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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 a 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 GST Holdings Limited (the “Company”), you should at once hand this circular together with 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 transferee.



海灣控股有限公司

GST HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock code: 416)

**PROPOSAL FOR RE-ELECTION OF DIRECTORS
PROPOSED GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the annual general meeting of the Company to be held at Gloucester Room, Level 2, Mandarin Oriental, Hong Kong, 5 Connaught Road, Central, Hong Kong, at 3 p.m. on Wednesday, 21 May 2008 is set out in this circular.

A form of proxy for the annual general meeting is enclosed with this circular. Whether or not you propose to attend the annual general meeting, you are requested to complete the form of proxy and return the same to the Company’s Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting at the meeting if you so wish.

21 April 2008

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DEFINITIONS

In this circular otherwise than in the AGM Notice, unless the context requires otherwise, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be held at Gloucester Room, Level 2, Mandarin Oriental, Hong Kong, 5 Connaught Road, Central, Hong Kong, at 3 p.m. on Wednesday, 21 May 2008
“AGM Notice”	notice convening the AGM as set out on pages 14 to 17 of this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	GST Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company
“General Mandates”	the Issue Mandate, the Repurchase Mandate, and extension of the Issue Mandate by adding to it the number of Shares repurchased under the Repurchase Mandate
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	the proposed general mandate to be granted to the Directors to permit the allotment and issue of 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 granting such mandate
“Latest Practicable Date”	14 April 2008, being the latest practicable date for ascertaining certain information for inclusion in this circular prior to publication
“Listing Rules”	Rules Governing the Listing of Securities on Main Board of the Stock Exchange
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the AGM Notice;

DEFINITIONS

“PRC”	the People’s Republic of China, which for purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors to permit the repurchase of Shares not exceeding 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 granting such mandate
“Securities and Futures Ordinance”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of nominal value of HK\$0.1 each in the share capital of the Company
“Share Option Scheme”	the share option scheme conditionally approved and adopted by the Company on 7 June 2005
“Shareholders”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance) of the Company
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong as amended from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi yuan, the lawful currency of PRC
“%”	per cent.

LETTER FROM THE BOARD



海灣控股有限公司

GST HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock code: 416)

Executive Directors:

Mr Song Jiacheng (*Chairman*)

Mr Cao Yu

Mr Peng Kaichen

Non-executive Directors:

Mr Zeng Jun

Mr Lee Kwan Hung, Eddie

Independent non-executive Directors:

Mr Chang Tso Tung, Stephen

Mr Chan Chi On, Derek

Mr Sun Lun

Registered Office:

Century Yard

Cricket Square

Hutchins Drive

P.O. Box 2681GT

George Town

Grand Cayman

British West Indies

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

Suite 1612, 16th Floor

Shun Tak Center, West Tower

168-200 Connaught Road C.

Sheung Wan

Hong Kong

21 April 2008

To the Shareholders

Dear Sir or Madam,

**PROPOSAL FOR RE-ELECTION OF DIRECTORS
PROPOSED GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with the AGM Notice and the information regarding the Ordinary Resolutions that will be proposed at the AGM for the Shareholders to consider and, if thought fit, to re-elect the retiring Directors and to approve the granting of the General Mandates to the Directors.

LETTER FROM THE BOARD

2. RE-ELECTION OF DIRECTORS

The Board currently consists of three executive Directors, namely, Mr Song Jiacheng, Mr Cao Yu and Mr Peng Kaichen, two non-executive Directors, namely, Mr Zeng Jun and Mr Lee Kwan Hung, Eddie and three independent non-executive Directors, namely, Mr Chang Tso Tung, Stephen, Mr Chan Chi On, Derek and Mr Sun Lun.

Pursuant to Article 87 of the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the whole number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last re-election or appointment but as between persons who became or were last re-elected as Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. As Mr Chang Tso Tung, Stephen, Mr Chan Chi On, Derek and Mr Sun Lun have been longest in office, they shall retire as Directors at the AGM. Mr Chang Tso Tung, Stephen, Mr Chan Chi On, Derek and Mr Sun Lun, being eligible, will offer themselves for re-election as Directors at the AGM.

Pursuant to Rule 13.74 of the Listing Rules, the biographical details of Mr Chang Tso Tung, Stephen, Mr Chan Chi On, Derek and Mr Sun Lun are set out in Appendix I to this circular.

3. PROPOSED GENERAL MANDATES TO ISSUE SHARES

At the annual general meeting of the Company held on 18 May 2007, an ordinary resolution was passed to grant a general and unconditional mandate to the Directors to allot, issue and deal with new Shares up to a limit of 20% of the aggregate nominal amount of the issued share capital of the Company as at 18 May 2007. A further general mandate was also given to the Directors to allot and issue additional Shares by the number of Shares repurchased by the Company pursuant to the Repurchase Mandate passed on 18 May 2007. No Share was issued pursuant to these mandates.

The Directors believe that the renewal of the Issue Mandate is in the best interests of the Company and the Shareholders as a whole as this mandate will expire at the conclusion of the AGM. Accordingly, a renewal of the Issue Mandate will be sought from the Shareholders at the AGM to authorise the Directors to allot, issue and deal with additional Shares up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the relevant resolution, which (on the basis of the issued capital of the Company as at the Latest Practicable Date) shall be 160,000,000 Shares.

The full text of the Ordinary Resolution to be proposed at the AGM in relation to the Issue Mandate is set out in resolution 5(a) in the AGM Notice set out on pages 14 to 17 of this circular.

LETTER FROM THE BOARD

4. PROPOSED GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting held on 18 May 2007, an ordinary resolution was passed to grant a general and unconditional mandate to the Directors to repurchase Shares on the Stock Exchange of up to 10% of the aggregate nominal amount of the issued share capital of the Company as at 18 May 2007. No Share has been repurchased pursuant to such mandate.

As the existing Repurchase Mandate is going to expire at the conclusion of the AGM, the Directors believe that renewal of such mandate is in the interests of the Company and Shareholders as a whole. Accordingly, an ordinary resolution will be proposed at the AGM which will give the Directors a general and unconditional mandate to exercise the powers of the Company to repurchase Shares at any time until the earliest of (i) the conclusion of the next annual general meeting of the Company following the passing of such resolution; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the applicable laws of the Cayman Islands or the Articles of Association to be held; or (iii) the date on which the authority set out in the resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting, as stated in the relevant Ordinary Resolution up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of the relevant resolution, which (on the basis of the issued capital of the Company as at the Latest Practicable Date) shall be 80,000,000 Shares.

The explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to provide the Shareholders with all the information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution approving the Repurchase Mandate is set out in Appendix II to this circular.

The full text of the Ordinary Resolution to be proposed at the AGM in relation to the Repurchase Mandate is set out in resolution 5(b) in the AGM Notice set out on pages 14 to 17 of this circular.

5. AGM

At the AGM, Ordinary Resolutions will be proposed to approve, inter alia, the following:

- (a) re-election of the retiring Directors;
- (b) granting of the Issue Mandate to the Directors;
- (c) granting of the Repurchase Mandate to the Directors; and
- (d) extension of the Issue Mandate by adding to it the number of Shares repurchased under the Repurchase Mandate.

LETTER FROM THE BOARD

A form of proxy is enclosed for your use at the AGM. You are requested to complete and return the form of proxy to the Company's Hong Kong share registrar office, Computershare Hong Kong Investor Services Limited at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible, but in any event not later than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of a 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 form of proxy shall be deemed to be revoked.

6. RESPONSIBILITY STATEMENT

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

7. RECOMMENDATION

The Directors believe that the re-election of the retiring Directors and the granting of the General Mandates are all in the best interests of the Company and the Shareholders and recommend you to vote in favour of the Ordinary Resolutions to be proposed at the AGM.

8. GENERAL

Your attention is also drawn to the Appendices to this circular.

Yours faithfully,
By order of the Board
Song Jiacheng
Chairman

Details of the followings Directors who will retire and eligible for re-election at the AGM in accordance with the Articles of Association are set out as follows:

1. Mr Chang Tso Tung, Stephen

Mr Chang Tso Tung, Stephen (張祖同), aged 59, is an independent non-executive Director. He joined the Company in February 2005. Mr Chang was the former deputy chairman and a member of the management committee of Ernst & Young, Hong Kong. Mr Chang graduated from London University with a bachelor's degree in science in 1973. Mr Chang has been a fellow member of the Hong Kong Institute of Certified Public Accountants and is a fellow member of the Institute of Chartered Accountants in England and Wales. Mr Chang previously served as the chairman of the audit department and also as the managing partner for professional services of Ernst & Young, Hong Kong. Mr Chang has over 30 years of experience in auditing and advisory services.

Mr Chang is not related to any Director, senior management or substantial or controlling shareholder of the Company.

Mr Chang was appointed as independent non-executive Director for a term of 3 years commencing on 5 February 2005 and renewed for another term of 3 years commencing on 1 February 2008. Save for the annual director's fee of HK\$180,000 for the year ended 31 December 2007, no other remuneration was received by Mr Chang for holding the office as a non-executive Director.

As at the Latest Practicable Date, except holding 450,000 share options of the Company granted under the Share Option Scheme on 23 May 2007 by the Company, Mr Chang was not interested in any Shares and was not interested in and did not have any short positions in any shares or underlying shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance as recorded in the register required to be kept by the Company pursuant to section 352 of the Securities and Futures Ordinance, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

Save as disclosed herein, there is no information to be disclosed pursuant to any of the requirements set out in rule 13.51(2)(h) - (v) of the Listing Rules in respect of Mr Chang and there are no other matters relating to the re-election of Mr Chang that would need to be brought to the attention of the Shareholders.

2. Mr Chan Chi On, Derek

Mr Chan Chi On, Derek (陳志安), aged 44, is an independent non-executive Director. He joined the Company in February 2005. Mr Chan is an executive director of Tai Fook Securities Group Limited, a company listed on the Stock Exchange, and is in charge of its capital markets division. Mr Chan is also an independent non-executive director of GZI REIT Asset Management Limited. He also holds directorship in certain companies in hotel investment. He graduated from the Hong Kong University of Science & Technology with a master's degree in business administration in 1994 and graduated from the University of Hong Kong with a bachelor's degree of social sciences majoring in economics in 1985. Between 1989 and 1996, he has worked for the Stock Exchange. He is an adjunct professor in the School of Accounting and Finance of the Hong Kong Polytechnic University. Mr Chan has over 18 years of experience in the financial services industry.

Mr Chan is not related to any Director, senior management or substantial or controlling shareholder of the Company.

Mr Chan was appointed as independent non-executive Director for a term of 3 years commencing on 5 February 2005 and renewed for another term of 3 years commencing on 1 February 2008. Save for the annual director's fee of HK\$150,000 for the year ended 31 December 2007, no other remuneration was received by Mr Chan for holding the office as a non-executive Director.

As at the Latest Practicable Date, except holding 450,000 share options of the Company granted under the Share Option Scheme on 23 May 2007 by the Company, Mr Chan was not interested in any Shares and was not interested in and did not have any short positions in any shares or underlying shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance as recorded in the register required to be kept by the Company pursuant to section 352 of the Securities and Futures Ordinance, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

Save as disclosed herein, there is no information to be disclosed pursuant to any of the requirements set out in rule 13.51(2)(h) - (v) of the Listing Rules in respect of Mr Chan and there are no other matters relating to the re-election of Mr Chan that would need to be brought to the attention of the Shareholders.

3. Mr Sun Lun

Mr Sun Lun (孫倫), aged 67, is an independent non-executive Director. He joined the Company in February 2005. Mr Sun graduated from Zhongbei University (中北大學) (formerly known as Taiyuan College of Mechanics (太原機械學院) with a bachelor's degree in chemical engineering in 1965. He is the chairman of the China's Fire Security Association. From 1991 to 2001, Mr Sun was a director, vice president and president of the Fire Security Bureau of the Ministry of Public Security of the PRC (中華人民共和國公安部消防局), and from 1993 to 2001, he was the chairman of China's National Committee on Fire Security Technology Standardization (全國消防標準化技術委員會). From 1994 to 2000, he was a vice president of China Fire Products Quality Certification Committee (中國消防產品質量認證委員會). Mr Sun has over 27 years of experience in the fire security industry. In 1997, Mr Sun was awarded the Medal of the International Civil Defence Organization by the International Civil Defence Organization in honor of his contributions to the development of the fire security industry in China. In September 2003, Mr Sun was awarded the Gold Award of the first "Ozonosphere Protection Award" (保護臭氧層貢獻獎) by the State Environmental Protection Administration of China (國家環保局授予國家) in recognition of his contribution in the China fire industry to protect the ozonosphere. In June 2005, he was appointed the vice-president of the Confederation of Fire Protection Association-Asia & Australia (國際消防協會聯盟亞澳分會).

Mr Sun is not related to any Director, senior management or substantial or controlling shareholder of the Company.

Mr Sun was appointed as independent non-executive Director for a term of 3 years commencing on 5 February 2005 and renewed for another term of 3 years commencing on 1 February 2008. Save for the annual director's fee of RMB128,000 yuan for the year ended 31 December 2007, no other remuneration was received by Mr Sun for holding the office as a non-executive Director.

As at the Latest Practicable Date, except holding 450,000 share options of the Company granted under the Share Option Scheme on 23 May 2007 by the Company, Mr Sun was not interested in any Shares and was not interested in and did not have any short positions in any shares or underlying shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance as recorded in the register required to be kept by the Company pursuant to section 352 of the Securities and Futures Ordinance, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

Save as disclosed herein, there is no information to be disclosed pursuant to any of the requirements set out in rule 13.51(2)(h) - (v) of the Listing Rules in respect of Mr Sun and there are no other matters relating to the re-election of Mr Sun that would need to be brought to the attention of the Shareholders.

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide certain information to you for your consideration of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, there was a total of 800,000,000 Shares in issue. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 80,000,000 Shares during the period ending on the earliest of the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of the Cayman Islands or the Articles of Association to be held or when revoked or varied by an ordinary resolution of the Shareholders in general meeting.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to seek the Repurchase Mandate from the Shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum and articles of association and the applicable laws and regulations of the Cayman Islands. 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 2007) in the event that the Repurchase Mandate were 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 impact 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 following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange during the last twelve months:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2007		
April	2.95	2.19
May	2.90	2.70
June	3.06	2.79
July	3.22	2.85
August	3.06	2.50
September	2.80	2.45
October	2.85	2.42
November	2.75	2.31
December	2.82	2.42
2008		
January	2.65	2.00
February	2.69	2.30
March	2.52	2.10
1 April to the Latest Practicable Date	2.45	2.30

5. DISCLOSURE OF INTERESTS

None of the Directors or (to the best of the knowledge of the Directors, having made all reasonable enquiries) any associates of Directors has a present intention, in the event that the proposed Repurchase Mandate is approved by Shareholders, to sell Shares to the Company.

No connected persons of the Company have notified the Company of a present intention to sell Shares to the Company and no such persons have undertaken not to sell any Shares to the Company in the event that the Repurchase Mandate is granted by the Shareholders.

6. DIRECTORS' 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 Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands

7. TAKEOVERS CODE CONSEQUENCE

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

As at the Latest Practicable Date, to the best knowledge of the Directors, GST International Management Limited, held 427,479,369 Shares, representing approximately 53.43% of the issued share capital of the Company. On the basis that there is no further issue or repurchase of Shares and the holding by GST International Management Limited in the number of Shares remains the same, in the event that the Directors exercise the power under the Repurchase Mandate in full, the percentage of shareholding of GST International Management Limited would be increased to 59.37%. Such increase will not give rise to an obligation on the part of GST International Management Limited to make a mandatory offer under Rule 26 of the Takeovers Code.

Currently, the Directors have no intention to exercise the Repurchase Mandate to the extent as to further reduce the amount of Shares held by the public which is currently less than 25%.

Save as disclosed above, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any repurchase made under the Repurchase Mandate.

8. SHARES REPURCHASE MADE BY THE COMPANY

No repurchases of shares have been made by the Company in the previous six months (whether on the Stock Exchange or otherwise).

Articles 66 of the Articles of Association sets out the procedures by which Shareholders may demand a poll as follows:

A resolution put to the vote of a meeting shall be decided on a show of hands unless voting is required by the listing rules of the Stock Exchange or (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. A poll is demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three members present in person or in the case of a member being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a member or members present in person or in the case of a member 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 members having the right to vote at the meeting; or
- (d) by a member or members present in person or in the case of a member 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 shares conferring that right; or
- (e) if required by the rules of the Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.

A demand by a person as proxy for a member or in case of a member being a corporation by its duly authorized representative shall be deemed to be the same as a demand by a member.

Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution.

AGM NOTICE



海灣控股有限公司

GST HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock code: 416)

NOTICE IS HEREBY GIVEN that the annual general meeting of GST Holdings Limited (the “Company”) will be held at Gloucester Room, Level 2, Mandarin Oriental, Hong Kong, 5 Connaught Road, Central, Hong Kong, at 3 p.m. on Wednesday, 21 May 2008, (the “Meeting”) for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31 December 2007.
2. To consider and, if thought fit, declare a final dividend for the year ended 31 December 2007.
3. To re-elect the retiring directors of the Company (individually, a “Director” and collectively, the “Directors”) who retire by rotation and to authorise the board of Directors (the “Board”) to fix the remuneration of the Directors.
4. To re-appoint Messrs. PricewaterhouseCoopers, Certified Public Accountants, as auditors of the Company and to authorise the Board to fix their remuneration.
5. As special businesses, to consider and, if thought fit, pass with or without modification, the following proposed resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

(a) **“THAT**

- (i) subject to paragraph (iii) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (the “Shares”) and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

AGM NOTICE

- (iii) 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 (i) of this Resolution, otherwise than pursuant to (aa) a Rights Issue (as defined below); or (bb) the exercise of any option granted under any Share Option Scheme (as defined below); or (cc) any scrip dividend or other similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company (the “Articles of Association”); or (dd) an exercise of rights of subscription or conversion under terms of any warrants issued by the Company or any securities which are convertible into Shares, 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

- (iv) for the purpose of this Resolution:
 - (aa) “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - (A) the conclusion of the next annual general meeting of the Company;
 - (B) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or
 - (C) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company (the “Shareholders”) in general meeting.

 - (bb) “Rights Issue” means an offer of Shares or other equity securities of the Company open for a period fixed by the Directors to holders of Shares or any class thereof on the register of members on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusions 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 any recognised regulatory body or any stock exchange in, any territory outside the Hong Kong Special Administrative Region of the People’s Republic of China applicable to the Company).

AGM NOTICE

(cc) “Share Option Scheme” means a share option scheme or similar arrangement of the Company and/or its subsidiaries adopted from time to time in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).”

(b) **“THAT**

- (i) subject to paragraph (ii) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with the Articles of Association, all applicable laws of the Cayman Islands and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange and other regulations as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of Shares to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (i) 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 passing this Resolution and the said approval shall be limited accordingly; and
- (iii) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - (aa) the conclusion of the next annual general meeting of the Company;
 - (bb) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or
 - (cc) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in a general meeting.”

AGM NOTICE

- (c) “**THAT** conditional upon Resolution 5(a) and Resolution 5(b) as set out in the notice of the annual general meeting of the Company dated 21 April 2008 (the “AGM Notice”) being passed, the number of Shares representing the aggregate nominal amount of share capital of the Company repurchased pursuant to the authority granted under Resolution 5(b) as set out in the AGM Notice (up to a maximum of 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of Resolution 5(b) as set out in the AGM Notice) shall be added to the aggregate number of Shares that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to Resolution 5(a) as set out in the AGM Notice.”

By order of the Board
Song Jiacheng
Chairman

Hong Kong, 21 April 2008

Notes:

- (a) The Register of Members will be closed from 14 May 2008 to 21 May 2008 (both days inclusive) during which period no transfer of Shares will be registered. In order to determine who are entitled to attend the Meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s branch share transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4 p.m. on 13 May 2008.
- (b) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or, if holding two or more Shares, more than one proxy to attend and, in the event of a poll, vote on his behalf. A proxy need not be a member of the Company.
- (c) In order to be valid, the form of proxy completed in accordance with the instructions set out therein, together with the power of attorney, if any, or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the Company’s branch share registrar office in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding in person at the general meeting or any adjournment thereof should you so wish and, in such event, the form of proxy shall be deemed to be revoked.
- (d) In the case of joint holders of any Share, any one of such joint holders may vote at the annual general meeting of the Company, either in person or by proxy, in respect of such Share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint registered holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
- (e) An explanatory statement regarding the general mandate for the purchase of Shares sought in the above Resolution 5(b) is set out in Appendix II to the circular of the Company dated 21 April 2008 of which this AGM Notice forms part.
- (f) With respect to Resolution 3 of this AGM Notice, Mr Chang Tso Tung, Stephen, Mr Chan Chi On, Derek and Mr Sun Lun shall retire from the office of directorship and offer themselves for re-election at the Meeting in accordance with the Articles of Association. Details of the said Directors are set out in Appendix I to a circular of the Company dated 21 April 2008 of which this AGM Notice forms part.
- (g) As at the date of this AGM Notice, the executive Directors are Mr Song Jiacheng, Mr Cao Yu and Mr Peng Kaichen, the non-executive Directors are Mr Zeng Jun and Mr Lee Kwan Hung, Eddie and the independent non-executive Directors are Mr Chang Tso Tung, Stephen, Mr Chan Chi On, Derek and Mr Sun Lun.