

IMPORTANT: THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or otherwise transferred all your shares in Tradeeasy Holdings Limited you should at once hand this circular to the purchaser(s) or transferee(s), licensed securities dealer or the bank manager, or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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TRADEEASY HOLDINGS LIMITED

(易貿通集團有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8163)

**PROPOSED GRANT OF OPTIONS
BEYOND THE LIMIT UNDER THE SHARE OPTION SCHEME**

A letter from the board of directors of Tradeeasy Holdings Limited is set out on pages 3 to 10 of this circular.

A notice convening an extraordinary general meeting of Tradeeasy Holdings Limited to be held at Units 2, 3 & 5, 19th Floor, BEA Tower, Millennium City 5, 418 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong on 19 December, 2005 at 10:00 a.m. is set out on pages 20 to 21 of this circular.

Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy to the Company's branch registrar, Tengis Limited of Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding such extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the extraordinary general meeting or any adjournment thereof should you so wish.

This circular will remain on the GEM website at <http://www.hkgem.com> on the "Latest Company Announcements" page for at least 7 days from the date of its posting.

CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. 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.

The principal means of information dissemination on GEM is publication on the Internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website at www.hkgem.com in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

In this circular the following terms have the following meanings unless the context otherwise requires:

“Board”	the board of Directors for the time being of the Company;
“Company”	Tradeeasy Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the GEM;
“connected person(s)”	has the meaning ascribed to it in the Listing Rules;
“Director(s)”	the directors of the Company;
“Employee(s)”	any full time or part time employee (including Directors) of the Group;
“Extraordinary General Meeting”	an extraordinary general meeting of the Company to be held on 19 December 2005 at Units 2, 3 & 5, 19th Floor, BEA Tower, Millennium City 5, 418 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong at 10:00 a.m., notice of which is set out on pages 20 to 21 of this circular;
“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Committee”	the listing sub-committee of the Directors of the Stock Exchange with responsibility for GEM;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	29 November 2005, being the latest practicable date for ascertaining certain information for inclusion in this circular;
“Members” or “Shareholder(s)”	holder(s) of the Shares;
“Option(s)”	options to subscribe for Shares granted and to be granted under the Share Option Scheme;

DEFINITIONS

“Participant(s)”	any Employee or Director of any member of the Group (including a Director) and any consultants of or advisers to any member of the Group;
“Proposed Grant”	the proposed grant of Options to subscribe for an aggregate of 7,485,000 Shares under the Share Option Scheme to the Proposed Grantees;
“Proposed Grantees”	Participants who are eligible to participate in the Share Option Scheme and whose names are set out under the paragraph “Grant of Share Options Beyond the Scheme Limit” in the “Letter from the Board” in this circular;
“Scheme Limit”	the total number of Shares in respect of which Options may be granted under the Share Option Scheme and any other share option schemes of the Company, not exceeding 10% of the total issued share capital of the Company;
“Share Option Scheme”	the existing share option scheme of the Company adopted on 20 February 2002;
“Share(s)”	Ordinary share(s) of HK\$0.01 each in the issued share capital of the Company; and
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

LETTER FROM THE BOARD



TRADEEASY HOLDINGS LIMITED

(易貿通集團有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8163)

Executive Directors:

Mr. Yu Lup Fat, Joseph (*Chairman*)
Mr. Yip Kwok Cheung (*Chief Executive Officer*)
Mr. Wong Kai Yin, Paul
Mr. To Man Yau, Alex

Registered Office:

Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681 GT
George Town
Grand Cayman
Cayman Islands
British West Indies

Independent Non-executive Directors:

Mr. Lau Chi Yiu
Mr. Wu Yao Hua, Terence
Mr. Lau Ho Man, Edward

Principal Place of Business

in Hong Kong:
Units 2, 3 & 5, 19th Floor
BEA Tower
Millennium City 5
418 Kwun Tong Road
Kwun Tong
Kowloon
Hong Kong

To the Shareholders

2 December 2005

Dear Sir or Madam,

PROPOSED GRANT OF SHARE OPTIONS BEYOND THE LIMIT UNDER THE SHARE OPTION SCHEME

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information relating to Proposed Grant beyond the Scheme Limit. This circular also sets out the notice of the Extraordinary General Meeting to be convened to consider and, if thought fit, to pass the ordinary resolution to approve the Proposed Grant beyond the Scheme Limit.

* For identification purpose only

LETTER FROM THE BOARD

THE SHARE OPTION SCHEME AND SCHEME LIMIT

On 20 February 2002, the Company adopted the Share Option Scheme in which any Participant is eligible to participate. The Share Option Scheme is subject to, among other things, the following rules:

- (i) The maximum number of Shares which may be issued upon the exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company must not exceed 30% of the Shares in issue from time to time.
- (ii) The total number of Shares available for issue under Options which may be granted under the Share Option Scheme and any other schemes must not in aggregate exceed 10% of the Shares in issue as at the date of the approval of the Share Option Scheme unless Shareholders' approval has been obtained pursuant to sub-paragraphs (iii) and (iv) below.
- (iii) The Scheme Limit may be refreshed by approval of Shareholders in general meetings provided that the total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option schemes of the Company shall not exceed 10% of the total number of Shares in issue as at the date of approval of the "refreshed" Scheme Limit. Options previously granted under the share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled or lapsed in accordance with the Share Option Scheme and any other share option schemes of the Company) will not be counted for the purpose of calculating the Scheme Limit as refreshed.
- (iv) The Company may also seek separate Shareholders' approval for granting Options beyond the Scheme Limit to Participants specifically identified by the Company before such approval is sought. A circular must be sent to Shareholders containing a generic description of the identified Participants, the number and terms of the Options to be granted, the purpose of granting the Options to the identified Participants, and how the terms of the Options serve such purposes.
- (v) The total number of Shares issued and to be issued upon exercise of the Options granted to and to be granted to each Participant (including both exercised and outstanding Options) in any 12 month period up to the date must not exceed 1% of the Shares in issue as at the date of such grant of Options.

Based on 400,000,000 Shares in issue as at the date of adoption of the Share Option Scheme, the maximum number of Shares which could have been issued was 40,000,000 Shares. Pursuant to approval of the Shareholders at an extraordinary general meeting of the Company held on 16 December 2004, the Scheme Limit was refreshed based on 421,000,000 Shares in issue as at the date of such approval. The maximum number of options that can be granted by the Company under the current Scheme Limit under the Share Option Scheme is 42,100,000 Shares.

LETTER FROM THE BOARD

As at the Latest Practicable Date, Options to subscribe for 42,100,000 Shares have been granted by the Company. No Options have lapsed or have been cancelled or exercised, therefore, Options carrying the rights to subscribe for up to 42,100,000 Shares remain outstanding as at the Latest Practicable Date.

GRANT OF SHARE OPTIONS BEYOND THE SCHEME LIMIT

As at the Latest Practicable Date, the Company has granted Options that have used up the maximum limit of the Share Option Scheme.

The Directors propose to grant Options for 7,485,000 Shares, representing approximately 1.78% of the Shares in issue as at the Latest Practicable Date, to the Proposed Grantees under the Share Option Scheme, subject to the approval of the Shareholders at the Extraordinary General Meeting. The Proposed Grant will exceed the Scheme Limit as approved by the Shareholders on 16 December 2004. Upon the approval of the Proposed Grant by the Shareholders at the Extraordinary General Meeting, the Board will grant in full the Options to the Proposed Grantees within one month of such approval. The Board will not exercise any discretion to not grant the Options under the Proposed Grant.

Pursuant to Chapter 23 of the GEM Listing Rules, the total number of Shares available for issue under Options which may be granted under the Share Option Scheme and any other schemes must not exceed the Scheme Limit, which as at the Latest Practicable Date, is 42,100,000 Shares, being 10% of the 421,000,000 Shares in issue. As mentioned above, the Company has already granted Options to subscribe for a total of 42,100,000 Shares being the maximum number under the Scheme Limit. Accordingly, the Company proposes to seek separate approval by the Shareholders in general meeting for granting Options beyond the Scheme Limit. Upon approval and grant of the Proposed Grant of 7,485,000 Options, the aggregate number of Options in issue and outstanding will be 11.78% of the 421,000,000 Shares in issue and will not exceed the overall limit of 30% of the Shares in issue.

LETTER FROM THE BOARD

The number and terms of the Proposed Grant are as follows:

Names of Proposed Grantees	No. of Options proposed to be granted	Terms of the Options
<u>Group A</u>		
Chou Hing Yan	210,000	Proposed Grantees in Group A shall be entitled to exercise 100% of their respective entitlements under the Options granted at any time after acceptance of the grant. Proposed Grantees in Group B shall be entitled to exercise 50% of their respective entitlements under the Options in the first year commencing on the date of the Proposed Grant and commencing from the second year onwards, the Proposed Grantees in Group B shall be entitled to exercise the remaining 50% of their respective entitlements under the Options granted.
Lee Wing Kwong	210,000	
Lam Kuen Sing	210,000	
Lui Mo Kit	540,000	
Chan Ka Fai	495,000	
<u>Group B</u>		
Zhao Gong Zhao (趙恭昭)	1,030,000	Proposed Grantees in both Group A and Group B must exercise their Option Scheme which will lapse in year 2012. In accordance with the terms of the Share Option Scheme and subject to approval of the Proposed Grant by the Shareholders at the Extraordinary Meeting, the exercise price of the Options as at the date of Proposed Grant shall be determined by the Directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the grant; and (iii) the nominal value of the Company's shares.
Huang Qi Hong (黃綺虹)	328,000	
Zhang Zhi Wan (張智文)	328,000	
Wang Li Sha (黃莉莎)	328,000	
Chen Bi Yin (陳碧茵)	328,000	
Cao Yan Wen (曹燕雯)	328,000	
He Guo Bo (何國波)	110,000	
Fu Tian Qiang (傅天強)	110,000	
Ni Ming (黎明)	110,000	
Zhuo Wei (卓焯)	350,000	
Dai Yan (戴雁)	350,000	
Han Bo (韓波)	500,000	
Huang Qing Hui (黃慶輝)	150,000	
Gao Song (高頌)	150,000	
Jiang Tao (姜濤)	340,000	
Wang Lu (王璐)	180,000	
Huang Jun Chang (黃俊長)	800,000	
Total:	7,485,000	

Subject to the approval of the Shareholders at the Extraordinary General Meeting, the Board will grant the Options to the respective Grantees as soon as practicable after such approval is given.

Upon acceptance of the Proposed Grant, each of the Proposed Grantees shall pay HK\$1 to the Company as consideration for the grant.

The Options will be offered for acceptance for a period of 28 days (or as such shorter period as the Board may from time to time determine) from the date on which the Options are granted.

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Group A Proposed Grantees are Employees situated in Hong Kong and the number of Options proposed to be granted to these Employees is based on their respective performance and relatively longer service period with the Group.

Group B Proposed Grantees are Employees and a sales agent of the Company situated in the PRC who are involved in sales and marketing activities in the PRC. The number of Options proposed to be granted is based on the individuals' performance and the location of their branch or sales agent.

None of the Proposed Grantees are connected persons of the Company.

None of the Proposed Grantees had previously been granted any Options under the Share Option Scheme except for Chou Hing Yan, Lee Wing Kwong and Lam Kuen Sing who have been previously granted 4,000,000 Options each. The 210,000 of Options proposed to be granted to each of Chou Hing Yan, Lee Wing Kwong and Lam Kuen Sing under Proposed Grant together with their respective current holding of 4,000,000 Options each will be exactly 1% of the Shares in issue as at the Latest Practicable Date.

As at the Latest Practicable Date, the following Proposed Grantees currently hold the following number of Shares in the Company. Based on the current shareholding as set out below, as each of Chou Hing Yan, Lee Wing Kwong, Lam Kuen Sing and Chan Ka Fai are existing Shareholders, they will be required to abstain from voting on the Proposed Grant at the Extraordinary General Meeting.

Name	Number of Shares currently held	Total percentage of current shareholding based on existing issued share capital of 421,000,000 Shares (approx.)	Number of Options currently held	Number of Options proposed to be granted	Total percentage of shareholding upon full exercise of Options as enlarged by the Proposed to Messrs Chou, Lee, Lam and Chan only Based on 433,630,000 Shares (approx.)
Chou Hing Yan	12,472,203	2.96%	4,000,000	210,000	3.85%
Lee Wing Kwong	5,206,054	2.24%	4,000,000	210,000	2.17%
Lam Kuen Sing	5,405,185	2.28%	4,000,000	210,000	2.22%
Chan Ka Fai	1,354,937	0.32%	-	495,000	0.43%

LETTER FROM THE BOARD

The purpose of the Proposed Grant to the Proposed Grantees is to grant incentive or rewards to recognise each individual's respective contribution and dedication towards the Group. The Directors consider that the above purpose can be achieved by granting the Proposed Grant as it demonstrates to the Proposed Grantees that their efforts and contribution to the Group are recognised and will be rewarded. The Board also believes that the Proposed Grant is the best way to reward and encourage the Proposed Grantees to enhance their ongoing performance in contribution to the success of the Group without imposing financial burden to the Group. The current differentiation of Group A and Group B Proposed Grantees reflect the differing levels of scope of work and responsibilities that Employees in each group bears in serving the Company. Furthermore, in order to inspire a certain level of commitment of Employees in Group B and to ensure retention of their services, it is essential to secure their commitment for a minimum period of time before they can exercise the Options in full. Under the Share Option Scheme and the Proposed Grant, there are no performance targets that need to be achieved before any Options are exercised.

In addition to the above, the terms of the Proposed Grant are the same as the terms of the Share Option Scheme. Full details of the Share Option Scheme are set out in the attached Appendix.

CONDITIONS

As required by the Share Option Scheme and the GEM Listing Rules, an ordinary resolution will be proposed at the Extraordinary General Meeting to approve the Proposed Grant beyond 10% of the total number of Shares in issue as at the Latest Practicable Date.

The Proposed Grant is conditional upon:

- (a) the passing by the Shareholders at the Extraordinary General Meeting an ordinary resolution to approve the Proposed Grant under the Share Option Scheme; and
- (b) the GEM Listing Committee granting approval for the listing of and permission to deal in any Shares to be issued and allotted by the Company pursuant to the exercise of options that may be granted under the Proposed Grant.

Upon fulfilment of the conditions set out above, the Board will proceed forthwith to grant the Options under the Proposed Grant, in any event, within one month of the Shareholders granting their approval at the Extraordinary General Meeting and no grant will be made by the Board during the period commencing one month immediately preceding the earlier of:

- the date of the board meeting for the approval of the Company's results for any year, half-year or quarter-year period or any other interim period; and
- the deadline for the Company to publish an announcement of its results for any year, half-year or quarter-year period under rules 18.49, 18.78 or 18.79 of the GEM Listing Rules or any other interim period.

LETTER FROM THE BOARD

The Board will not exercise any discretion to not grant the Options under the Proposed Grant.

EXTRAORDINARY GENERAL MEETING

The Proposed Grant will be put to the vote of the Shareholders by Poll at the Extraordinary General Meeting. The notice of the Extraordinary General Meeting and the form of proxy are enclosed in this circular. Shareholders are requested to complete the form of proxy and return it to the Company's branch registrar in Hong Kong, Tengis Limited at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible, but in any event not less than 48 hours before the time fixed for holding the Extraordinary General Meeting or any adjournment thereof. Completion and return of the form of proxy will not prevent you from attending and voting in person at the Extraordinary General Meeting should you so wish.

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:

- (a) the information contained in this circular is accurate and complete in all material respects and not misleading;
- (b) there are no other matters the omission of which would make any statement in this document misleading; and
- (c) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

RIGHT TO DEMAND POLL

The Proposed Grant will be put to the vote of the Shareholders by poll at the Extraordinary Meeting. In accordance with the Company's articles of association, a resolution put to the vote of the Extraordinary General Meeting shall be decided on a show of hands unless (before or after the declaration of the results of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (i) the chairman of the Extraordinary General Meeting; or
- (ii) by at least 3 members present in person or in case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the Extraordinary General Meeting; or

LETTER FROM THE BOARD

- (iii) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the Extraordinary General Meeting; or
- (iv) by a Member or Members present in person or in the case of a Member being a corporation by a duly authorised representative or by proxy and holding Shares in the Company conferring a right to vote at the Extraordinary General Meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

RECOMMENDATION

The Board considers that for the further development of the Group to which the Proposed Grantees are expected to continue to make substantial contribution, it is in the best interests of the Company and the Shareholders to provide incentives to the Proposed Grantees by way of granting options under the Proposed Grant. The Board therefore recommends that the Shareholders should vote in favour of the resolution to be proposed at the Extraordinary General Meeting.

By Order of the Board of
Tradeeasy Holdings Limited
YU LUP FAT, JOSEPH
Chairman

SHARE OPTION SCHEME

1. SUMMARY OF THE TERMS OF THE SHARE OPTION SCHEME

The following is a summary of the principal terms of the Share Option Scheme approved by Mr. Yip, being the then sole shareholder of the Company on 20th February, 2002 by way of a written resolution. For the purpose of this section, unless the context otherwise requires:

“Employee”	means any full time or part time employee (including Directors) of the Group;
“Grantee”	means any Participant who accepts the offer of the grant of any Option in accordance with the terms of the Share Option Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Grantee;
“Option”	means an option to subscribe for Shares granted pursuant to the Share Option Scheme; and
“Participant”	means any Employee or director of any member of the Group (including a Director) and any consultants of or advisers to any member of the Group.

(a) Purpose of the Share Option Scheme

The Share Option Scheme enables the Company to grant share options to Participants as incentive or rewards for their contributions to the Group.

(b) Who may join

The Board may, at its discretion, offer any Participants Options to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph (c) below. Upon acceptance of the Option, the Grantee shall pay \$1.00 to the Company by way of consideration for the grant. The Option will be offered for acceptance for a period of 28 days (or such shorter period as the Board may from time to time determine) from the date on which the Option is granted.

(c) Price of Shares

The subscription price of a Share in respect of any particular Option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price will not be less than the higher of (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the date of grant of

the Option, which must be a business day; and (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets on the five business days immediately preceding the date of grant of the Option. For the purpose of calculating the subscription price where the Company has been listed for less than 5 business days, the Placing Price shall be used as the closing price for any business day falling within the period before the listing date.

(d) Maximum number of Shares

- (i) The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and other schemes must not exceed 30% of the Shares in issue from time to time ("Overall Scheme Limit").
- (ii) After the listing of the Shares on GEM, the total number of Shares available for issue under options which may be granted under the Share Option Scheme and any other schemes must not in aggregate exceed 10% of the Shares in issue upon completion of the Placing, the Capitalisation Issue and the issue of Shares which may fall to be issued pursuant to the exercise of the Over-allotment Option ("Scheme Mandate Limit"), unless Shareholders' approval has been obtained pursuant to paragraphs (iii) or (iv) below. Options lapsed in accordance with the terms of the Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.
- (iii) The Company may refresh the Scheme Mandate Limit at any time subject to prior shareholders' approval in general meetings. However, the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of the aforesaid shareholders' approval. Options previously granted under the Share Option Scheme and other share option schemes (including those outstanding, cancelled, lapsed in accordance with the schemes or exercised options) will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed. A circular must be sent to shareholders in connection with the meeting at which their approval will be sought.
- (iv) The Company may also seek separate shareholders' approval for granting options beyond the Scheme Mandate Limit to Participants specifically identified by the Company before such approval is sought. A circular must be sent to shareholders containing a generic description of the identified Participants, the number and terms of the Options to be granted, the purpose of granting Options to the identified Participants, and how the terms of the Options serve such purposes.
- (v) The total number of Shares issued and to be issued upon exercise of the options granted and to be granted to each Participant (including both exercised and outstanding options) in any 12-month period up to the date of grant must not exceed 1% of the Shares in issue at the date of grant (the "Individual

Limit"). Any further grant of Options in excess of the Individual Limit must be subject to shareholders' approval with such Participant and his associates (as such term is defined in the GEM Listing Rules) abstaining from voting. A circular must be sent to the shareholders disclosing the identity of the Participant, the number and terms of the options granted and to be granted (and options previously granted to such Participant), the information required under Rule 23.02(2)(d) of the GEM Listing Rules and the disclaimer required under Rule 23.02(4) of the GEM Listing Rules. The number and terms (including the subscription price) of Options to be granted to such Participants, must be fixed before shareholders' approval is sought and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

(e) Offers of Options

Offer of Options must not be made after a price sensitive development has occurred or a price sensitive matter has been the subject of a decision, until such price sensitive information has been announced pursuant to the requirements of Chapter 16 of the GEM Listing Rules. In particular, during the period of one month immediately preceding the earlier of: (i) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with rule 17.48 of the GEM Listing Rules) 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 under the GEM Listing Rules, and ending on the date of such results announcement, no Option may be granted.

(f) Grant of Options to connected persons

- (i) if Options are granted to a connected person (as such term is defined in the GEM Listing Rules) or its associates, the granting of such Options will be subject to all independent non-executive Directors' (excluding independent non-executive Director who is a Grantee) approval; where Options are proposed to be granted to a connected person who is also a Substantial Shareholder or independent non-executive Director or any of their respective associates which will result in the total number of Shares issued and to be issued upon exercise of the options granted or to be granted (including options exercised, cancelled and outstanding) to such person under the Share Option Scheme or any other scheme in the past 12 month period up to and including the date of such grant (1) exceeds 0.10% of the total issued Shares for the time being and (2) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of \$5,000,000 in value, the granting of such Options will be subject to approval by the independent shareholders of the Company taken on a poll. All connected persons will abstain from voting (except that any connected person may vote against the resolution). A circular to shareholders in connection with obtaining the aforesaid shareholders' approval

shall be prepared by the Company. The aforesaid circular shall contain the following:

- details of the number and terms of the Options to be granted to each Grantee who is a Substantial Shareholder, an independent non-executive Director or their respective associates, which will be fixed before shareholders' approval, and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price;
- a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a Grantee); and
- information relating to any Directors who are trustees of the Share Option Scheme or have a direct or indirect interest in the trustees.

In addition, shareholders' approval will be obtained for any change in the terms of Options granted to a grantee who is a Substantial Shareholder, an independent non-executive Director or their respective associates.

(ii) additional disclosures will be made in the annual and interim reports of the Company:

- details of the Options granted to the following persons: (a) each connected person; (b) each Participant with options granted in excess of the Individual Limit; (c) aggregate figures for full time employees; and (d) other Participants in aggregate; and
- a summary of the major terms of each share option scheme approved by the Shareholders.

The requirements for the granting of Options to a Director or chief executive of the Company set out above do not apply where the Participant is only a proposed Director or chief executive of the Company.

(g) Time of exercise of Option

An Option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be notified by the Board to each Grantee but may not be exercised after the expiry of ten years from the date of grant. The Board may provide restrictions on the exercise of an Option during the period an Option may be exercised.

(h) Rights are personal to Grantee

An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such Grantee.

(i) Rights on cessation of employment by death

If the Grantee is an Employee at the time when the relevant Option shall have been granted, ceases to be an employee of the Group by reason of death, and none of the events referred to in (j) below as a ground for termination of his or her employment by the Group arises, his personal representatives may exercise the Option (to the extent not already exercised) within a period of twelve months thereafter, failing which it will lapse.

(j) Rights on cessation of employment by dismissal

If the Grantee who is an Employee at the time when the relevant Option shall have been granted, ceases to be an employee of the Group on the grounds that he has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty, his Option will lapse and not be exercisable on the date of termination of his employment.

(k) Rights on cessation of employment for other reasons

If the Grantee who is an Employee at the time when the relevant Option shall have been granted, ceases to be an Employee for any reason other than his death or termination of his employment on one or more of the grounds specified in sub paragraph (j) above, his or her Option may be exercised within three months following the date of such cessation, which date shall be the last actual working date with the Company or the relevant subsidiary, whether salary is paid in lieu of notice or not.

(l) Cancellation of Options

Any cancellation of Options granted but not exercised shall be approved by the Board. Cancelled Options may be re-issued after such cancellation has been approved provided that re-issued Options shall only be granted in compliance with the terms of the Share Option Scheme and the requirements of the GEM Listing Rules and provided further that new Options may be issued to a Grantee in place of his cancelled Options only if there are available un-issued Options (excluding the cancelled Options) within the limits approved by shareholders of the Company as mentioned in paragraph 1(d) of this "Summary of the terms of the Share Option Scheme".

(m) Effects of alterations to share capital

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalisation of profits or reserves, rights issue, consolidation, sub-division, or reduction of the share capital of the Company or otherwise howsoever in accordance with legal requirements and requirements of the Stock Exchange, other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party, or in the event of any distribution of the Company's capital assets to its Shareholders on a pro rata basis (whether in cash or in specie), other than dividend paid out of the net profits attributable to shareholders for each financial year of the Company, such corresponding alterations (if any) shall be made to:

- (i) the number or nominal amount of Shares subject to the Option so far as unexercised;
- (ii) the subscription price of the Option; or
- (iii) the method of exercise of the Option,

or any combination thereof, as the Company's independent financial adviser or auditors of the Company ("**Auditors**") shall certify in writing, either generally or as regard any particular Grantee, to have, in their opinion, satisfied the requirement that such adjustments give a Participant the same proportion of the equity capital as that to which that person was previously entitled, but that no such adjustments be made to the extent that a Share would be issued at less than its nominal value. The capacity of the Company's independent financial adviser or Auditors in this clause is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantee. The costs of the Company's independent financial adviser or Auditors shall be borne by the Company.

(n) Rights on a general offer

If a general offer (by way of a takeover) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional, the Grantee (or his or her legal personal representatives) shall be entitled to exercise the Option in full (to the extent not already exercised) at any time within fourteen (14) days after the date on which the offer becomes or is declared unconditional.

In the event of a general offer, by way of a scheme of arrangement, being made to all the holders of Shares and has been approved by the necessary number of holders of Shares at the requisite meetings, the Grantee (or his or her personal representatives) may thereafter (but before such time as shall be notified by the Company) exercise the Option (to the extent not already exercised) to its full extent or to the extent specified in such notice.

(o) Rights on compromise or arrangement

In the event of a compromise or arrangement between the Company and its members or creditors being proposed in connection with the scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same day as it gives notice of the meeting to its members or creditors to consider such a scheme or arrangement and the Grantee (or his personal representatives) may by notice in writing to the Company accompanied by the remittance for the exercise price in respect of the relevant Option (such notice to be received by the Company not 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 such notice and the Company shall as soon as possible and in any event no later than the business day prior to the date of the proposed meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise credited as fully paid.

(p) Rights on winding up

In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date or as soon after it despatches such notice to each member of the Company give notice thereof to all Grantees (together with a notice of the existence of the provisions of this sub-paragraph (p)) and thereupon, each Grantee (or, where applicable, his or her legal personal representatives) shall be entitled to exercise all or any of his Options at any time not later than four (4) business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given whereupon 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 the relevant Shares to the Grantee credited as fully paid.

(q) Ranking of Shares

The Shares to be allotted and issued upon the exercise of an Option will be subject to all the provisions of the articles of association of the Company for the time being in force and will rank *par passu* with the fully paid Shares in issue as from the day when the name of Grantee is registered on the register of members of the Company and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the day when the name of Grantee is registered on the register of members of the Company other than any dividend or other distributions previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the day when the name of Grantee is registered on the register of members of the Company.

Unless the context requires, references to "Shares" in the Share Option Scheme include reference to shares in the Company of any such nominal amount as shall result from a sub-division or consolidation, reclassification or reconstruction of the share capital of the Company from time to time.

(r) Period of the Share Option Scheme

Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years from the date of Listing Date, being the date on which the Share Option Scheme becomes unconditional and effective. After the expiry of the ten-year period, no further options will be offered or granted and securities under the Options must be taken up not more than 10 years from the date of granting the Options.

(s) Termination of the Share Option Scheme

The Company by ordinary resolution in general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further Options will be offered or granted but in all other respects the provisions of the Share Option Scheme shall remain in full force and effect. Options complying with the provisions of Chapter 23 of the GEM Listing Rules which are granted during the life of the Share Option Scheme and which remain unexpired immediately prior to the termination of the operation of the Share Option Scheme shall continue to be exercisable thereafter. Details of the Options granted, including Options exercised or outstanding, under the Share Option Scheme and Options that become void or unexercisable as a result of the termination, will be disclosed in the circular to the shareholders for seeking the approval of the first new share option scheme to be set up after such termination.

(t) Lapse of option

An Option shall lapse automatically and not be exercisable, to the extent not already exercised, on the earliest of:

- (i) the expiry of the option period;
- (ii) the expiry of the periods referred to in sub-paragraph (i) or (k), respectively;
- (iii) subject to the compromise or arrangement becoming effective, the expiry of the period referred to in sub-paragraph (o);
- (iv) if the Grantee is an Employee at the time when the relevant Option shall have been granted, the date he ceases to be an employee by reason of the termination of his or her employment on grounds including, but not limited to, serious misconduct, unable to pay his debts, insolvency and conviction of any criminal offence involving his integrity or honesty;
- (v) the date of the commencement of the winding-up of the Company;
- (vi) the date of which the Grantee commits a breach of the restrictions in sub-paragraph (h) above;

- (vii) subject to any court of competent jurisdiction not making an order prohibiting the offeror from acquiring the remaining Shares in the offer as defined in the first paragraph of sub-paragraph (n), the expiry of the period as referred to in the first paragraph of sub-paragraph (n); or
- (viii) subject to the scheme of arrangement as referred to in the second paragraph of sub-paragraph (n) above becoming effective, the expiry of the period referred to therein.

(u) Alterations to the Share Option Scheme

The terms and conditions of the Share Option Scheme may be altered in any respect by the Board except that under Chapter 23 of the GEM Listing Rules certain provisions of the Share Option Scheme (as contained in rule 23.03 of the GEM Listing Rules) cannot be altered to the advantage of Grantees or prospective Grantees of Options except with the prior sanction of a resolution of the Company in general meeting with all Grantees and their associates abstaining from voting. Any alteration to the 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 Share Option Scheme. The amended terms of the Share Option Scheme or the Options must still comply with relevant requirements of Chapter 23 of the GEM Listing Rules from time to time. Any change to the authority of the Board in relation to any alteration to the terms of the Share Option Scheme must be approved by Shareholders in general meeting.

(v) Performance targets

There are no performance targets which must be achieved by a Grantee before any of the Options granted can be exercised.

NOTICE OF THE EXTRAORDINARY GENERAL MEETING



TRADEEASY HOLDINGS LIMITED

(易貿通集團有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8163)

NOTICE IS HEREBY GIVEN (the “**Notice**”) that an extraordinary general meeting (the “**Meeting**”) of Tradeeasy Holdings Limited (the “**Company**”) will be held at Units 2, 3 & 5, 19th Floor, BEA Tower, Millennium City 5, 418 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong on 19 December 2005 at 10:00 a.m. for the purpose of considering and, if thought fit, passing, with or without modification, the following is an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** subject to and conditional upon the listing subcommittee of the Directors of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with responsibility for the Growth Enterprise Market operated by the Stock Exchange granting the approval for listing of and permission to deal in the shares of the Company which may be issued and allotted pursuant to the exercise of any options granted or to be granted pursuant to this resolution, the grant of options beyond the approved scheme limit under the share option scheme of the Company which was adopted by the Company on 20 February 2002 and refreshed by the Shareholders on 19 December 2005 to certain Participants of the Company’s share option scheme entitling them to subscribe for an aggregate of 7,485,000 ordinary shares of the HK\$0.01 each (“**Shares**”) in the share capital of the Company, the names of the participants to whom the options are proposed to be granted (the “**Proposed Grantees**”), the number of options proposed to be granted to each of them and the terms of grant are set out in the circular dated 2 December 2005 despatched to the shareholders of the Company, containing the notice of the extraordinary general meeting of the Company of which this resolution forms part, a copy of which has been submitted to the meeting marked “A” and signed by the chairman for identification purposes, be and is hereby approved and the board of directors of the Company be and is authorized to do such things and acts as may be necessary or expedient in order to give full effect to such grant of options to the Proposed Grantees.”

By Order of the Board of
Tradeeasy Holdings Limited
YU LUP FAT, JOSEPH
Chairman

Hong Kong, 2 December 2005

* *For identification purposes only*

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

Notes:

1. A form of proxy for use at the meeting is being dispatched to the shareholders of the Company together with a copy of this notice.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer, attorney or other person authorized to sign the same.
3. Any shareholder of the Company entitled to attend and vote at the meeting convened by this notice shall be entitled to appoint one or more than one proxy to attend and to vote in his stead. A proxy need not be a shareholder of the Company.
4. In order to be valid, the proxy form, together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power of attorney, must be deposited at the Company's branch share registrar in Hong Kong at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
5. Completion and deposit of the proxy form will not preclude a shareholder from attending and voting at the meeting convened or any adjourned meeting and in any such event, the form of proxy will be deemed to have been revoked.
6. Where there are joint holders of any share of the Company, any one of such joint holders persons may vote, either in person or by proxy, in respect of such share of the Company as if he/she were solely entitled thereto; but if more than one or such joint holders be present at the meeting, the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand on the register of shareholders of the Company in respect of the joint holding.