

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

The Stock Exchange of Hong Kong Limited (the "Stock Exchange") 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.

**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** all your shares in FX Creations International Holdings Limited (the "Company"), you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

This circular, for which the directors of the Company (the "Directors") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange 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.



**FX CREATIONS INTERNATIONAL HOLDINGS LIMITED**

**豐盛創意國際控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8136)**

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

The notice convening the annual general meeting of the Company to be held at Workshop A6, 12th Floor, Block A, Hong Kong Industrial Centre, 489-491 Castle Peak Road, Kowloon, Hong Kong on Tuesday, 9 August 2005 at 11:00 a.m. (the "AGM") is set out on pages 12 to 15 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return the same to the Company's Hong Kong branch share registrar, Tengis Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof if you so wish.

This circular will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the "Latest Company Announcements" page for at least 7 days from the day of its posting.

**CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF  
THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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

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## DEFINITIONS

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

“AGM”	an annual general meeting of the Company for the year ended 31 March 2005 to be held at Workshop A6, 12th Floor, Block A, Hong Kong Industrial Centre, 489-491 Castle Peak Road, Kowloon, Hong Kong on Tuesday, 9 August 2005 at 11:00 a.m. or any adjournment thereof
“Articles of Association”	the articles of association of the Company
“Board”	the board of directors of the Company
“Company”	FX Creations International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the GEM
“Directors”	the directors of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	13 July 2005, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Registrar”	the branch share registrar of the Company in Hong Kong, Tengis Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong
“Repurchase Mandate”	the general mandate to be granted to the Directors to exercise the powers of the Company to repurchase Shares during the period as set out in the Repurchase Resolution up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the Repurchase Resolution

## DEFINITIONS

“Repurchase Resolution”	the proposed ordinary resolution in the terms set out in resolution no. 5 of the notice of the AGM
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

LETTER FROM THE CHAIRMAN



**FX CREATIONS INTERNATIONAL HOLDINGS LIMITED**

**豐盛創意國際控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8136)**

**Executive Directors:**

Mr. Ng Pak To, Petto (*Chairman*)

Mr. Ong Chor Wei

Mr. Chan Man Yin

**Independent Non-executive Directors:**

Mr. Lee Kun Hung

Mr. Wong Hou Yan, Norman

Mr. Cheung Chi Hwa, Justin

**Registered Office:**

Century Yard

Cricket Square

Hutchins Drive

P.O. Box 2681GT

George Town

Grand Cayman

Cayman Islands

British West Indies

**Head Office and Principal**

**Place of Business:**

Workshop A6, 12th Floor, Block A

Hong Kong Industrial Centre

489-491 Castle Peak Road

Kowloon

Hong Kong

15 July 2005

*To the Shareholders*

Dear Sir or Madam,

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

**INTRODUCTION**

At the AGM, resolutions will be proposed (i) to grant to the Directors general mandates to allot or issue new Shares and to repurchase Shares and (ii) to re-elect the retiring Directors.

\* For identification purposes only

## LETTER FROM THE CHAIRMAN

### GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed in the terms set out in resolution no. 4 of the notice of the AGM whereby if passed, the Directors will be given a general and unconditional mandate to allot or issue new Shares, representing up to 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the resolution. In addition, if the Repurchase Resolution is passed, an ordinary resolution will be proposed in the terms set out in resolution no. 6 of the notice of the AGM whereby if passed, the Directors will be authorised to allot or issue further Shares up to an amount equal to the aggregate nominal amount of the issued share capital of the Company purchased under the Repurchase Mandate.

### GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, the Repurchase Resolution will be proposed that the Directors be granted the Repurchase Mandate. The Repurchase Mandate allows the Company to repurchase the Shares only during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by the Articles of Association or any applicable law; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company (the "Relevant Period").

As at the Latest Practicable Date, the issued share capital of the Company comprised 400,000,000 Shares. Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and prior to the AGM, the Company will be allowed to repurchase a maximum of 40,000,000 Shares under the Repurchase Mandate.

An explanatory statement required to be sent to the Shareholders under the GEM Listing Rules is attached herewith to provide the requisite information to the Shareholders to make an informed decision in relation to the Repurchase Resolution.

### RE-ELECTION OF DIRECTORS

In relation to resolution no. 2 set out in the notice of the AGM regarding the re-election of Directors, Mr. Ong Chor Wei, Mr. Chan Man Yin, Mr. Lee Kun Hung, Mr. Wong Hou Yan, Norman and Mr. Cheung Chi Hwa, Justin will retire at the AGM pursuant to the Articles of Association, and, being eligible, offer themselves for re-election. Biographical details of the retiring Directors are set out below:

- (i) Mr. Ong Chor Wei, aged 35, is an executive Director. Mr. Ong is responsible for the financial management and finance functions of the Group. He graduated from London School of Economics and Political Science, University of London with a Bachelor of Laws Degree. He also holds a Master Degree in Business Administration jointly awarded by the University of Wales and University of Manchester. He is an associate member of the Institute of Chartered

## LETTER FROM THE CHAIRMAN

Accountants in England and Wales and a member of the Hong Kong Institute of Certified Public Accountants. Prior to joining the Group in January 2002, he worked as a finance director for a manufacturer of bags and luggages. Mr. Ong was appointed as Director in January 2002. He is also a director of various members of the Group. He is currently a non-executive director of Eagle Nice (International) Holdings Limited, a company listed on the Main Board of the Stock Exchange and Jets Technics International Holdings Limited, a company listed on the Singapore Exchange Securities Trading Limited. Mr. Ong is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. He does not have any interests in the securities of the Company within the meaning of Part XV of the SFO. He has no service contract with the Company. There is no fixed term for his appointment and he is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. He has not received any emolument for services to the Company.

Save as disclosed above, Mr. Ong has confirmed that there are no other matters that need to be brought to the attention of the Shareholders.

- (ii) Mr. Chan Man Yin, aged 48, has been appointed as an executive Director with effect from 1 June 2005. He has over 20 years' experience in accounting, auditing, taxation and consulting. Mr. Chan holds a Master Degree of Business Administration from Columbia Southern University. He is a fellow member of the Association of Chartered Certified Accountants, a fellow member (Practising) of Hong Kong Institute of Certified Public Accountants, an associate member of the Institute of Chartered Accountants in England and Wales and a fellow member of Taxation Institute of Hong Kong. Mr. Chan did not hold any directorship in any other listed public company during the three years preceding the Latest Practicable Date. Mr. Chan is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. He does not have any interests in the securities of the Company within the meaning of Part XV of the SFO. He has entered into a service contract with the Company for a term of one year commencing from 1 June 2005. His emolument in connection with his position as an executive Director is HK\$10,000 per month plus a discretionary year-end bonus to be determined by the Board from time to time. His emolument is determined by arm's length negotiation between the parties. Mr. Chan is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Saved as disclosed above, Mr. Chan has confirmed that there are no other matters that need to be brought to the attention of the Shareholders.

## LETTER FROM THE CHAIRMAN

- (iii) Mr. Lee Kun Hung, aged 39, has been appointed as an independent non-executive Director with effect from 20 June 2005. He holds a Bachelor's Degree in Arts from the Boston College, Massachusetts in the United States. He has over 15 years of manufacturing experience in the watch industry. Mr. Lee is currently an independent non-executive director of KanHan Technologies Group Limited, a company listed on the GEM of the Stock Exchange. Save as disclosed above, Mr. Lee did not hold any directorship in any other listed public company during the three years preceding the Latest Practicable Date. Mr. Lee is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. He does not have any interests in the securities of the Company within the meaning of Part XV of the SFO. He has entered into a service contract with the Company for a term of one year commencing from 20 June 2005. His emolument in connection with his position as an independent non-executive Director is HK\$5,000 per month plus a discretionary year-end bonus to be determined by the Board from time to time. His emolument is determined by arm's length negotiation between the parties. Mr. Lee is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Saved as disclosed above, Mr. Lee has confirmed that there are no other matters that need to be brought to the attention of the Shareholders.

- (iv) Mr. Wong Hou Yan, Norman, aged 52, has been appointed as an independent non-executive Director with effect from 20 June 2005. He has over 28 years of experience in the fields of information technology, project management, sales and support and quality assurance. Mr. Wong is now a managing director of a computing services company where he takes charge of overall management in business expansion, customer relations and daily operation and compliance. Mr. Wong obtained a Bachelor's Degree of Arts in Business Data Processing from the University of Wisconsin in the United States. Mr. Wong did not hold any directorship in any other listed public company during the three years preceding the Latest Practicable Date. Mr. Wong is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. He does not have any interests in the securities of the Company within the meaning of Part XV of the SFO. He has entered into a service contract with the Company for a term of one year commencing from 20 June 2005. His emolument in connection with his position as an independent non-executive Director is HK\$5,000 per month plus a discretionary year-end bonus to be determined by the Board from time to time. His emolument is determined by arm's length negotiation between the parties. Mr. Wong is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Saved as disclosed above, Mr. Wong has confirmed that there are no other matters that need to be brought to the attention of the Shareholders.

## LETTER FROM THE CHAIRMAN

- (v) Mr. Cheung Chi Hwa, Justin, aged 51, has been appointed as an independent non-executive Director with effect from 4 July 2005. He holds a Bachelor's Degree of Laws from Manchester Metropolitan University in the United Kingdom and a Master of Business Administration Degree from California State University in the United States. Mr. Cheung is a member of the American Institute of Certified Public Accountants and has over 20 years of banking, accounting and company secretarial experiences. Mr. Cheung did not hold directorship in any other listed public company during the three years preceding the Latest Practicable Date. Mr. Cheung is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. He does not have any interest in the securities of the Company within the meaning of Part XV of the SFO. He has entered into a letter of appointment with the Company for a term of one year commencing from 4 July 2005. His emolument in connection with his position as an independent non-executive Director is HK\$5,000 per month plus a discretionary year-end bonus to be determined by the Board from time to time. His emolument is determined under arm's length negotiation between the parties. Mr. Cheung is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

Saved as disclosed above, Mr. Cheung has confirmed that there are no other matters that need to be brought to the attention of the Shareholders.

### ANNUAL GENERAL MEETING

The notice convening the AGM is set out on pages 12 to 15 of this circular for the purpose of considering and, if thought fit, passing the resolutions set out therein.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the Registrar in accordance with the instructions printed thereon as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof if you so wish.

None of the Shareholders will be required to abstain from voting at the AGM.

### PROCEDURE FOR DEMANDING A POLL

Pursuant to Article 66 of the Articles of Association, at any general meeting a resolution put to the vote of the 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 (i) by the chairman of the meeting; or (ii) by at least three Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or (iii) by a Shareholder or Shareholders present in person (or in

## LETTER FROM THE CHAIRMAN

the case of a Shareholder being a corporation by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or (iv) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised 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 all resolutions as set out in the notice of the AGM are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of such resolutions.

### FURTHER INFORMATION

Your attention is drawn to the appendix to this circular containing an explanatory statement as required pursuant to Rule 13.08 of the GEM Listing Rules.

Yours faithfully,  
**Ng Pak To, Petto**  
*Chairman*

This appendix serves as an explanatory statement as required to be sent to the Shareholders pursuant to Rule 13.08 of the GEM Listing Rules to provide the requisite information to the Shareholders to make an informed decision in relation to the Repurchase Resolution proposed at the AGM.

## **SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 400,000,000 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and prior to the AGM, the Company will be allowed to repurchase a maximum of 40,000,000 Shares, representing 10% of the issued share capital of the Company.

## **REASON FOR REPURCHASE**

The Directors believe that the grant of the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per share of the Company.

The Repurchase Mandate will only be exercised when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole.

The Directors have no present intention to repurchase any Shares.

## **FUNDING OF REPURCHASES**

In repurchasing Shares, the Company will only apply funds legally available for such purpose in accordance with its memorandum and articles of association, the laws of the Cayman Islands and the GEM Listing Rules. The Company will not purchase the Shares on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the financial position of the Company as at 31 March 2005 (being the date of its latest published audited consolidated accounts) in the event that the repurchase of Shares were to be carried out in full at any time during the Relevant 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.

**SHARE PRICES**

The highest and lowest prices at which the Shares have been traded on GEM in each of the previous twelve months before the Latest Practicable Date are as follows:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2004</b>		
July	0.1040	0.1000
August	0.1000	0.1000
September	0.1000	0.0900
October	0.0900	0.0900
November	0.0900	0.0450
December	0.0470	0.0470
<b>2005</b>		
January	0.0470	0.0470
February	0.0470	0.0470
March	0.0470	0.0470
April	0.0470	0.0240
May	0.0460	0.0400
June	0.0460	0.0180
July (up to and including the Latest Practicable Date)	0.0380	0.0160

**UNDERTAKING**

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate in the event that it is approved by the Shareholders at the AGM.

No other connected persons (as defined in the GEM Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so under the Repurchase Mandate in the event that it is approved by the Shareholders at the AGM.

**EFFECT OF THE 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

Takeovers Code. As a result, a Shareholder, or a 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 Takeovers Code.

As at the Latest Practicable Date, the following persons were interested in 10% or more of the issued share capital of the Company. In the event that the Repurchase Mandate is exercised in full, the interest of such persons will be increased to approximately the percentages set out in the last column as follows:

Name of Shareholder	Number of Shares held	Approximate percentage of shareholding (%)	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full (%)
Wise New Management Limited ("Wise New")	204,000,000 <sup>(Note 1)</sup>	51	56.67
Top Accurate Limited ("Top Accurate")	76,000,000 <sup>(Note 2)</sup>	19	21.11

*Note:*

1. These Shares represent a 51% equity interest in the Company and are held by Wise New. The issued share capital of Wise New is beneficially owned by Cashtram Associates Limited ("Cashtram") as to 45%, FX Creations (Holding) Inc. ("FXHI") as to 30% and Forge Smart Investments Limited ("Forge Smart") as to 25%. Mr. Ng Pak To, Petto holds 40% and 100% equity interests in Cashtram and Forge Smart. Mr. Ho Kai Chung, David holds 30% equity interests in Cashtram. Mr. Wong Wai Shan holds 100% equity interests in FXHI.
2. These Shares represent a 19% equity interest in the Company and are held by Top Accurate. The ultimate beneficial owner of Top Accurate is Mr. Ma She Shing, Albert.

The Directors will not repurchase the Shares on GEM if the repurchase would result in the number of the listed securities which are in the hands of the public falling below the relevant minimum prescribed percentage for the Company as required by the Stock Exchange.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate.

#### SHARE REPURCHASE MADE BY THE COMPANY

No purchase of Shares has been made by the Company in the preceding six months (whether on the Stock Exchange or otherwise) ending on the Latest Practicable Date.

# NOTICE OF ANNUAL GENERAL MEETING



## FX CREATIONS INTERNATIONAL HOLDINGS LIMITED

豐盛創意國際控股有限公司\*

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8136)**

**Notice is hereby given** that the annual general meeting of the shareholders of FX Creations International Holdings Limited (the "Company") will be held at Workshop A6, 12th Floor, Block A, Hong Kong Industrial Centre, 489-491 Castle Peak Road, Kowloon, Hong Kong on Tuesday, 9 August 2005, at 11:00 a.m. for the following purposes:

1. to receive and adopt the audited financial statements and the reports of the directors and the auditors for the year ended 31 March 2005;
2. to re-elect directors and to authorize the board of directors to fix the directors' remuneration;
3. to re-appoint auditors and to authorize the board of directors to fix their remuneration;

and by way of special business, to consider and, if thought fit, to pass with or without alterations, the following resolutions as ordinary resolutions:

4. **That:**
  - (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares in the capital of the Company and to make or grant offers, agreements and options (including, without limitation, warrants, bonds, notes, debentures and securities convertible into shares) which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) of this Resolution shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including, without limitation, warrants, bonds, notes, debentures and securities convertible into shares) which might require the exercise of such powers after the end of the Relevant Period;

\* For identification purposes only

## NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (where pursuant to options or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the grant or exercise of any option under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in accordance with the memorandum and articles of association of the Company in force from time to time; or (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company, shall not exceed the aggregate of:
- (i) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution; and
  - (ii) (if the directors of the Company are so authorized by the passing of a separate ordinary resolution by the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution), and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly; and
- (d) for the purpose of this Resolution:

“Relevant Period” means the period from the date of the passing of this Resolution until whichever is 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 articles of association of the Company, or any applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in a general meeting revoking or varying the authority given to the directors of the Company by this Resolution.

“Rights Issue” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for share open for a period fixed by the directors of the Company to

## NOTICE OF ANNUAL GENERAL MEETING

holders of shares in the Company on the register of members of the Company on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to overseas shareholders or fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognized regulatory body or any stock exchange outside Hong Kong).

5. **That:**

- (a) the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") or any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the memorandum and articles of association of the Company, and all applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which may be purchased by the Company pursuant to the approval in paragraph (a) 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 on the date of the passing of this Resolution and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly; and
- (c) for the purpose of this Resolution:

"Relevant Period" means the period from the date of the passing of this Resolution until whichever is 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 articles of association of the Company, or any applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in a general meeting revoking or varying the authority given to the directors of the Company by this Resolution.

## NOTICE OF ANNUAL GENERAL MEETING

6. **That** the directors of the Company be and are hereby authorized to exercise the authority referred to in paragraph (a) of Resolution no. 4 above in respect of the share capital of the Company referred to in sub-paragraph (ii) of paragraph (c) of such Resolution.

By order of the Board  
**Ong Chor Wei**  
Company Secretary

15 July 2005

*Registered Office:*

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

*Head Office and Principal Place of Business:*

Workshop A6, 12th Floor, Block A  
Hong Kong Industrial Centre  
489-491 Castle Peak Road  
Kowloon  
Hong Kong

*Notes:*

- (a) A shareholder of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company.
- (b) To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority must be deposited with the Company's Hong Kong branch share registrar, Tengis Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting thereof.
- (c) Delivery of an instrument appointing a proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.

As at the date hereof, the Company's executive directors are Mr. Ng Pak To, Petto, Mr. Ong Chor Wei and Mr. Chan Man Yin and the Company's independent non-executive directors are Mr. Lee Kun Hung, Mr. Wong Hou Yan, Norman and Mr. Cheung Chi Hwa, Justin.