
IMPORTANT

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

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

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.

The 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 (the “GEM”) of the Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this circular is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this circular misleading; and (3) 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.



FORTUNE TELECOM HOLDINGS LIMITED

長遠電信網絡集團有限公司*

(Incorporated in Bermuda with limited liability)

GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES AND NOTICE OF ANNUAL GENERAL MEETING

This circular is dispatched together with the Annual Report which comprises of the directors' report, the auditors' report by Messrs. Deloitte Touche Tohmatsu and the financial statements of Fortune Telecom Holdings Limited (“the Company”) for the year ended 31st March, 2003.

A notice convening the annual general meeting of the Company to be held at Room 1505-7, Tower A, Regent Centre, 63 Wo Yi Hop Road, Kwai Chung, Hong Kong on Tuesday, 26th August, 2003 at 12:00 noon is set out in Page 10 to 13 of this circular. Whether or not you are able to attend such meeting, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon to Abacus Share Registrars Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding such meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjourned meeting (as the case may be) should you so wish.

The circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of posting.

20th June, 2003

* For identification purposes only

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 sector 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 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:

“Annual General Meeting”	the annual general meeting of the Company to be held at Room 1505-7, Tower A, Regent Centre, 63 Wo Yi Hop Road, Kwai Chung, Hong Kong, on 26th August, 2003 at 12:00 noon, notice of which is set out on pages 10 to 13 of this circular;
“Business day”	a day on which the Stock Exchange is open for the trading of securities;
“Code”	The Hong Kong Code on Takeovers and Mergers;
“Company”	Fortune Telecom Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the securities of which are listed on the GEM of the Stock Exchange;
“Directors”	the directors of the Company including independent non-executive directors;
“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;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	18th June, 2003 being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Registrar”	the branch registrar of the Company in Hong Kong, Abacus Share Registrars 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 during the period as set out in the Repurchase Resolution Shares up to a maximum of 10% of the issued share capital of the Company;

DEFINITIONS

“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution No. 6 of the notice of the Annual General Meeting;
“Share Buyback Rules”	the relevant rules set out in the GEM Listing Rules or the Listing Rules to regulate the repurchase by companies with share listing on the Stock Exchange;
“Shareholders”	registered holders of Shares;
“Shares”	ordinary shares of HK\$0.10 each (or of such other nominal amount as shall result from a sub-division or a consolidation of such shares from time to time) in the capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Substantial shareholder”	has the meaning ascribed thereto in the GEM Listing Rules.



FORTUNE TELECOM HOLDINGS LIMITED

長遠電信網絡集團有限公司*

(Incorporated in Bermuda with limited liability)

Executive Directors:

Lau Siu Ying, Steve (*Chairman*)

Luo Xi Zhi

Tin Ding Hong William

Non-Executive Directors:

Fung Oi Ip, Alfonso

Lo Wing Yat, Kelvin

Chang Wing Seng, Victor[#]

Liu Kwok Fai, Alvan[#]

[#] *Independent Non-Executive Director*

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal Office in Hong Kong:

Room 1505-7, Tower A

Regent Centre

63 Wo Yi Hop Road

Kwai Chung, Hong Kong

20th June, 2003

To: the Shareholders

Dear Sir or Madam,

GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES AND NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this document is to provide you with details regarding the ordinary resolutions to be proposed at the Annual General Meeting for the granting to the Board of the Repurchase Mandate and a general mandate for the issuance of Shares. Set out on pages 10 to 13 of this circular is a notice convening the Annual General Meeting at which the Shareholders will be requested to consider and, if thought fit, pass the necessary ordinary resolutions to approve the aforesaid matters.

I. Repurchase Mandate

At the Annual General Meeting, an ordinary resolution will be proposed that the Directors be granted the Repurchase Mandate. The Repurchase Mandate will expire at the conclusion of the next annual general meeting of the Company unless it is renewed at such meeting. In the meantime, it may be revoked or varied by an ordinary resolution of the Shareholders in general meeting prior to the next annual general meeting.

* *For identification purposes only*

LETTER FROM THE CHAIRMAN

An explanatory statement to provide Shareholders with all the information reasonably necessary for them to make an informed decision in relation to this proposed resolution as required by the GEM Listing Rules or the Listing Rules concerning the regulation of the purchase by companies of their own securities on the Stock Exchange is set out in the appendix to this circular.

II. General mandate to issue Shares

At the Annual General Meeting, an ordinary resolution will also be proposed that the Directors be given a general and unconditional mandate to issue further Shares representing up to 20% of the aggregate nominal amount of the share capital of the Company in issue on the date the resolution is passed. In addition, a resolution will be proposed to be passed to authorise the Directors to issue Shares in an amount equal to the aggregate issued share capital purchased under the Repurchase Mandate.

ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting to be held at Room 1505-7, Tower A, Regent Center, 63 Wo Yi Hop Road, Kwai Chung, Hong Kong on 26th August, 2003 is set out on pages 10 to 13 of this circular.

A form of proxy for use at the Annual General Meeting is enclosed. If you are not able to attend the meeting in person, please complete the form of proxy in accordance with the instructions printed thereon and return the same to the Registrar as soon as possible and in any event before 12:00 noon on Sunday, 24th August, 2003, being not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

RECOMMENDATION

The Directors consider that the granting of the Repurchase Mandate, the general mandate to issue shares as set out in paragraphs I and II above are beneficial to and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that you vote in favour of the ordinary resolutions to be proposed at the Annual General Meeting.

DOCUMENTS FOR INSPECTION

Copies of the memorandum of association and bye-laws of the Company will be available for inspection at Room 1505-7, Tower A, Regent Centre, 63 Wo Yi Hop Road, Kwai Chung, Hong Kong during normal business hours up to and including the date of the Annual General Meeting.

LETTER FROM THE CHAIRMAN

RESPONSIBILITY STATEMENT

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

GENERAL

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

Yours faithfully,
By Order of the Board
FORTUNE TELECOM HOLDINGS LIMITED
Lau Siu Ying, Steve
Chairman

This appendix serves as an explanatory statement, as required by the Share Buyback Rules, to provide the requisite information to you for your consideration of the granting of the Repurchase Mandate. For the purpose of this Appendix, the term “shares” shall be as defined in the Code on share repurchases to mean shares of all classes and securities which carry a right to subscribe or purchase shares.

SHARE BUYBACK RULES

Under the Share Buyback Rules, any securities buyback by a company with a primary listing on the GEM of the Stock Exchange or the main board of the Stock Exchange has to comply with the following provisions:

(a) Shareholders' Approval

All on-market share repurchases by a company must be approved in advance by an ordinary resolution, either by way of a general mandate or by a specific approval in relation to specific transactions.

(b) Source of Funds

Repurchases must be funded out of funds which are legally available for the purpose in accordance with the memorandum of association and bye-laws of the company and the laws of Bermuda.

REASONS FOR SHARE BUYBACK

Although the Directors have no present intention of repurchasing any shares, they believe that the flexibility afforded by the buyback mandate would be beneficial to the Company and its shareholders. Trading conditions on the Stock Exchange have sometimes been volatile in recent years. At any time in the future when shares are trading at a discount to their underlying value, the ability of the Company to repurchase shares will be beneficial to those shareholders who retain their investment in the Company since their interest in the assets of the Company would increase in proportion to the number of shares repurchased by the Company and thereby resulting in an increase in net assets and/or earnings per share of the Company. Such repurchases will only be made when the Directors believe that such repurchases will benefit the Company and its shareholders.

SHARE CAPITAL

As at the Latest Practicable Date, the Company has in issue an aggregate of 302,100,000 Shares.

Subject to the passing of ordinary resolutions to approve the Repurchase Mandate and the mandate to issue Shares, and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the Annual General Meeting, the Company would be allowed (i) under the Repurchase Mandate to repurchase up to a maximum of 30,210,000 Shares; and (ii) to allot, issue and otherwise deal with a maximum of 60,420,000 Shares.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association and bye-laws of the Company and the laws of Bermuda. In repurchasing shares, the Directors will only apply funds out of the capital paid up on the relevant shares or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of shares made for the purpose in accordance with Bermuda laws. Regarding the amount of premium (if any) payable on a repurchase, the Directors will only apply funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company before the shares are repurchased.

The Company is empowered by its memorandum of association and bye-laws to repurchase its Shares. Bermuda laws provide that the amount of capital paid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares or out of the funds of the Company that would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of shares made for such purpose. Any amount of premium payable on repurchase may only be paid out of funds of the Company that would otherwise be available for dividend or distribution or out of the share premium account of the Company before the shares are repurchased. The shares so repurchased will be treated as cancelled and the amount of the Company's issued share capital shall be diminished by the nominal value of those repurchased shares but the aggregate amount of authorised share capital will not be reduced.

There might be an adverse material impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate was 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 an adverse material 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. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

MARKET PRICES

The highest and lowest prices at which Shares have been traded on GEM of the Stock Exchange during each of the previous 12 months from June 2002 to May 2003 were as follows:

	Shares	
	Highest HK\$	Lowest HK\$
2002		
June	0.830	0.530
July	0.700	0.580
August	0.870	0.570
September	0.810	0.680
October	0.820	0.730
November	0.850	0.720
December	0.860	0.680
2003		
January	0.860	0.620
February	0.730	0.620
March	0.730	0.600
April	0.600	0.390
May	0.660	0.405

Source: The Stock Exchange of Hong Kong Limited

SHARES REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any of its own Shares (whether on the GEM of the Stock Exchange or otherwise) during the six months peceeding the Latest Practicable Date.

RESOLUTIONS TO BE PROPOSED AT THE ANNUAL GENERAL MEETING

Ordinary resolution No. 6 to be proposed at the Annual General Meeting relates to the granting of a general mandate to the Directors of the Company to repurchase, on the Stock Exchange, Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the resolution.

Ordinary resolution No. 5 to be proposed at the Annual General Meeting relates to the granting of a general mandate to the Directors to issue new shares up to a maximum of 20% of the issued share capital of the Company on the date of the resolution; in addition, subject to a separate approval of shareholders of ordinary resolution No. 7, the number of Shares repurchased by the Company under the Repurchase Mandate will also be added to the 20% general mandate as mentioned above.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make repurchases under the Repurchase Mandate in accordance with the GEM Listing Rules or the Listing Rules and laws of Bermuda and in accordance with the regulations set out in the memorandum of association and bye-laws of the Company.

EFFECT OF THE CODE

If as a result of share repurchases by the Company, a substantial shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Code. Accordingly, a shareholder, or group of shareholders acting in concert, depending on the level of increase of the shareholder's interest, could obtain or consolidate control of the Company or become obliged to make a mandatory offer in accordance with Rule 26 of the Code.

As at the Latest Practicable Date prior to the printing of this circular, Future 2000 Limited, was interested in 211,500,013 Shares, representing approximately 70.01% of the Shares issued by the Company. In the event that the Directors exercised in full the power to repurchase Shares of the Company in accordance with the terms of ordinary resolution No. 6 to be proposed at the Annual General Meeting, the total interests of Future 2000 Limited in the Shares of the Company would be increased to approximately 77.79% of the issued Shares of the Company. Such increase would not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Code. The Directors are not aware of any consequence which will arise under the Code as a result of any repurchases to be made under the Repurchase Mandate. Moreover, the Directors will not make any share repurchase on the Stock Exchange if the result of the repurchase would result in less than 25% of the issued share capital of the Company in the public hands.

DIRECTORS' DEALINGS

To the best of the Directors' knowledge having made all reasonable enquiries, none of them, nor any of their associates presently intends to sell Shares to the Company under the Repurchase Mandate in the event that the Repurchase Mandate is approved by the Shareholders.

CONNECTED PERSONS

The Company has not been notified by any connected persons (as defined in the GEM Listing Rules or the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the Repurchase Mandate is approved by its Shareholders.



FORTUNE TELECOM HOLDINGS LIMITED

長遠電信網絡集團有限公司*

(Incorporated in Bermuda with limited liability)

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “Meeting”) of the members of Fortune Telecom Holdings Limited (the “Company”) will be held at Room 1505-7, Tower A, Regent Centre, 63 Wo Yip Hop Road, Kwai Chung, Hong Kong on Tuesday, 26th August, 2003 at 12:00 noon for the following purposes:

1. To consider and approve the audited financial statements and the reports of the directors and auditors of the Company for the year ended 31st March, 2003;
2. To consider and declare a final dividend for the year ended 31st March, 2003;
3. (a) To re-elect the following persons as Directors:
 - (i) Mr. Fung Oi Yip, Alfonso and
 - (ii) Mr. Chang Wing Seng, Victor;
- (b) To authorise the board of directors to fix Directors’ remuneration;
4. To re-appoint Messrs. Deloitte Touche Tohmatsu as the Company’s auditors and authorise the Directors to fix their remuneration;
5. As special business, to consider and, if thought fit, pass with or without amendment(s) the following resolution as Ordinary Resolution:

“THAT:

- (a) subject to paragraph (c) of this Resolution, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “GEM”) of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or the Rules governing the Listing of Securities on the Stock Exchange, 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 additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for any 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;

* For identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) of this Resolution shall be in addition to any other authorisation given to the Directors of the Company and shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options, including but not limited to warrants, bonds and debentures convertible into shares of the Company which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Right Issue (as hereinafter defined); or (ii) the grant or exercise of any option under the share option scheme(s) of the Company or any other option, scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or participants of the Company and/or any of its subsidiaries of shares or rights to acquire shares in the capital 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 of the Company in accordance with the bye-laws of the Company in force from time to time, shall not exceed the aggregate of 20% 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 in 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 memorandum of association and bye-laws of the Company, or any other applicable laws of Bermuda to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution; and

“Right Issue” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares in the Company on the register (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their holdings of shares (subject to such exclusion 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 jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

6. As special business, to consider and, if thought fit, pass with or without amendment(s) the following resolution as Ordinary Resolution:

“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 powers of the Company to repurchase securities of the Company on the GEM or on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange or of any other stock exchange as amended from time to time and all applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its Shares at a price determined by the Directors;
- (c) the aggregate nominal amount of securities of the Company which may be repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period (as herein defined) shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution and the authority granted 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 memorandum of association and bye-laws of the Company, or any other applicable laws of Bermuda to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution.”

NOTICE OF ANNUAL GENERAL MEETING

7. As special business, to consider and, if thought fit, pass with or without amendment(s) the following resolution as Ordinary Resolution:

“**THAT** conditional upon Resolutions Nos. 5 and 6 set out in the notice convening this meeting being duly passed, the general mandate granted to the Directors of the Company to exercise the powers of the Company to allot, issue and deal with shares pursuant to Resolution No. 5 set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital which may be allotted or agreed conditionally or unconditionally to be allotted and issued by the Directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution No. 6 set out in the notice convening this meeting, provided that such an amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution.”

By Order of the Board
Fortune Telecom Holdings Limited
Lau Siu Ying, Steve
Chairman

Hong Kong, 20th June, 2003

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and, on a poll, vote instead of him at the Meeting. A proxy need not be a member of the Company but must be present in person to represent the member.
2. The form of proxy must be lodged at the Company's branch registrar in Hong Kong, Abacus Share Registrars 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 Meeting. Completion and return of the proxy will not preclude any member from attending and voting in person.
3. The Register of Members of the Company will be closed from 21st August, 2003 to 26th August, 2003 (both days inclusive), during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with Abacus Share Registrars Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 20th August, 2003.