 20% of the aggregate nominal amount of the issued share capital of the Company immediately after the passing of the resolution in relation to such general mandate (the “Issuance Mandate”). In addition, subject to a separate approval of the Ordinary Resolution No. 7, the number of Shares purchased by the Company under Ordinary Resolution No. 5 will also be added to the Issuance Mandate as mentioned in the Ordinary Resolution No. 6. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the Issuance Mandate.

2. General Mandate to Repurchase Shares

In addition, an Ordinary Resolution No.5 will be proposed to approve the granting of a general mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the aggregate nominal amount of the issued share capital of the Company immediately after the passing of the resolution in relation to such general mandate (the “Repurchase Mandate”) .

The Directors have no present intention to exercise the powers of the Company to make repurchases of the Shares under the Repurchase Mandate in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Repurchase Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company following the Annual General Meeting or any earlier date as referred to in the Ordinary Resolutions Nos. 5 and 6 set out in the notice of the Annual General Meeting.

In accordance with the Listing Rules, this circular also serves as an explanatory statement to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the Ordinary Resolution regarding the granting of the Repurchase Mandate to be proposed at the Annual General Meeting.

II. EXPLANATORY STATEMENT ON PROPOSED GRANTING OF REPURCHASE MANDATE

1. Reasons for share repurchase

The Directors believe that the proposed granting of the Repurchase Mandate is in the interests of the Company and its shareholders (the “Shareholders”).

Repurchases may, depending on market conditions and funding arrangements at the time, result in an enhancement of the net assets and/or earnings per Share. The Directors are seeking the granting of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. Share capital

As at 16 April 2003, the latest practicable date prior to the printing of this circular (the “Latest Practicable Date”), the issued share capital of the Company comprised of 640,000,000 Shares of HK\$0.10 each.

Subject to the passing of the relevant Ordinary Resolution to approve the granting of the Repurchase Mandate and on the basis that no Shares are issued or repurchased by the Company prior to the Annual General Meeting, the Company would be allowed under the

Repurchase Mandate to repurchase a maximum of 64,000,000 Shares (representing 10% of the Shares in issue as at the Latest Practicable Date) during the period in which the Repurchase Mandate remains in force.

3. Funding of repurchases

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association and bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended) (the “Companies Act”) and any other applicable laws.

The Company is empowered by its memorandum of association and bye-laws to repurchase its Shares. The Companies Act provides that the payment made in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose of the repurchase. The amount of premium payable on repurchase may only be paid out of funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company before the shares are repurchased.

The Companies Act also provides that no repurchase by the Company of its own Shares may be effected if, on the date on which the repurchase is to be effected, there are reasonable grounds for believing that the Company is, or after the repurchase would be, unable to pay its liabilities as they become due.

There might be material 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 of the Company for the year ended 31 December 2002) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such 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. Market prices

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in the previous ten months since 21 June 2002 (date of listing of the Shares on the Stock Exchange) were as follows:

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2002		
June	1.38	1.16
July	1.39	1.13
August	1.20	0.81
September	1.05	0.80
October	0.99	0.80
November	0.90	0.87
December	0.90	0.82
2003		
January	0.95	0.64
February	0.90	0.70
March	0.90	0.77

5. Repurchases of Shares made by the Company

No repurchase of Shares has been made by the Company during the period starting from 21 June 2002 (date of listing of the Shares on the Stock Exchange) to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

6. General

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) have any present intention to sell Shares to the Company under the Repurchase Mandate in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make repurchases of the Shares under the Repurchase Mandate in accordance with the Listing Rules and the Companies Act.

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of The Hong Kong Code on Takeovers and Mergers (the "Code"). Accordingly, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Code.

As at the Latest Practicable Date, Mr. Cheok Ho Fung, director of the Company, was beneficially interested in 480,000,000 Shares, representing 75% of the total issued share capital of the Company. On the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the relevant Ordinary Resolution to be proposed at the Annual General Meeting, the interests of Mr. Cheok Ho Fung in the issued Shares would be increased to approximately 83% of the total issued share capital of the Company. At present, so far as is known to the Directors, no Shareholder or group of Shareholders acting in concert, may become obliged to make a mandatory offer in accordance with Rule 26 of the Code. The Directors will not make repurchase of Shares if the result of the repurchase would be that less than 25% of the issued share capital of the Company would be in public hands. The Directors are not aware of any consequences which will arise under the Code as a result of any repurchases to be made under the Repurchase Mandate.

III. PROXY ARRANGEMENT

A form of proxy for use at the Annual General Meeting is enclosed with the Annual Report of the Company for the year ended 31 December 2002. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's Share Registrar in Hong Kong, Tengis Limited, at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and delivery of the form of proxy will not prevent Shareholders from attending and voting at the Annual General Meeting if they so wish.

IV. RECOMMENDATION

The Directors consider that the granting of the Repurchase Mandate and the granting/extension of the Issuance Mandate are in the best interests of the Company and the Shareholders and accordingly recommend that all Shareholders vote in favour of Ordinary Resolutions Nos. 5 to 7 to be proposed at the Annual General Meeting.

Yours faithfully,
CHEOK Ho Fung
Chairman and Chief Executive Officer