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## THE CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

**If you have sold or transferred** all your shares in **CARICO HOLDINGS LIMITED**, you should at once hand this circular and the enclosed form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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# CARICO HOLDINGS LIMITED

## 中汽資源投資有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 729)**

### REFRESHMENT OF THE 10% LIMIT TO GRANT OPTIONS UNDER THE SHARE OPTION SCHEME AND RE-ELECTION OF DIRECTORS

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Notice convening a Special General Meeting of **CARICO HOLDINGS LIMITED** (the “Company”) to be held at Suite 2401A, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong on Tuesday, the 13th day of February, 2007 at 11:00 a.m. or any adjournment thereof is set out on page 7 of this circular. Whether or not you propose to attend the meeting, you are advised to read the notice and to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof.

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

25 January 2007

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## DEFINITIONS

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

“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“Company”	Carico Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	23 January 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Overall Limit”	the total number of Shares in respect of which outstanding options may be granted under the Share Option Scheme and any other share option scheme of the Company, being not exceeding 30% of the share capital of the Company in issue from time to time
“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 scheme of the Company, being not exceeding 10% of the total issued share capital of the Company as at the date of adoption of the Share Option Scheme
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 30 March 2004 (as amended by the addendum to the Share Option Scheme adopted by the Company on 7 December 2005)
“Shareholder(s)”	holder(s) of Shares
“Special General Meeting”	the special general meeting of the Company to be held at Suite 2401A, Great Eagle Centre, 23 Harbour Road, Wan Chai, Hong Kong on Tuesday, 13 February 2007 at 11:00 a.m.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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LETTER FROM THE BOARD

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**CARICO HOLDINGS LIMITED**  
**中汽資源投資有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 729)**

*Directors:*

Mr. Ryoji Furukawa (*Chairman*) ##  
Mr. Yip Chi Chiu (*Deputy Chairman*) #  
Mr. Lo Wing Yat #  
Mr. Chan Wai Ming (*Chief Executive Officer*) #  
Mr. Loo Chung Keung, Steve (*Chief Operating Officer*) #  
Mr. Leung Chung Tak, Barry (*Chief Project Officer*) #  
Mr. Chak Chi Man ##  
Mr. Ryuichi Tanabe ##  
Mr. Takehiko Wakayama ##

# *Executive Directors*

## *Non-executive Directors*

*Registered Office:*

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

*Principal place of business*

*in Hong Kong:*  
Suite 2401A  
Great Eagle Centre  
23 Harbour Road  
Wan Chai  
Hong Kong

*Independent non-executive Directors:*

Mr. Pang Chun Sing  
Mr. Chan Chun Wai  
Mr. Sit Fung Shuen, Victor  
Mr. Chan Yuk Tong

25 January 2007

*To the Shareholders*

Dear Sir/Madam,

**REFRESHMENT OF THE 10% LIMIT TO GRANT OPTIONS UNDER  
THE SHARE OPTION SCHEME  
AND  
RE-ELECTION OF DIRECTORS**

**INTRODUCTION**

The purpose of this circular is to provide you with details of (i) the proposed refreshment of Scheme Limit under the Share Option Scheme and (ii) the proposed re-election of Directors in order to enable you to make an informed decision on whether to vote for or against the resolution to be proposed at the Special General Meeting.

\* *For identification purpose only*

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## LETTER FROM THE BOARD

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### REFRESHMENT OF THE SCHEME LIMIT

The Company adopted the Share Option Scheme on 30 March 2004. Under the rules of the Share Option Scheme, 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 must not in aggregate exceed the Scheme Limit, which was 10% of the Company's issued share capital as at the date of approval of the Share Option Scheme. The Scheme Limit may be refreshed from time to time pursuant to the rules of the Share Option Scheme.

Pursuant to the Listing Rules, the total number of Shares which may be issued upon exercise of all options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company shall not exceed the Overall Limit being 30% of the issued share capital of the Company from time to time. No options shall be granted under any scheme(s) of the Company or any of its subsidiaries if this will result in the Overall Limit being exceeded.

Under the rules of the Share Option Scheme:

- (1) 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 any other share option schemes of the Company must not in aggregate exceed the Overall Limit; and
- (2) the total number of Shares which may be issued upon the exercise of all options granted or to be granted under the Share Option Scheme and any other share option schemes of the Company is subject to the Scheme Limit.

The Company may seek approval from the Shareholders in general meeting for refreshing the Scheme Limit so that the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company shall be re-set at 10% of the Shares of the Company in issue as at the date of the approval of refreshment of the Scheme Limit.

Options previously granted under the Share Option Scheme and any other share option schemes of the Company (including options outstanding, cancelled, lapsed or exercised) will not be counted for the purpose of calculating the refreshment of the Scheme Limit.

Since the adoption of the Share Option Scheme, the Scheme Limit was refreshed on 23 August 2004 for a 10% of the total issued share capital of the Company, pursuant to which the Company was authorised to grant options to subscribe for 13,434,970 Shares (equivalent to 134,349,700 shares of HK\$0.01 each in the capital of the Company as at the date of refreshment), being 10% of the total issued share capital of the Company as at the date of such refreshment. The Scheme Limit was further refreshed on 7 December 2005 for a further 10% of the total issued share capital of the Company, pursuant to which the Company was authorised to grant options to subscribe for 82,887,086 Shares, representing approximately 10% of the total issued share capital of the Company as at the date of such refreshment. On 29 May 2006, a further 10% of the total issued share capital of the Company was refreshed, pursuant to which the Company was authorised to grant options to subscribe for 82,955,086 Shares, representing approximately 10% of the total issued share capital of the Company as at the date of such refreshment.

As at the Latest Practicable Date, the Company has only granted options to subscribe for 82,940,000 Shares. Therefore, the maximum number of Shares that the Company may grant under the Share Option Scheme is 15,086 Shares, representing approximately 0.0009% of the existing issued share capital of the Company.

Based on 1,713,875,160 Shares in issue as at the Latest Practicable Date and assuming that there are no Shares issued during the period from the Latest Practicable Date to the date of the Special General Meeting, upon approval of the refreshment of the Scheme Limit, the Directors will be authorised to grant options to subscribe for up to 171,387,516 Shares, representing approximately 10% of the existing issued share capital of the Company.

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, options granted to subscribe for 118,546,052 Shares (representing approximately 6.92% of the existing issued share capital of the Company) pursuant to the Share Option Scheme at the exercise price ranging from HK\$0.11486 to HK\$0.242 were outstanding. Majority of the outstanding options are held by employees of the Group. Save for the aforesaid options granted under the Share Option Scheme to the Directors and employees of the Group or other eligible persons as permitted under the Share Option Scheme, there were no other options granted under the Share Option Scheme as at the Latest Practicable Date.

The purpose of the Share Option Scheme is to allow more flexibility in providing incentives or rewards to participants for their contribution to the Group and/or to recruit and retain high-calibre employees and attract human resources that are valuable to the Group. Given that the existing Scheme Limit is near depletion, the Share Option Scheme cannot continue to serve its intended purpose for the benefits of the Group and its Shareholders unless the Scheme Limit is refreshed in accordance with the rules of the Share Option Scheme.

The Directors consider that it will be for the benefit of the Company and its Shareholders as a whole that eligible participants of the Share Option Scheme are granted rights to obtain equity holdings of the Company through the grant of options under the Share Option Scheme. This will motivate the eligible participants to contribute further to the success of the Group. For these reasons, the Directors will propose the passing of an ordinary resolution at the Special General Meeting for refreshment of the Scheme Limit.

The refreshment of the Scheme Limit is conditional upon the passing of an ordinary resolution (as set out in the notice of Special General Meeting on page 7 of this circular) and the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, any new Shares, which may be issued upon exercise of options to be granted under the Share Option Scheme under the refreshed Scheme Limit, representing a maximum of 10% of the Shares in issue as at the date of approval of the proposed refreshment of the Scheme Limit at the Special General Meeting.

Application has been made to the Stock Exchange for granting approval of the listing of, and permission to deal in, the new Shares which may be issued upon exercise of options to be granted under the refreshed Scheme Limit, being a maximum of 10% of the Shares in issue as at the date of approval of the proposed refreshment of the Scheme Limit at the Special General Meeting.

### **RE-ELECTION OF DIRECTORS**

Mr. Ryuichi Tanabe and Mr. Sit Fung Shuen, Victor were appointed as a non-executive Director and an independent non-executive Director respectively by the Board on 22 November 2006. According to the bye-law 102(B) of the Bye-laws, Mr. Ryuichi Tanabe and Mr. Sit Fung Shuen, Victor shall hold office only until the first general meeting of the Company after the appointment (in the case of filling a casual vacancy) and shall then be eligible for re-election at that meeting.

Brief biographical details of Mr. Ryuichi Tanabe and Mr. Sit Fung Shuen, Victor are set out in Appendix I to this circular.

### **SPECIAL GENERAL MEETING**

The notice of the Special General Meeting which contains, ordinary resolutions to approve the proposed refreshment of Scheme Limit and the proposed re-election of Directors, is set out on page 7 of this circular.

Whether or not you propose to attend the Special General Meeting, you are requested to complete the enclosed form of proxy and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the meeting. The completion and return of the form of proxy will not prevent you from attending and voting in person at the Special General Meeting if you so wish.

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## LETTER FROM THE BOARD

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### RIGHT TO DEMAND POLL

Pursuant to bye-law 70 of the Bye-laws, a resolution put to the vote of a 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:

- (a) by the chairman of such meeting; or
- (b) by at least three Shareholders present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by any Shareholder or Shareholders present in person or by a duly authorised corporate 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
- (d) by any Shareholder or Shareholders present in person or by a duly authorised corporate 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.

### RECOMMENDATION

The Directors believe that the proposed refreshment of Scheme Limit and the proposed re-election of Directors are in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions to be proposed as set out in the notice of the Special General Meeting.

By Order of the Board  
**Yip Chi Chiu**  
*Deputy Chairman*

Details of Mr. Ryuichi Tanabe and Mr. Sit Fung Shuen, Victor proposed to be re-elected as Directors at the Special General Meeting are set out as follows:

**Mr. Ryuichi TANABE**

Mr. Ryuichi Tanabe, aged 53, was appointed as a non-executive Director on 22 November 2006. He has almost 30 years of experience in investment and finance. He graduated from Waseda University, Japan with a bachelor degree in Political Science and Economics. He started his merchant banking career at Long-Term Credit Bank of Japan, Limited (currently known as Shinsei Bank, Limited) in 1977. He is experienced in a variety of banking fields domestically and internationally for corporate finance and also principal investment, including posting in Australia for almost five years. He joined Asset Managers Co., Ltd. (“Asset Managers”) in 2003, a substantial shareholder of the Company and a company whose shares are listed on Nippon New Market, “Hercules” of Osaka Securities Exchange Co., Ltd.. He is currently the representative executive director and the chief investment officer of Asset Managers. He is mainly in charge of investment in overseas market. He is also a director of Asset Managers (Asia) Company Limited, Asset Managers (China) Fund Co., Ltd. and Red Rock Investment Co., Ltd., all being substantial shareholders of the Company. Save as disclosed, Mr. Tanabe did not hold any directorships in any other listed public companies in the last three years.

Mr. Tanabe has not previously held any positions with the Company and other members of the Group. Save as disclosed above, Mr. Tanabe has no relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Tanabe does not have any interest in the Shares within the meaning of Part XV of the SFO.

An appointment letter was entered into between the Company and Mr. Tanabe for a term of two years which took effect from 22 November 2006 and no emoluments or director’s fee (including any bonus payments, whether fixed or discretionary in nature) shall be payable to Mr. Tanabe for his service. His directorship with the Company is subject to the retirement by rotation and re-election in accordance with the Bye-laws.

**Mr. SIT Fung Shuen, Victor**

Mr. Sit Fung Shuen, Victor, aged 59, was appointed as an independent non-executive Director on 22 November 2006. He is a professor at the Department of Geography & Geology of The University of Hong Kong and has been a deputy to the National People’s Congress of the People’s Republic of China since 1993. He is a member of the Royal Chartered Institute of Transport. He received his bachelor of Arts and master of Arts degrees from The University of Hong Kong and his Doctoral degree from London School of Economics, University of London, the United Kingdom. Mr. Sit was formerly an independent non-executive director of Harbin Brewery Group Limited, a company whose shares were listed on the Stock Exchange. Save as disclosed, Mr. Sit did not hold any directorships in any other listed public companies in the last three years.

Mr. Sit has not previously held any positions with the Company and other members of the Group. Mr. Sit has no relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Sit holds 800,000 Shares, representing approximately 0.046% of the total issued share capital of the Company within the meaning of Part XV of the SFO.

An appointment letter was entered into between the Company and Mr. Sit for a term of two years which took effect from 22 November 2006 at the annual remuneration of HK\$60,000. His directorship with the Company is subject to the retirement by rotation and re-election in accordance with the Bye-laws.

Save as disclosed above, there are no other matters relating to the proposed re-election of Mr. Ryuichi Tanabe and Mr. Sit Fung Shuen, Victor that need to be brought to the attention of the holders of securities of the Company and there is no other information relating to Mr. Ryuichi Tanabe and Mr. Sit Fung Shuen, Victor which required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.



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## NOTICE OF SPECIAL GENERAL MEETING

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# CARICO HOLDINGS LIMITED

## 中汽資源投資有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 729)**

### NOTICE OF SPECIAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a special general meeting of CARICO HOLDINGS LIMITED (the “Company”) will be held at Suite 2401A, Great Eagle Centre, 23 Harbour Road, Wan Chai, Hong Kong on Tuesday, the 13th day of February, 2007 at 11:00 a.m. for the purposes of considering, and if thought fit, passing the following resolutions:

#### ORDINARY RESOLUTIONS

1. **“THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the approval of the listing of, and permission to deal in, any shares of the Company to be issued pursuant to the exercise of options which may be granted under the Refreshed Scheme Limit (as hereinafter defined), the refreshment of the limit in respect of the granting of share options under the share option scheme of the Company adopted on 30 March 2004 (as amended by the addendum to the share option scheme adopted by the Company on 7 December 2005) (the “Scheme”), up to a new 10 per cent limit (the “Refreshed Scheme Limit”) be approved provided that (i) the total number of Shares which may be issued upon exercise of options to be granted under the Scheme on or after the date of the passing of this resolution (the “Refreshed Date”), together with all options to be granted under any other share option scheme(s) of the Company on or after the Refreshed Date, must not exceed 10 per cent of the number of Shares in issue as at the Refreshed Date; and (ii) options granted prior to the Refreshed Date under the Scheme or any other share option scheme(s) of the Company (including, without limitation those outstanding, cancelled, lapsed or exercised in accordance with the Scheme or such other scheme(s) of the Company) shall not be counted for the purpose of calculating the Refreshed Scheme Limit and any director of the Company be and is hereby authorised to do such act and execute such document to effect the Refreshed Scheme Limit.”
2. **“THAT** Mr. Ryuichi Tanabe be and is hereby re-elected as a director of the Company and **THAT** the board of directors of the Company be and is hereby authorised to fix the remuneration of Mr. Ryuichi Tanabe.”
3. **“THAT** Mr. Sit Fung Shuen, Victor be and is hereby re-elected as a director of the Company and **THAT** the board of directors of the Company be and is hereby authorised to fix the remuneration of Mr. Sit Fung Shuen, Victor.”

By Order of the Board  
**Yip Chi Chiu**  
*Deputy Chairman*

Hong Kong, 25 January 2007.

#### Notes:

1. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on behalf of him. A proxy need not be a shareholder of the Company.
2. To be valid, a form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

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