

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

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

This circular, for which the directors of First Mobile Group Holdings Limited 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 of Hong Kong Limited for the purpose of giving information with regard to First Mobile Group Holdings Limited. 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.

**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 First Mobile Group Holdings Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.



**FIRST MOBILE GROUP HOLDINGS LIMITED**  
**(第一電訊集團有限公司)\***

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8110)**

**PROPOSALS FOR  
AMENDMENTS TO THE ARTICLES OF ASSOCIATION,  
GENERAL MANDATES TO ISSUE NEW SHARES AND  
TO REPURCHASE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of First Mobile Group Holdings Limited to be held at The Derby Suite III, Level 3, Royal Park Hotel, 8 Pak Hok Ting Street, Shatin, New Territories, Hong Kong on Wednesday, 26th April, 2006 at 3:30 p.m., is set out on pages 13 to 17 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Abacus Share Registrars Limited at 26th Floor, Tesbury Centre, 28 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 meeting or any adjournment thereof. Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the meeting should they so wish.

This circular will remain on the GEM website on the "Latest Company Announcements" page for at least 7 days from the date of its posting.

## CHARACTERISTICS OF GEM

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

“AGM”	the annual general meeting of the Company to be held at The Derby Suite III, Level 3, Royal Park Hotel, 8 Pak Hok Ting Street, Shatin, New Territories, Hong Kong on Wednesday, 26th April, 2006 at 3:30 p.m.
“Articles of Association”	the articles of association of the Company as may be amended from time to time
“Associate(s)”	as such term is defined under the GEM Listing Rules
“CG Code”	the Code on Corporate Governance Practices in Appendix 15 of the GEM Listing Rules
“Commission”	Securities and Futures Commission
“Company”	First Mobile Group Holdings Limited
“Director(s)”	director(s) of the Company
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“Group”	the Company, its subsidiaries and its associated companies from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Issue Mandate”	the general mandate to allot, issue and deal with Shares not exceeding 20 per cent of the issued share capital of the Company as at the date of passing of the resolution approving the Issue Mandate
“Latest Practicable Date”	24th March, 2006, being the latest practicable date prior to the printing of this circular
“Memorandum of Association”	the memorandum of association of the Company as may be amended from time to time

## DEFINITIONS

“Repurchase Mandate”	the general mandate to exercise the power of the Company to repurchase Shares up to a maximum of 10 per cent of the issued share capital of the Company as at the date of passing of the resolution approving the Repurchase Mandate
“SFO”	the Securities and Futures Ordinance
“Shareholder(s)”	holder(s) of Share(s)
“Share(s)”	share(s) of nominal value of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers approved by the Commission from time to time

## LETTER FROM THE BOARD



### **FIRST MOBILE GROUP HOLDINGS LIMITED** **(第一電訊集團有限公司)\***

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

**(Stock Code: 8110)**

*Executive Directors:*

Mr. Ng Kok Hong  
Mr. Ng Kok Tai  
Mr. Ng Kok Yang

*Independent Non-executive Directors:*

Mr. See Tak Wah  
Mr. Wu Wai Chung Michael  
Mr. Wong Tin Sang Patrick

*Registered Office:*

Ugland House  
South Church Street  
P.O. Box 309  
George Town  
Grand Cayman  
Cayman Islands

*Head Office and*

*Principal Place of Business:*

Suite 1919-1923  
19th Floor  
Grandtech Centre  
8 On Ping Street  
Shatin  
New Territories  
Hong Kong

27th March, 2006

*To the Shareholders of the Company*

Dear Sir or Madam,

### **PROPOSALS FOR AMENDMENTS TO THE ARTICLES OF ASSOCIATION, GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES AND RE-ELECTION OF RETIRING DIRECTORS**

#### **INTRODUCTION**

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM. These include a special resolution relating to the amendments to the Articles of Association and ordinary resolutions relating to the granting of the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate, and re-election of the retiring Directors.

\* For identification purpose only

## LETTER FROM THE BOARD

### AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Stock Exchange announced certain amendments to the GEM Listing Rules for the purpose of implementing the CG Code which, subject to certain transitional arrangements, took effect on 1st January, 2005. Pursuant to CG Code provision A.4.2, (i) all Directors appointed to fill a casual vacancy should be subject to election by Shareholders at the first general meeting after their appointment; and (ii) every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Recently, the Stock Exchange made various minor and housekeeping amendments to the GEM Listing Rules which took effect on 1st March, 2006, amongst which, provides that a director may be removed by an ordinary resolution in general meeting instead of a special resolution.

To ensure compliance with the CG Code and the amended GEM Listing Rules, the Directors propose to put forward to the Shareholders for approval at the AGM by special resolution to amend Articles 99, 106, 116 and 122 of the Articles of Association.

Details of the proposed amendments to the Articles of Association are set out in special resolution no. 4 of the notice of AGM. A brief summary of the proposed amendments is set out below:

<b>Article No.</b>	<b>Proposed Amendment</b>
99	To be consistent with paragraph A.4.2 of the CG Code, this Article be amended to require that any Director appointed to fill a casual vacancy or as an addition to the Board be subject to election by Shareholders at the first general meeting after their appointment rather than at the first annual general meeting after their appointment.
106 and 122	To be consistent with the amended GEM Listing Rules, these Articles be amended so that directors may be removed by an ordinary resolution instead of a special resolution.
116	To be consistent with paragraph A.4.2 of the CG Code, this Article be amended to ensure that every Director (including the Managing Director or Joint Managing Director) should be subject to retirement by rotation at least once every three years.

## LETTER FROM THE BOARD

### ISSUE MANDATE

An ordinary resolution will be proposed at the AGM to grant the Directors the Issue Mandate which will enable the Directors to allot, issue and otherwise deal with additional Shares up to the limit of 20 per cent of the aggregate nominal value of the issued share capital of the Company on the date of passing such resolution. In addition, an ordinary resolution will also be proposed to authorise an extension of the Issue Mandate by adding to the aggregate number of additional Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Issue Mandate the number of Shares repurchased under the Repurchase Mandate, if granted.

Details of the aforesaid ordinary resolutions are set out in ordinary resolution nos. 5 and 7 of the notice of AGM.

### REPURCHASE MANDATE

At the AGM, an ordinary resolution will be proposed to grant the Directors the Repurchase Mandate which will enable the Directors to repurchase Shares on the GEM or on any other exchange on which the Shares have been or may be listed and recognised for this purpose by the Commission and the Stock Exchange up to a limit of 10 per cent of the aggregate nominal value of the issued share capital of the Company on the date of passing such resolution. An explanatory statement as required under the GEM Listing Rules, giving certain information regarding the Repurchase Mandate, is set out in Appendix I to this circular.

Details of the aforesaid ordinary resolution are set out in ordinary resolution no. 6 of the notice of AGM.

### RE-ELECTION OF RETIRING DIRECTORS

Mr. Ng Kok Hong and Mr. See Tak Wah will retire from office at the AGM in accordance with Articles 116 and 99 respectively of the Articles of Association. The retiring Directors, being eligible, will offer themselves for re-election.

Biographical details of Mr. Ng Kok Hong and Mr. See Tak Wah, which are required to be disclosed in accordance with the GEM Listing Rules, are set out in Appendix II to this circular.



## LETTER FROM THE BOARD

### ANNUAL GENERAL MEETING

The notice convening the AGM is set out on pages 13 to 17 of this circular.

A form of proxy for use at the AGM is enclosed with the 2005 Annual Report. Whether or not you propose to attend the AGM, you are requested to complete the form of proxy and return the same to the Company's branch share registrar in Hong Kong, Abacus Share Registrars Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the AGM. Completion and delivery of the form of proxy will not preclude you from subsequently attending and voting at the AGM or any adjournment thereof if you so wish.

### PROCEDURES FOR DEMANDING A POLL

Pursuant to Article 80 of the Articles of Association, a poll can be demanded in respect of a resolution put to vote at any general meeting. The procedures for demanding a poll at a general meeting is set out in Appendix III to this circular.

### RECOMMENDATION

The Directors believe that the amendments to the Articles of Association, the granting of the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and the re-election of the retiring Directors are in the best interests of the Company as well as its Shareholders. Accordingly, the Directors recommend that all the Shareholders of the Company should vote in favour of all the aforesaid resolutions.

Yours faithfully,  
For and on behalf of the Board of  
**First Mobile Group Holdings Limited**  
**Ng Kok Hong**  
*Executive Chairman*

This is an explanatory statement given to all Shareholders of the Company relating to ordinary resolution no. 6 of the notice of AGM authorising the Repurchase Mandate.

This explanatory statement contains all the information required pursuant to rule 13.08 of the GEM Listing Rules which is set out as follows:

#### **1. EXERCISE OF THE REPURCHASE MANDATE**

As at the Latest Practicable Date, there were 1,945,696,565 Shares in issue. Subject to the passing of ordinary resolution no. 6 and on the basis that no further Shares are issued from the Latest Practicable Date up to the date of the AGM and no Shares are repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to buyback a maximum of 194,569,656 Shares during the period up to (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 or any applicable laws to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders of the Company in general meeting, whichever occurs first.

#### **2. REASONS FOR REPURCHASE**

Repurchase of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share.

#### **3. FUNDING OF REPURCHASE**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association and the applicable laws of the Cayman Islands. The law of the Cayman Islands provides that the amount to be repaid in connection with a share repurchase may be paid from the profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the repurchase or out of capital, if the Company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business. The Company may not purchase securities 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.

#### **4. GENERAL**

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the 2005 annual report of the Company) in the event that the Repurchase Mandate is exercised in full. 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 on its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the GEM Listing Rules, the Memorandum and Articles of Association and the applicable laws of the Cayman Islands.

None of the Directors and, to the best of their knowledge, having made all reasonable enquiries, none of their respective associates, have any present intention, if the Repurchase Mandate is approved and exercised, to sell Shares to the Company or its subsidiaries.

No connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he has a present intention to sell Shares to the Company or its subsidiaries, or each of the connected person has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders of the Company.

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with rule 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Messrs. Ng Kok Hong, Ng Kok Tai and Ng Kok Yang, Directors of the Company (the "said Directors") together with their respective associates were beneficially interested in an aggregate of 1,349,566,292 Shares, representing approximately 69.36 per cent of the issued share capital of the Company. Based on such shareholdings and in the event that the Directors exercised in full the power to repurchase Shares under the Repurchase Mandate, the collective shareholdings of the said Directors together with their respective associates in the Company would be increased to 77.07 per cent of the issued share capital of the Company. The Directors are not aware of any consequence which may arise under the Takeovers Code as a consequence of any purchases made under the Repurchase Mandate.

However, as the Company must maintain the "minimum prescribed percentage" of 15 per cent of the issued share capital of the Company in public hands, the Directors do not intend to exercise in full the power to repurchase Shares under the Repurchase Mandate.

## **5. SHARE PURCHASED BY THE COMPANY**

The Company has not purchased any of its Shares (whether on GEM or otherwise) during the six months preceding the Latest Practicable Date.

## 6. SHARE PRICES

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

	Share Prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2005</b>		
March	0.235	0.202
April	0.229	0.192
May	0.230	0.168
June	0.226	0.189
July	0.230	0.198
August	0.224	0.180
September	0.225	0.192
October	0.225	0.190
November	0.219	0.198
December	0.220	0.195
<b>2006</b>		
January	0.219	0.200
February	0.219	0.196

The biography of the Directors who will retire from office at the AGM and, being eligible, will offer themselves for re-election at the AGM, is set out below:

**NG Kok Hong** (“Mr. Ng”), aged 42, is the Executive Chairman of the Company since its listing on GEM on 29th December, 2000. He is also a director of most of the Group’s subsidiaries. Since Mr. Ng co-founded a company with Mr. Ng Kok Tai to do mobile phone distribution in Malaysia in 1989 until present, he has been actively involved in the mobile phone industry.

Save as Mr. Ng is the brother of Mr. Ng Kok Tai, Executive Deputy Chairman of the Company, Mr. Ng Kok Yang, Executive Director and Chief Executive Officer of the Company, and Mdm. Eng Sew Chin, Group Treasurer and a director and Chief Financial Officer of First Mobile Group Sdn. Bhd., and husband of Ms. Tan Sook Kiang (“Ms. Tan”), a director of First Telecom International Limited, Mr. Ng does not have any relationship with other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the GEM Listing Rules) of the Group. Mr. Ng was assigned as an outside director of Sewon Telecom Ltd., a company listed on the KOSDAQ of South Korea, from 22nd March, 2002 to 21st March, 2005. Save as aforesaid, Mr. Ng did not hold other directorship in any public listed companies in the past three years.

Mr. Ng has entered into a service agreement with the Company for an initial term of three years commencing from 1st January, 2001 and shall continue thereafter until terminated by either party giving not less than six months’ notice in writing to the other party. As at the Latest Practicable Date, no notice of termination has been served by either the Company or Mr. Ng.

Mr. Ng’s director emolument is determined by reference to his experience, duties and responsibilities to the Group. Under the existing service agreement, he is entitled to an annual salary of HK\$4,030,000 (not including any discretionary bonus, benefits in kind (if any) and statutory retirement scheme contribution) for the financial year ending 31st December, 2006 and a discretionary bonus calculated as a percentage of the audited consolidated profit of the Group attributable to the Shareholders of the Company. The percentage shall be determined by the board of Directors but in any case the aggregate amount payable in each financial year to all the executive Directors of the Company shall not exceed 10 per cent of such profit.

Mr. Ng is deemed to be interested in 605,855,014 Shares in the Company, amongst which 596,766,389 Shares are held by Mr. Ng under his personal interest and 9,088,625 Shares are held by his spouse, Ms. Tan, under family interest. Mr. Ng and Ms. Tan also hold 1,239,326 and 18,878 non-voting deferred shares of HK\$1.00 each respectively in First Telecom International Limited. As at the Latest Practicable Date, Mr. Ng has an outstanding option to subscribe for 9,450,000 Shares at an exercisable price of HK\$0.82 per Share with the final expiry date on 30th June, 2006. Save as aforesaid, Mr. Ng does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is no information to be disclosed pursuant to any of the requirements of the provisions under rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, and there are no other matters that need to be brought to the attention of the Shareholders pursuant to rule 17.50(2)(w) of the GEM Listing Rules.

**SEE Tak Wah** (“Mr. See”), aged 42, was appointed as an independent non-executive Director of the Company on 1st July, 2005. Mr. See is also the chairman of the audit committee of the Company.

Mr. See has over 15 years’ experience in financial and general management. Mr. See was previously the Chief Operating Officer of the Group from 1st October, 2000 to 31st December, 2002. He was subsequently retained as a business consultant to the Group for ad hoc projects for the period from January 2003 to June 2003. Mr. See has been independent of the Group since July 2003 and is currently running his own strategic consultancy business. Save as aforesaid, Mr. See does not hold any position with the Group.

Mr. See is also an independent non-executive director of Sun East Technology (Holdings) Limited and Buildmore International Limited. Save as aforesaid, Mr. See did not hold other directorship in any public listed companies in the past three years.

In accordance with the existing Articles of Association, Mr. See is subject to election by the Shareholders at the next annual general meeting after his appointment. Upon re-election at the AGM, Mr. See will continue his office thereafter subject to retirement by rotation at least once every three years and other related provisions as stipulated in the Articles of Association. His director’s fee of HK\$200,000 per annum is determined with reference to his experience, industry standards and prevailing market conditions.

Mr. See has neither interests in the Shares of the Company within the meaning of Part XV of the SFO nor any relationship with other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the GEM Listing Rules) of the Group.

Save as disclosed above, there is no information to be disclosed pursuant to any of the requirements of the provisions under rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, and there are no other matters that need to be brought to the attention of the Shareholders pursuant to rule 17.50(2)(w) of the GEM Listing Rules.

Pursuant to Article 80 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 duly demanded. A poll may be demanded by:

- (a) the chairman of such meeting; or
- (b) at least five Shareholders present in person or by proxy and entitled to vote at the meeting; or
- (c) any Shareholder or Shareholders present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Shareholders having the right to attend and to vote at the meeting; or
- (d) any Shareholder or Shareholders present in person or by proxy and holding Shares conferring a right to attend and vote at the meeting on which there have paid been up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all Shares conferring that right.

Unless a poll is 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 Company's book containing the minutes of proceedings of meetings of the Company, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

# NOTICE OF ANNUAL GENERAL MEETING



## **FIRST MOBILE GROUP HOLDINGS LIMITED** **(第一電訊集團有限公司)\***

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

**(Stock Code: 8110)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “AGM”) of First Mobile Group Holdings Limited (the “Company”) will be held at The Derby Suite III, Level 3, Royal Park Hotel, 8 Pak Hok Ting Street, Shatin, New Territories, Hong Kong on Wednesday, 26th April, 2006 at 3:30 p.m. for the following purposes:

1. To consider and adopt the audited accounts and the reports of the directors and auditors for the year ended 31st December, 2005;
2. To re-elect retiring directors and to authorise the board of directors to fix the directors’ fees;
3. To re-appoint the auditors and to authorise the board of directors to fix their remuneration;

and, as special business, to consider and, if thought fit, to pass, with or without modification, the following proposed resolutions:

### **SPECIAL RESOLUTION**

4. “**THAT** the existing Articles of Association of the Company be and are hereby amended in the following manner:  
  
(A) by deleting Article 99 in its entirety and substituting therefor the following paragraph:

The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. All Directors appointed to fill a casual vacancy or as an addition to the Board shall be subject to election by shareholders at the first general meeting of the Company after their appointment and shall then be eligible for re-election at that meeting, provided that any Director who so retires shall not be taken into account in determining the number of Directors who are to retire at such meeting by rotation pursuant to Article 116.

\* For identification purpose only



## NOTICE OF ANNUAL GENERAL MEETING

- (B) by deleting the words “a special” and substituting therefor the words “an ordinary” in Article 106(vii);
- (C) by deleting the first sentence of Article 116 and substituting therefor the following:

At each annual general meeting, one-third of the Directors (including the Managing Director or Joint Managing Director) for the time being (or, if their number is not three or a multiple of three (3), then the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years.

- (D) by deleting the word “special” as appeared in the marginal note of Article 122 and substituting therefor the word “ordinary”; and
- (E) by deleting the word “special” as appeared in line 1 of Article 122(a) and substituting therefor the word “ordinary”.

### ORDINARY RESOLUTIONS

5. **“THAT:**

- (A) subject to paragraph (C) of this resolution, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”), 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 (the “Shares”) and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which might require the exercise of such power after the end of the Relevant Period;

## NOTICE OF ANNUAL GENERAL MEETING

(C) the aggregate nominal value of the share capital allotted or agreed conditionally or unconditionally to be allotted and issued (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 Rights Issue (as hereinafter defined); or (ii) an issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing securities of the Company which carry rights to subscribe for or are convertible into Shares; or (iii) an issue of Shares in the Company upon the exercise of options granted or which may be granted under the Pre-Listing Share Option Plan (as approved by an ordinary resolution passed on 15th December, 2000) or any share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares in the Company; or (iv) any scrip dividend scheme or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association of the Company; or (v) a specific authority granted by the shareholders of the Company in general meeting, shall not exceed the aggregate of 20 per cent of the aggregate nominal value of the share capital of the Company in issue 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 purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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 laws to be held; or
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking, varying or renewing the authority given to the directors of the Company by this resolution; and

“Rights Issue” means an offer of Shares or issue of options, warrants or other securities giving the right to subscribe for Shares, open for a period fixed by the directors of the Company to holders of Shares whose names appear on the register of shareholders of the Company (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 such Shares (or, where appropriate, such other securities), (subject in all cases to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

## NOTICE OF ANNUAL GENERAL MEETING

6. “THAT:

- (A) subject to paragraph (B) 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, including to determine the manner of repurchase, to repurchase shares in the capital of the Company (the “Shares”) on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “Exchange”) or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Exchange for this purpose, subject to and in accordance with the rules and regulations of the Securities and Futures Commission, the Exchange or of any other stock exchanges as amended from time to time and all applicable laws in this regard, be and is hereby generally and unconditionally approved;
- (B) the aggregate nominal value of the Shares to be repurchased 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 value of the share capital of the Company in issue 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
- (C) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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 laws to be held; or
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking, varying or renewing the authority given to the directors of the Company by this resolution.”

## NOTICE OF ANNUAL GENERAL MEETING

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

By order of the Board  
**Mah Kwong Chee Dyland**  
*Company Secretary*

Hong Kong, 23rd March, 2006

*Head Office and Principal Place of Business:*

Suite 1919-1923, 19th Floor,  
Grandtech Centre,  
8 On Ping Street,  
Shatin, New Territories,  
Hong Kong

*Notes:*

1. Every shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and, on a poll, vote in his stead. A proxy need not be a shareholder of the Company.
2. To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the Company's branch share registrar in Hong Kong, Abacus Share Registrars Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the AGM.
3. Completion and delivery of the form of proxy will not preclude a shareholder from attending and voting at the AGM if the shareholder so desires.