

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

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

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SAM WOO HOLDINGS LIMITED

三和集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 2322)

**PROPOSED SUBDIVISION OF SHARES
AND
CHANGE OF BOARD LOT SIZE**

A letter from the board of directors of the Company is set out on pages 6 to 10 of this circular.

A notice convening a special general meeting of the Company to be held at The Ballroom, 18th Floor, Hotel Miramar, 118-130 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Monday, 10 December 2007 at 11:00 a.m. is set out on pages 11 to 12 of this circular. Whether or not you are able to attend the meeting in person, you are requested to complete and return the enclosed form of proxy 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 of the meeting or any adjournment thereof to Tricor Tengis Limited, the Company’s branch share registrars in Hong Kong, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

20 November 2007

CONTENTS

| | <i>Page</i> |
|---|-------------|
| Definitions | 1 |
| Responsibility statement | 3 |
| Expected timetable | 4 |
| Letter from the Board | |
| Introduction. | 6 |
| The proposed Share Subdivision and change of board lot size | 7 |
| Share certificates. | 8 |
| Listing and dealings | 8 |
| SGM | 9 |
| Procedures for demanding a poll | 9 |
| Recommendation | 10 |
| General | 10 |
| Notice of SGM | 11 |

DEFINITIONS

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

| | |
|---------------------------|---|
| “Board” | the board of Directors |
| “business day” | any days (other than Saturdays) on which licensed banks in Hong Kong are open for business during their normal business hours |
| “CCASS” | the Central Clearing and Settlement System established and operated by HKSCC |
| “Company” | Sam Woo Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Stock Exchange |
| “Director(s)” | the director(s) of the Company |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “HKSCC” | Hong Kong Securities Clearing Company Limited |
| “Latest Practicable Date” | 16 November 2007, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “New Share Certificates” | the form of share certificates of the Subdivided Shares |
| “Old Share Certificates” | the form of share certificates of the existing Shares |
| “Registrars” | Tricor Tengis Limited, the branch share registrars of the Company in Hong Kong, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong |

DEFINITIONS

| | |
|------------------------------------|---|
| “SGM” | the special general meeting of the Company to be convened and held at The Ballroom, 18th Floor, Hotel Miramar, 118-130 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Monday, 10 December 2007 at 11:00 a.m. for the purpose of considering and approving, among other matters (if any), the Share Subdivision, notice of which is set out on pages 11 to 12 of this circular, and any adjournment thereof |
| “Share(s)” | ordinary share(s) of HK\$0.10 each in the share capital of the Company, each to be subdivided into ten Subdivided Shares |
| “Share Option Scheme” | the share option scheme adopted by the Company on 25 March 2003 pursuant to which options may be granted to eligible participants after the listing of the Shares on the Stock Exchange |
| “Share Subdivision” | the proposed subdivision of each issued and unissued Share into ten Subdivided Shares |
| “Share Subdivision Effective Date” | 11 December 2007, the expected date on which the Share Subdivision becomes effective |
| “Shareholder(s)” | holder(s) of the Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subdivided Share(s)” | new ordinary share(s) of HK\$0.01 each in the share capital of the Company upon the Share Subdivision becoming effective |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “%” | per cent. |

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Subdivision and the relevant trading arrangements are as follows:

2007/2008

| | |
|---|---|
| Last time for lodging form of proxy for use at the SGM. | 11:00 a.m. on Saturday, 8 December 2007 |
| Date of SGM | 11:00 a.m. on Monday, 10 December 2007 |
| Publication of announcement in relation to completion of the Share Subdivision | Monday, 10 December 2007 |
| Effective time and date of the Share Subdivision | 9:30 a.m. on Tuesday, 11 December 2007 |
| Dealings in Subdivided Shares commence | 9:30 a.m. on Tuesday, 11 December 2007 |
| Original counter for trading in existing Shares in board lots of 4,000 Shares temporarily closes | 9:30 a.m. on Tuesday, 11 December 2007 |
| Temporary counter for trading in board lots of 40,000 Subdivided Shares (in the form of Old Share Certificates) opens | 9:30 a.m. on Tuesday, 11 December 2007 |
| First day of free exchange of Old Share Certificates for New Share Certificates commences | Tuesday, 11 December 2007 |
| Original counter for trading in Subdivided Shares in new board lots of 10,000 Subdivided Shares (in the form of New Share Certificates) reopens | 9:30 a.m. on Thursday, 27 December 2007 |
| Parallel trading in Subdivided Shares (in the form of New Shares Certificates and Old Share Certificates) commences | 9:30 a.m. on Thursday, 27 December 2007 |

EXPECTED TIMETABLE

Parallel trading in Subdivided Shares

(in the form of New Shares Certificates

and Old Share Certificates) ends 4:00 p.m. on Friday, 18 January 2008

Temporary counter for trading in board

lots of 40,000 Subdivided Shares

(in the form of Old Share

Certificates) closes 4:00 p.m. on Friday, 18 January 2008

Last day for free exchange of Old Share

Certificates for New Share

Certificates ends Wednesday, 23 January 2008

The expected timetable is subject to change by the Company. The Company will make further announcement if there are any changes to the expected timetable.



SAM WOO HOLDINGS LIMITED

三和集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 2322)

Executive Directors:

Mr. Lau Chun Ming (*Chairman*)

Mr. Lau Chun Kwok

Mr. Lau Chun Ka

Ms. Leung Lai So

Mr. Hsu Kam Yee, Simon

Mr. Chan Sun Kwong

Non-executive Director:

Mr. Chiu Kam Kun, Eric

Independent non-executive Directors:

Dr. Lee Peng Fei, Allen

Professor Wong Sue Cheun, Roderick

Mr. Chan Wai Dune

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

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

Units 1310-13, 13th Floor

113 Argyle Street, Mongkok

Kowloon

Hong Kong

20 November 2007

To the Shareholders

Dear Sir or Madam

**PROPOSED SUBDIVISION OF SHARES
AND
CHANGE OF BOARD LOT SIZE**

INTRODUCTION

The Directors announced by the Company's announcement dated 5 November 2007 that a proposal would be put forward to the Shareholders for their approval at the SGM for the Share Subdivision.

The purpose of this circular is to provide you with further information regarding the Share Subdivision and to give you notice of the SGM at which the necessary resolution for approving the Share Subdivision will be proposed.

* *for identification purposes only*

LETTER FROM THE BOARD

THE PROPOSED SHARE SUBDIVISION AND CHANGE OF BOARD LOT SIZE

The Board proposes that each of the existing issued and unissued Shares of HK\$0.10 each in the share capital of the Company be subdivided into ten Subdivided Shares of HK\$0.01 each in the share capital of the Company. The Shares are currently traded in board lots of 4,000 Shares each on the Stock Exchange. Upon the Share Subdivision having become effective, the Subdivided Shares will be traded in board lots of 10,000 Subdivided Shares each. No odd lot will be resulted from the Share Subdivision and change of board lot size.

Conditions of the Share Subdivision

The Share Subdivision is conditional upon, among other matters:

- (a) the Shareholders at the SGM having passed an ordinary resolution approving the Share Subdivision; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subdivided Shares.

The Share Subdivision is to become effective on the trading day immediately after the conditions mentioned above are fulfilled. The Share Subdivision Effective Date is expected to be 11 December 2007.

Reasons for the Share Subdivision and change of board lot size

Based on the closing price of HK\$2.7 of the Shares as quoted on the Stock Exchange on the Latest Practicable Date and assuming that the Share Subdivision became effective on that date, (a) the trading price for each new board lot of 10,000 Subdivided Shares will be HK\$2,700 (and not less than HK\$2,000); and (b) the aggregate trading price for each new board lot of 10,000 Subdivided Shares will be less than the aggregate trading price of the existing board lot of 4,000 Shares by approximately 75%. The Board believes the Share Subdivision will improve the liquidity in trading of shares of the Company and thereby would attract more investors and widen the Shareholders' base. Given the prevailing market conditions, a more liquid market will provide more flexibility for investors to buy and sell shares of the Company. Accordingly, the Board considers that the Share Subdivision and change of board lot size are in the interests of the Company and the Shareholders as a whole.

Save for the costs incurred by the Company in implementing the Share Subdivision and change of board lot size, the Share Subdivision will not alter the underlying assets, business operations, management or financial position of the Group or the proportional interests of the Shareholders. The Board considers that the Share Subdivision and the change of board lot size will not have any material adverse effect on the financial position of the Group.

LETTER FROM THE BOARD

Share Capital of the Company

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$100,000,000 divided into 1,000,000,000 Shares, of which 302,000,000 Shares had been issued and fully paid or credited as fully paid. Assuming no further Shares will be issued or repurchased after the Latest Practicable Date, upon the Share Subdivision having become effective, the authorised share capital of the Company will be HK\$100,000,000 divided into 10,000,000,000 Subdivided Shares, of which 3,020,000,000 Subdivided Shares will be in issue and 6,980,000,000 Subdivided Shares will remain unissued.

The Subdivided Shares will rank *pari passu* in all respects among themselves and the Share Subdivision will not result in any change in the relative rights of the Shareholders.

SHARE CERTIFICATES

The Old Share Certificates will only be valid for delivery, trading and settlement purpose for the period up to 4:00 p.m. on Friday, 18 January 2008 and thereafter will not be accepted for delivery, trading and settlement purpose. However, the Old Share Certificates will continue to be good evidence of title to the Subdivided Shares on the basis of one Share for ten Subdivided Shares and may be exchanged for the New Share Certificates (i) free of charge at any time between Tuesday, 11 December 2007 and Wednesday, 23 January 2008 (both days inclusive); or (ii) upon payment of a prescribed fee of HK\$2.50 (or such amount as may from time to time be determined by the Stock Exchange) per share certificate at any time after Wednesday, 23 January 2008. It is expected that New Share Certificates will be available for collection within a period of 10 business days after submission of the Old Share Certificates.

The New Share Certificates will be in green in order to be distinguished from the Old Share Certificates which are in beige.

LISTING AND DEALINGS

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subdivided Shares and any new Subdivided Shares which may fall to be issued pursuant to the exercise of options which may be granted under the Share Option Scheme.

The issued Shares are listed and dealt in on the main board of the Stock Exchange. No equity or debt securities of the Company are listed or dealt in any other stock exchange nor is listing or permission to deal in such securities on any other exchange being or proposed to be sought.

Subject to the granting of the listing of, and permission to deal, in the Subdivided Shares on the Stock Exchange, the Subdivided Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Subdivided Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

LETTER FROM THE BOARD

Shareholders should seek the advice of their stockbrokers or other professional advisers for details of the above settlement arrangements and how such arrangement will affect their rights and interests.

Subject to the Share Subdivision becoming effective, dealings in the Subdivided Shares are expected to commence on Tuesday, 11 December 2007.

SGM

Set out on pages 11 to 12 of this circular is a notice convening the SGM to consider and, if appropriate, to approve the ordinary resolution relating to the proposal for the Share Subdivision.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM in person, you are requested to complete and return the enclosed form of proxy 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 of the SGM or any adjournment thereof to Tricor Tengis Limited, the Company's branch registrar in Hong Kong, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

PROCEDURES FOR DEMANDING A POLL

Pursuant to bye-law 66 of the Bye-laws of the Company, a resolution put to the vote of any general meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (1) by the chairman of the meeting; or
- (2) by at least three Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy for the time being entitled to vote at the meeting;
- (3) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (4) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

LETTER FROM THE BOARD

RECOMMENDATION

The Board considers that the Share Subdivision is in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution to be proposed at the SGM to approve the Share Subdivision.

GENERAL

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

By order of the Board
Sam Woo Holdings Limited
Lau Chun Ming
Chairman



SAM WOO HOLDINGS LIMITED

三和集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 2322)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Sam Woo Holdings Limited (the “**Company**”) will be held at The Ballroom, 18th Floor, Hotel Miramar, 118-130 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Monday, 10 December 2007 at 11:00 a.m. for the purposes of considering and, if thought fit, passing, with or without modification, the following ordinary resolution:

ORDINARY RESOLUTION

“**THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting or agreeing to grant the listing of, and permission to deal in, the Subdivided Shares (as defined in paragraph (a) of this resolution below) and any new Subdivided Shares which may fall to be issued pursuant to the exercise of options which may be granted under the share option scheme adopted by the Company on 25 March 2003:

- (a) with effect from 9:30 a.m. (Hong Kong time) on the business day (not being a Saturday) (the “**Effective Date**”) immediately after the passing of this Resolution, each of the issued and unissued ordinary shares of HK\$0.10 each in the share capital of the Company be and it is hereby subdivided into ten ordinary shares of HK\$0.01 each, to the intent that upon passing of this Resolution and subject to the condition as aforesaid, the authorised and issued share capital of the Company will comprise shares (the “**Subdivided Shares**”) of HK\$0.01 each; and
- (b) the directors of the Company be and they are hereby authorised generally to do all such acts and things as they consider necessary or expedient in connection with the subdivision of shares as referred to in paragraph (a) above.”

By order of the Board
Sam Woo Holdings Limited
Chan Sun Kwong
Company Secretary

Hong Kong, 20 November 2007

* *for identification purposes only*

NOTICE OF SGM

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and principal place

of business in Hong Kong:
Units 1310-13, 13th Floor
113 Argyle Street, Mongkok
Kowloon
Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the bye-laws of the Company, vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, at Tricor Tengis Limited, the Company's branch registrar in Hong Kong, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting.
3. In the case of joint registered holders of any Shares, any one of them may vote at the meeting, either personally or by proxy, in respect of such Shares as if he/she was solely entitled thereto; but if more than one of such joint registered holders be present at the meeting, either personally or by proxy, that one of them so present whose name stands first on the register of members in respect of such Shares shall be accepted to the exclusion of the votes of the other joint registered holders.
4. As at the date of this notice, the board of directors of the Company comprises Mr. Lau Chun Ming, Mr. Lau Chun Kwok, Mr. Lau Chun Ka, Ms. Leung Lai So, Mr. Hsu Kam Yee, Simon and Mr. Chan Sun Kwong as executive directors, Mr. Chiu Kam Kun, Eric as non-executive director and Dr. Lee Peng Fei, Allen, Professor Wong Sue Cheun, Roderick and Mr. Chan Wai Dune as independent non-executive directors.