
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any 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 Wah Ha Realty Company Limited, 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 transferee.

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華夏置業有限公司
WAH HA REALTY COMPANY LIMITED

WAH HA REALTY COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 278)

PROPOSED GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES, AND PROPOSED RE-ELECTION OF RETIRING DIRECTORS AT THE ANNUAL GENERAL MEETING

A notice convening the annual general meeting of Wah Ha Realty Company Limited (the "Company") to be held at Room 2500, Dominion Centre, 43-59 Queen's Road East, Wanchai, Hong Kong on Friday, 22nd August 2008 at 12:00 noon (the "2008 AGM") (the "Notice") is set out on pages 7 to 9 of the 2007/2008 annual report (the "2008 Annual Report") of the Company. Whether or not you intend to attend the 2008 AGM, you are requested to complete the accompanied form of proxy in accordance with the instructions printed thereon and return the same to the Company's registered office, Room 2500, Dominion Centre, 43-59 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the 2008 AGM or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2008 AGM or at any adjourned meeting should you so wish.

This circular contains all the information required pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") to be given to the shareholders of the Company (the "Shareholder(s)").

29th July 2008

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LETTER FROM THE CHAIRMAN



華 厦 置 業 有 限 公 司
WAH HA REALTY COMPANY LIMITED

WAH HA REALTY COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 278)

Executive Directors:

Mr. Cheung Kee Wee (*Chairman*)
Mr. Cheung Lin Wee
Mr. Cheung Ying Wai, Eric

Registered Office:

Room 2500, Dominion Centre,
43-59 Queen's Road East,
Wanchai, Hong Kong

Non-executive Directors:

Mr. John Ho
Mr. Ng Kwok Tung

Independent Non-executive Directors:

Mr. Lam Hon Keung, Keith
Mr. Chan Woon Kong
Mr. Soo Hung Leung, Lincoln

Dear Shareholder(s),

**PROPOSED GENERAL MANDATES TO ISSUE NEW SHARES
AND REPURCHASE SHARES,
AND PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AT THE 2008 AGM**

INTRODUCTION

At the annual general meeting of the Company held on 24th August 2007, a general mandate was given to the directors of the Company (the "Directors") to exercise the power of the Company to issue and repurchase its own shares. Such general mandate will lapse at the conclusion of the 2008 AGM unless it is renewed at that Meeting.

The purpose of this circular is to provide you with information regarding the ordinary resolutions to be proposed at the 2008 AGM relating to (i) the granting of general mandates to the Directors for the issue and repurchase of the fully-paid up ordinary shares of HK\$0.65 each of the Company (the "Share(s)") and (ii) the proposed re-election of Directors who are due to retire at the 2008 AGM.

LETTER FROM THE CHAIRMAN

PROPOSED GENERAL MANDATE TO ISSUE SHARES

Resolution No. 5(B) as set out in the Notice (“Resolution 5(B)”) will be proposed as an ordinary resolution to grant a general and unconditional mandate to the Directors to allot, issue and deal with new Shares representing up to 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing the resolution (the “Issued Mandate”). As at 24th July 2008, being the latest practicable date prior to the printing of this circular (the “Latest Practicable Date”), the issued share capital of the Company comprised 120,960,000 Shares. On the basis that no further Shares are issued or repurchased from the Latest Practicable Date up to the date of the 2008 AGM, the Company will be allowed under the Issued Mandate to issue a maximum of 24,192,000 Shares. In addition, subject to the passing of resolution no. 5(A) as set out in the Notice (“Resolution 5(A)”), resolution 5(C) as set out in the Notice (“Resolution 5(C)”) will be proposed as an ordinary resolution to extend the authority of the Directors to allot, issue and deal with additional Shares representing the number of Shares repurchased under the repurchase mandate as hereinafter mentioned.

The Directors wish to state that they have no present intention to allot, issue or deal with any new Shares. Approval is being sought from the Shareholders as a general mandate for the purposes of Section 57B of the Companies Ordinance and the Listing Rules.

PROPOSED GENERAL MANDATE TO REPURCHASE SHARES

At the 2008 AGM, Resolution 5(A) will be proposed as an ordinary resolution pursuant to which the Directors will be granted a general and unconditional mandate to exercise all the powers of the Company to repurchase issued and fully-paid Shares on the Stock Exchange not exceeding 10 per cent of the aggregate nominal amount of the issued share capital of the Company at the date of passing the resolution (the “Repurchase Mandate”) subject to the criteria set out in the resolution.

Shareholders should note that the authority relates only to repurchases made on the Stock Exchange and otherwise in accordance with the Listing Rules. In addition, Shareholders should also note that the general mandate will continue in force until the earliest of (i) the conclusion of the next Annual General Meeting of the Company; (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by the Companies Ordinance to be held; and (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

An explanatory statement, as required by the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange, to provide requisite information to you for your consideration of the proposed Repurchase Mandate is set out in **APPENDIX I** to this circular.

LETTER FROM THE CHAIRMAN

PROPOSED RE-ELECTION OF RETIRING DIRECTORS AT THE 2008 AGM

In accordance with Article 103(A) of the Company's Articles of Association, Mr. Cheung Lin Wee, Mr. Cheung Ying Wai, Eric and Mr. Ng Kwok Tung will retire by rotation at the 2008 AGM and they, being eligible, offer themselves for re-election.

Details of the above Directors which are required to be disclosed by the Listing Rules are set out in **APPENDIX II** to this circular.

RIGHT TO DEMAND A POLL

The ordinary resolutions mentioned above are set out in the Notice. Your right to demand a poll on the proposed resolutions at the 2008 AGM is set out in **APPENDIX III** to this circular.

PROXY FORM

Proxy form for use at the 2008 AGM is enclosed herewith. The proxy forms can also be downloaded from the Company's website at <http://www.wahha.com> under "Investor Relations". Whether or not you are able to attend the 2008 AGM, you are requested to complete, sign and return the enclosed proxy forms in accordance with the instructions printed thereon to the Company's registered office at Room 2500, Dominion Centre, 43-59 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the 2008 AGM or any adjournment thereof. Completion and return of the proxy forms will not preclude you from attending and voting at the 2008 AGM or any adjournment thereof should you so wish.

RECOMMENDATION

The Directors consider that the ordinary resolutions in relation to the general mandates for the issue and repurchase of the Shares and re-election of the retiring Directors as set out in the Notice are all in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend you to vote in favour of such resolutions at the 2008 AGM.

Yours faithfully,
Cheung Kee Wee
Chairman

Hong Kong, 29th July 2008

This Appendix serves as an explanatory statement which contains all the information required pursuant to the Listing Rules.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 120,960,000 Shares.

Subject to the passing of Resolution 5(A) approving the Repurchase Mandate and on the basis that no further Shares will be issued or repurchased by the Company prior to the 2008 AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 12,096,000 fully-paid up Shares, representing 10% of the issued share capital of the Company.

2. REASONS FOR REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Repurchases of Shares will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangement at the time, lead to an enhancement of the net asset value and/or earnings per share.

3. SOURCES OF FUNDS

Repurchases would be financed entirely from the Company's funds legally available for the purpose in accordance with the applicable laws of the Hong Kong Special Administrative Region (the "HKSAR") and the Memorandum and Articles of Association of the Company, being distributable profit of the Company and/or the proceeds of a fresh issue of Shares made for the purpose of the repurchases. It is envisaged that the funds required for any repurchase would be derived from such sources.

4. WORKING CAPITAL OR GEARING

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the Company's audited financial statements for the year ended 31st March 2008 in the 2008 Annual Report) in the event that the Repurchase Mandate were to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company, unless circumstances justify the share repurchase.

5. DIRECTORS AND THEIR ASSOCIATES

None of the Directors, to the best of their knowledge and belief having made all reasonable enquiries, nor any of their associates (as defined under the Listing Rules), has any present intention to sell any Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, all applicable laws of the HKSAR, and the regulations set out in the Memorandum and Articles of Association of the Company.

7. CONNECTED PERSONS

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Company is authorized to make repurchases of Shares.

8. EFFECTS OF TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Hong Kong Code on Takeovers and Mergers ("Takeover Code"). Accordingly, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeover Code.

As at the Latest Practicable Date, Mr. Cheung Kung Hai, deceased (the “Deceased”) remained a registered Shareholder holding 87,391,440 Shares (the “Deceased’s Shares”), representing approximately 72.25 per cent of the issued share capital of the Company, and was the only Shareholder holding more than 10 per cent of the issued share capital of the Company. Accordingly, the Deceased’s Shares cannot be dealt with until the Probate is duly granted by the Court. To the best of the Directors’ knowledge, the estate duty in respect of the estate of the Deceased has been settled and an application for the grant of the Probate has been submitted to the Court.

In the event that the proposed Repurchase Mandate were exercised in full, the respective shareholdings of the Deceased and the Directors of the Company, together with their associates, in the Company would be increased to approximately 80.28 per cent and 2.52 per cent of the issued share capital of the Company, resulting in the aggregate amount of the issued share capital of the Company in public hands being reduced to approximately 17.20 per cent. In the opinion of the Directors, exercise in full of the Repurchase Mandate will not give rise to an obligation on the Deceased and his associate to make a mandatory offer under Rules 26 and 32 of the Takeover Code. The Directors have no present intention to exercise the proposed Repurchase Mandate to such an extent as would result in the issued share capital of the Company in public hands falling below 25 per cent.

9. SHARE PURCHASE BY THE COMPANY

The Company has not purchased any of the Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

10. SHARE PRICES

The highest and lowest prices at which the Shares traded on the Stock Exchange during each of the previous twelve months from July 2007 to the Latest Practicable Date were as follows:

	Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2007		
July	3.14	2.88
August	2.88	2.60
September	2.70	2.55
October	2.65	2.35
November	2.64	2.40
December	2.75	2.40
2008		
January	2.70	2.60
February	2.59	2.40
March	2.38	2.30
April	2.65	2.46
May	2.65	2.50
June	2.60	2.60
July up to the Latest Practicable Date	2.49	2.49

APPENDIX II DETAILS OF RETIRING DIRECTORS SEEKING FOR RE-ELECTION AT THE 2008 AGM

In accordance with Article 103(A) of the Articles of Association of the Company, Mr. Cheung Lin Wee, Mr. Cheung Ying Wai, Eric and Mr. Ng Kwok Tung will retire from office and they, being eligible, will offer themselves for re-election at the 2008 AGM. Their details are as follows:

1. **Mr. Cheung Lin Wee**, aged 50, joined the Group and was appointed an Executive Director of the Company in 1985. Mr. Cheung holds a Bachelor Degree in Finance. He has over 20 years' experience in property management and is now mainly responsible for the property management activities of the Group. Mr. Cheung did not hold any directorships in any other listed public companies in the last three years.

Mr. Cheung is the son of the Deceased, a substantial Shareholder of the Company and the brother of Mr. Cheung Kee Wee and Mr. Cheung Ying Wai, Eric, Executive Directors of the Company. Save as disclosed herein, Mr. Cheung does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. Mr. Cheung is a director in each of the subsidiaries of the Company. As at the Latest Practicable Date, the interests of Mr. Cheung in the Shares which are required to be disclosed pursuant to Part XV of the Securities and Futures Ordinance ("SFO") were as follows:

Personal interests	Family interests	Other interests	Total	% of issued share capital
572,000	238,000 (Note 1)	87,391,440 (Note 2)	88,201,440	72.92

Notes:

- (1) The 238,000 shares were beneficially held by Ms. Wu Suet Yi, Rita, the wife of Mr. Cheung Lin Wee.
- (2) Mr. Cheung Lin Wee is one of the three executors under the Will of the Deceased who held 87,391,440 Shares before his death. Since Probate has not been granted and the Executors are not yet registered as holders of the Deceased's Shares in question, strictly speaking, a trust of the Deceased's Shares has not been legally constituted.

APPENDIX II DETAILS OF RETIRING DIRECTORS SEEKING FOR RE-ELECTION AT THE 2008 AGM

Mr. Cheung has not entered into any service contract with the Company but he is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association of the Company. The Director's remuneration of Mr. Cheung is recommended by the Remuneration Committee of the Company with reference to the Group's performance and profitability as well as the prevailing remuneration benchmark in the industry and approved by the Shareholders at the annual general meetings of the Company. For the year ended 31st March 2008, Mr. Cheung received a Director's fee of HK\$80,000 but he did not receive any other emoluments. For the year ending 31st March 2009, a Director's fee of HK\$80,000 was recommended by the Remuneration Committee which will be determined by the Shareholders at the 2008 AGM.

Save as disclosed above, there are no other matters concerning Mr. Cheung that need to be brought to the attention of the Shareholders nor is there any information that need to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

2. **Mr. Cheung Ying Wai, Eric**, aged 46, joined the Group and was appointed an Executive Director of the Company in 1999. Mr. Cheung holds a Bachelor Degree in Science. He is mainly responsible for the general management of the Group. Mr. Cheung did not hold any directorships in any other listed public companies in the last three years.

Mr. Cheung is the son of the Deceased, a substantial Shareholder of the Company and the brother of Mr. Cheung Kee Wee and Mr. Cheung Lin Wee, Executive Directors of the Company. Save as disclosed herein, Mr. Cheung does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. Mr. Cheung is a director in each of the subsidiaries of the Company. As at the Latest Practicable Date, the interests of Mr. Cheung in the Shares which are required to be disclosed pursuant to Part XV of the SFO were as follows:

Personal interests	Other interests	Total	% of issued share capital
228,000	13,444,837 (Note)	13,672,837	11.30

Note: Mr. Cheung Ying Wai, Eric is one of the beneficiaries under the Will of the Deceased who held 87,391,440 Shares before his death, there is a possibility that these 13,444,837 Shares will be allocated to him under the Will of the Deceased. Since Probate has not been granted and the Executors are not yet registered as holders of the Deceased's Shares in question, strictly speaking, the beneficial interests of Mr. Cheung in the said Shares is pending to be confirmed by the grant of Probate.

APPENDIX II DETAILS OF RETIRING DIRECTORS SEEKING FOR RE-ELECTION AT THE 2008 AGM

Mr. Cheung has not entered into any service contract with the Company but he is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association of the Company. The Director's remuneration of Mr. Cheung is recommended by the Remuneration Committee of the Company with reference to the Group's performance and profitability as well as the prevailing remuneration benchmark in the industry and approved by the Shareholders at the annual general meetings of the Company. For the year ended 31st March 2008, Mr. Cheung received a Director's fee of HK\$80,000 but he did not receive any other emoluments. For the year ending 31st March 2009, a Director's fee of HK\$80,000 was recommended by the Remuneration Committee which will be determined by the Shareholders at the 2008 AGM.

Save as disclosed above, there are no other matters concerning Mr. Cheung that need to be brought to the attention of the Shareholders nor is there any information that need to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

3. **Mr. Ng Kwok Tung**, aged 57, was appointed an Independent Non-executive Director of the Company in 2001 and was re-designated as a Non-executive Director of the Company in 2004. He was also appointed a member of the Audit Committee and the Remuneration Committee of the Company in 2001 and 2005 respectively. Mr. Ng holds a Bachelor Degree in Commerce and a Licentiate in Accountancy and a Diploma in Chinese Law. He is a member of the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Accountants of British Columbia, the Order of Chartered Accountants of Quebec, the Canadian Institute of Chartered Accountants and the Taxation Institute of Hong Kong. Mr. Ng is a practising accountant in Hong Kong and a partner of Messrs Tony Kwok Tung Ng & Co. which currently provides audit and tax consultancy services to a number of private companies in which all the Executive Directors of the Company have interests as directors and/or beneficial shareholders. Mr. Ng is currently an independent non-executive director of another three Hong Kong listed companies, namely Fountain Set (Holdings) Limited, Universe International Holdings Limited and Timeless Software Limited. Save as disclosed herein, Mr. Ng did not hold any directorships in any other listed public companies in the last three years.

Mr. Ng does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. Mr. Ng does not hold any position in other members of the Group. As at the Latest Practicable Date, Mr. Ng does not have any interest in the Shares which is required to be disclosed pursuant to Part XV of the SFO.

**APPENDIX II DETAILS OF RETIRING DIRECTORS SEEKING
FOR RE-ELECTION AT THE 2008 AGM**

Mr. Ng has not entered into any service contract with the Company but he is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association of the Company. The Director's remuneration of Mr. Ng is recommended by the Directors with reference to the Group's performance and profitability as well as the prevailing remuneration benchmark in the industry and approved by the Shareholders at the annual general meetings of the Company. For the year ended 31st March 2008, Mr. Ng received a Director's fee of HK\$80,000 but he did not receive any other emoluments. For the year ending 31st March 2009, a Director's fee of HK\$80,000 was recommended by the Directors which will be determined by the Shareholders at the 2008 AGM.

Save as disclosed above, there are no other matters concerning Mr. Ng that need to be brought to the attention of the Shareholders nor is there any information that need to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

Article 74 of the Company's Articles of Association sets out the right of Shareholders to demand a poll:

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the Chairman of the meeting; or
- (ii) by at least three members present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) by a member or members present in person 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.

Unless a poll be so demanded and not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.