
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Goldwiz Holdings Limited, you should at once hand this circular with 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.



**SPECIAL GENERAL MEETING CONVENED BY TOP FLYING AND
TO BE HELD ON 16 MAY 2006**

ELECTION OF DIRECTORS

A letter from the board of directors of the Company is set out on pages 3 to 9 of this circular.

* *For identification purposes only*

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
APPENDIX I – BIOGRAPHICAL DETAILS OF CANDIDATES FOR ELECTION	10

DEFINITIONS

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

“Board”	the board of Directors
“Bermuda Companies Act”	Bermuda Companies Act 1981 (as amended)
“Bye-laws”	the bye-laws of the Company
“Company”	Goldwiz Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors at the annual general meeting of the Company held on 26 August 2005 to allot, issue and deal with the Shares (pursuant to Resolution No. 4B of the Company’s notice of annual general meeting dated 28 July 2005)
“Group”	the Company and its subsidiaries
“Latest Practicable Date”	27 April 2006, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Requisitionist’s Resolutions”	the resolutions proposed by Top Flying pursuant to the Requisition as set out on pages 8 to 9 of Top Flying’s Circular
“Requisition”	the requisition dated 20 March 2006 issued by Top Flying to the Company
“SGM”	the special general meeting of the Company convened by Top Flying and to be held on 16 May 2006
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Top Flying”	Top Flying Investment Limited, the requisitioner of the Requisition and a registered Shareholder currently holding 200,000,000 Shares as shown on the branch share register of the Company (representing approximately 18.84% of the total issued share capital) as at the date of the Requisition and the Latest Practicable Date
“Top Flying’s Circular”	a circular dated 20 April 2006 issued by Top Flying containing a notice to convene the SGM

LETTER FROM THE BOARD



GOLDWIZ HOLDINGS LIMITED

科維控股有限公司*

(Incorporated in Bermuda with limited liability)

(stock code: 586)

Executive Directors:

Mr. CHEN Simo

Madam QIU Jing

Independent non-executive Directors:

Mr. CHOW Siu Tong

Mr. WONG Tam Yee

Mr. IP Man Tin, David

Registered office:

Clarendon House

Church House

Hamilton HM 11

Bermuda

Head office and

principal place of business:

Suite 3204-5, Great Eagle Centre

23 Harbour Road

Wanchai

Hong Kong

29 April 2006

To the Shareholders

Dear Sir or Madam,

**SPECIAL GENERAL MEETING CONVENED BY TOP FLYING AND
TO BE HELD ON 16 MAY 2006
AND
ELECTION OF DIRECTORS**

INTRODUCTION

The Company has been served with the Requisition issued by Top Flying to convene a special general meeting of the Company for the purposes of putting before the Shareholders, for their consideration, the Requisitionist's Resolutions.

The purpose of this circular is to provide you with information regarding (i) the recommendations from the Board for voting against the Requisitionist's Resolutions; and (ii) the election of Directors pursuant to Bye-law 103 of the Bye-laws.

* For identification purposes only

LETTER FROM THE BOARD

THE REQUISITION

On 21 March 2006, the Company was served with the Requisition by Top Flying through its legal advisers. The Requisition states that it was made pursuant to section 74 of the Bermuda Companies Act and Bye-law 62 of the Bye-laws. The Company has sought advice from its Bermuda legal advisers in relation to the Requisition as well as the relevant provisions under the Bermuda Companies Act and the Bye-laws. Bye-law 62 of the Bye-laws provides, among other things, that special general meetings shall be convened by the Board on requisition, as provided by the Bermuda Companies Act, or, in default, may be convened by the requisitionists.

Upon receipt of the Requisition, the Company sought Bermuda legal advice as to the legality of the Requisition. The Board has, after due consideration and having considered the Bermuda legal advice from the Company's Bermuda legal advisers, resolved to convene a special general meeting in compliance with the Requisition. Considerable time was spent by the Company in confirming the validity of the Requisition, collecting relevant information from Top Flying and seeking clearance from the Stock Exchange with respect to the issue of a circular to the Shareholders to convene a special general meeting in order to comply with the Listing Rules. As a result, the Company was unable to convene a special general meeting within 21 days (i.e. on or before 11 April 2006) from the date of the Requisition served by Top Flying. The Board has been endeavouring to finalise the circular containing a notice to convene a special general meeting, which was cleared by the Stock Exchange in the evening of 19 April 2006. The Company did not receive any written confirmation from Top Flying that it would convene the SGM by itself pursuant to Section 74(3) of the Bermuda Companies Act until the morning of 20 April 2006 when the Company received Top Flying's Circular. Accordingly, the Company has on 20 April 2006 decided not to despatch its original circular to Shareholders to avoid the possible overlapping of two special general meetings.

As at the date of the Requisition and the Latest Practicable Date, Top Flying is a registered Shareholder of 200,000,000 Shares ("**Charged Shares**") (representing approximately 18.84% of the total issued share capital of the Company) by virtue of being a mortgagee in possession under a share charge executed by Open Mission Assets Limited in favour of Top Flying in relation to a loan of HK\$50 million ("**Loan**") granted by Top Flying to Better Management Industrial Company Limited, a company incorporated in the British Virgin Islands in which the Company is interested in 10% of the issued share capital of Better Management Industrial Company Limited. The remaining 90% of the issued share capital was registered in the name of Top Flying upon its execution of the relevant share charge in January 2006 in relation to the Loan.

Resolutions Nos. 2 to 4: Removal of two executive directors

It was noted that items (2) to (4) of the Requisitionist's Resolutions essentially intend to remove all the existing Directors and any other Directors that may be appointed from the date of the Requisition and up to and including the time immediately before the Requisitionist's SGM (except Mr. Chow Siu Tong, Mr. Wong Tam Yee and Mr. Ip Man Tin David, who are all independent non-executive Directors as at the Latest Practicable Date). For the reasons set out under the section headed "Election of Directors" of this circular, all Directors except for Mr. Chow Siu Tong, will retire at the SGM pursuant to Bye-law 102(B).

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Board comprises two executive Directors, namely Mr. Chen Simo and Madam Qiu Jing, and three independent non-executive Directors, namely Mr. Chow Siu Tong, Mr. Wong Tam Yee and Mr. Ip Man Tin David. The Board and the senior management of the Company have been working closely with a view to deal with the urgent financial and other affairs of the Group, including the study of the financial impact of the suspension of operation of its PRC subsidiary, Goldwiz Huarui (Tongling) Electronic Material Co. Ltd. (“**Goldwiz Tongling**”) (as disclosed in the Company’s announcement dated 4 January 2006) and the negotiations with the Group’s bankers and creditors for the settlement of liabilities. In particular, Goldwiz Tongling is making satisfactory progress on the said negotiations and on collection of its trade receivables and all such matters have improved the financial position of the Group and will assist the resumption of operation of Goldwiz Tongling. In addition, the Company has entered into a conditional agreement with an independent third party regarding the disposal of the Company’s investment in “Super Diva” which will further improve the Company’s cash flow. Regarding the litigation cases against Goldwiz Tongling and Goldwiz Huarui (Shenzhen) Electronic Material Co. Ltd. (“**Goldwiz Shenzhen**”), the Board and the senior management of the Company have also been working closely to carry out fact finding and in-house investigation works and the concerned subsidiaries have reported to the relevant authorities of the PRC for necessary actions. Further announcements in relation to the updated status of the Group will be made by the Company as soon as practicable. The Board considers that, given the urgent need of the Group to deal with the affairs of the PRC subsidiaries, it is not in the best interest of the Company and the Shareholders as a whole to make any substantial changes to the composition of the Board.

Resolution Nos. 7 & 8: Appointment of new directors

As shown in Top Flying’s Circular, the Requisitionist proposes to appoint four named persons as new directors to the Board and such other persons (if any) as may be proposed by Top Flying as additional directors of the Company. However, Top Flying has failed to disclose the details required under Rule 13.51(2), in particular Rule 13.51(2)(d) to (x), of the Listing Rules of the proposed four candidates. Accordingly, the Board is of the view that Shareholders have not been given full information to enable them to make their decision on whether to vote for or against the relevant resolutions.

The biographical details of the four candidates as nominated by Top Flying are set out in Appendix I to Top Flying’s Circular. The Board has never interviewed or liaised with the candidates and does not consider itself in a position to make any comments on such candidates. In addition, as at the Latest Practicable Date, the Board has not been notified by Top Flying of its intention to appoint additional directors and provided with details thereof, save for those set out in Top Flying’s Circular.

The Shareholders are reminded that such candidates are nominated by Top Flying, whose interests may not serve (or may even conflict with) the interests of all other Shareholders as a whole.

Resolutions No. 6: Setting the maximum number of directors

Regarding Top Flying’s intention to set the maximum number of Directors, the Board does not see any benefits to the Shareholders for having such proposed resolution.

LETTER FROM THE BOARD

Resolution no. 10: Proposed revocation of the General Mandate

Top Flying has proposed to revoke the general mandate granted to the Directors at the annual general meeting of the Company held on 26 August 2005 to allot, issue and deal with Shares pursuant to Resolution No. 4B of the Company's notice of annual general meeting dated 28 July 2005 (the "**General Mandate**").

The Board considers that such proposed revocation is not in the best interests of the Company and all the Shareholders as a whole. The Company has announced in its announcement dated 4 January 2006 and its circular dated 21 February 2006, among other things, information on certain litigation proceedings and other incidents in relation to Goldwiz Tongling and Goldwiz Shenzhen. In this respect, the Group is in discussion with certain creditors on the proposed debt restructuring and re-scheduling of repayment date. Also, Goldwiz Tongling has been preliminarily approached by a strategic partner for a possible cooperation on the sale and marketing of Goldwiz Tongling upon its resumption of operation. Further announcement in relation to the updated status of the litigation proceedings and the financial position of the Group will be made as soon as practicable. The Board considers that the aforesaid restructuring, re-scheduling and strategic partnership, together with any possible introduction of strategic investor(s) to the Company for the purpose of strengthening the Group's financial position, all of which are intended to be for the best interests of the Company and the Shareholders as a whole, may involve the issue of Shares. Accordingly, the General Mandate provides the Board with the power and flexibility to proceed with the aforesaid which may involve the issue of Shares should it consider it necessary and expedient to do so without incurring costs and expenses and time in obtaining consent of Shareholders on each occasion. In light of the above, the Board considers that it is not in the best interests of the Company and all the Shareholders as a whole to revoke the General Mandate.

Resolution no. 11: Amendment to Bye-Law 102(B)

Top Flying has proposed to amend existing Bye-law 102(B) by deleting "(in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board)" from the second sentence of Bye-law 102(B) such that any directors so appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office only until the next following general meeting of the Company.

Appendix 3 (Articles of Association) of the Listing Rules provides that the articles of association or equivalent document of a listed issuer must conform with the provisions as set out therein. Paragraph 4(2) of Appendix 3 of the Listing Rules provides that any person appointed by the Directors to fill a casual vacancy or as an addition to the Board shall hold office under the next following annual general meeting of the Company, and shall then be eligible for re-election. According to paragraph A.4.2 of Appendix 14 (Code on Corporate Governance Practice) of the Listing Rules, all Directors appointed to fill a casual vacancy should be subject to election by Shareholders at the first general meeting after their appointment. In light of the above relevant provisions under Appendix 3 and Appendix 14 of the Listing Rules, the existing Bye-law 102(B) provides, among other things, that any person appointed by the Directors (i) to fill a casual vacancy shall hold office until the next following general meeting of the Company; and (ii) as an addition to the Board shall hold office until the next following annual general meeting of the Company.

LETTER FROM THE BOARD

The Board is of the view that the proposed Bye-law 102(B) does not fully conform with Appendix 3 of the Listing Rules in the sense that, pursuant to the proposed amendment, any Directors appointed by the Board as an addition to the Board shall hold office only until the next following general meeting (but not annual general meeting) of the Company. The Board is not aware of such requirement under Appendix 3 or Appendix 14 of the Listing Rules. However, despite the Company's written enquiry with Top Flying, the Board has not been provided with any reasons for amendments to Bye-law 102(B) of the Bye-laws.

OTHER VIEWS OF THE BOARD

The Board has noted the concerns of Top Flying as expressed in Top Flying's Circular as well as its letter of 11 April 2006 and a written reply has been made to Top Flying informing it that the Company has submitted various drafts of announcement to the Stock Exchange since 20 February 2006 regarding the latest legal and financial status of the Group for clearance and will publish the relevant announcement as soon as practicable. Such announcement will address the issues requested by Top Flying to the extent the Company considers necessary and appropriate.

The Board wishes to inform the Shareholders that, in order to deal with the Requisition, the Company has incurred significant costs and professional expenses and shifted its manpower to focus on the Requisition, which resulted in delay and hinderance in the original schedule of the Group in dealing with the other urgent affairs of the Group, including the issuance of further announcement of the Company. As a result, the Board considers that the Requisition had already had an adverse affect on the financial position of the Company and the interests of the Shareholders as a whole.

RETIREMENT OF DIRECTORS

Pursuant to existing Bye-law 102(B) of the Bye-laws, any Director appointed by the Board to fill a casual vacancy shall hold office only until the next following general meeting of the Company and any Director appointed by the Board as an addition to the Board shall hold office only until the next following annual general meeting of the Company. As at the Latest Practicable Date, the Board comprises two executive Directors, namely Mr. Chen Simo and Madam Qiu Jing and three independent non-executive Directors, namely, Mr. Chow Siu Tong, Mr. Wong Tam Yee and Mr. Ip Man Tin, David. Each of Mr. Chen Simo, Madam Qiu Jing, Mr. Wong Tam Yee and Mr. Ip Man Tin, David who was appointed by the Board as Director to fill casual vacancy shall hold his/her directorship only until the SGM and shall be eligible to offer himself/herself for re-election. Since the notice of the SGM did not contain resolutions for re-election of these retiring Directors, in the event that the Requisitionist's Resolutions to appoint directors nominated by Top Flying are not passed at the SGM, the number of Director remaining on the Board shall only be one, which is below the minimum number of two as required by the Bye-Laws and the Bermuda Companies Act and the minimum number of three independent non-executive directors as required under the Listing Rules.

LETTER FROM THE BOARD

The Directors therefore recommend the Shareholders to vote for the proposed resolutions regarding the election of Mr. Chen Simo and Madam Qiu Jing as Directors (please refer to the section headed “Election of Directors” herebelow). In order to ensure that there will be sufficient number of independent non-executive Directors, it is the existing Board’s intention to re-appoint Mr. Wong Tam Yee and Mr. Ip Man Tin, David as independent non-executive Directors after the SGM.

ELECTION OF DIRECTORS

Subsequent to the despatch of Top Flying’s Circular by Top Flying, the Company has received from a registered shareholder a notification of intention to propose resolutions for the election of Mr. Chen Simo and Madam Qiu Jing as Directors at the SGM in accordance with Bye-law 103 of the Bye-laws.

The biographical details of Mr. Chen Sino and Madam Qiu Jing are set out in Appendix 1 of this circular for Shareholders’ information.

PROXY FORM

Since the proxy form prepared by Top Flying (the “First Proxy Form”) and despatched with Top Flying’s Circular does not contain the proposed resolutions for the appointment of the additional candidates under the section headed “Election of Directors” above, a supplemental proxy form (the “Second Proxy Form”) is enclosed with this circular for your attention.

You are requested to complete the Second Proxy Form in accordance with the instructions printed thereon and return it to the Head Office of the Company at **Suite 3204-5, 32/F, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong** as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM.

The Second Proxy Form does NOT serve to supersede the First Proxy Form. Pursuant to Top Flying’s Circular, Shareholders are also requested to complete the First Proxy Form in accordance with the instructions printed thereon and return it to Computershare Hong Kong Investor Services Limited (for the attention of Mr. Edrick Yu) at 46th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.

Shareholders are reminded that completion and delivery of the First Proxy Form and the Second Proxy Form will not preclude Shareholders from attending and voting in person at the SGM or at any adjourned meeting should they so wish.

RECOMMENDATION TO VOTE AGAINST THE REQUISITIONIST’S RESOLUTIONS

The Directors consider that each of the Requisitionist’s Resolutions is not in the best interests of the Company and all other Shareholders as a whole. **Accordingly, the Directors recommend the Shareholders to vote against the Requisitionist’s Resolutions at the SGM.**

Shareholders are also reminded that the interests of Top Flying may not serve (or may even conflict with) the interests of all other Shareholders.

LETTER FROM THE BOARD

RECOMMENDATION TO VOTE FOR THE ELECTION OF DIRECTORS

The Directors consider that the election of Mr. Chen Simo and Madam Qiu Jing as executive Directors is in the best interests of the Company and the Shareholders as a whole. **Accordingly, the Directors recommend Shareholders to vote for such election at the SGM.**

GENERAL INFORMATION

Your attention is drawn to the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
Chen Simo
Executive Director

This appendix contains the biographical details of the candidates proposed by a registered Shareholder in accordance with Bye-law 103 of the Bye-laws subsequent to the despatch of Top Flying's Circular:

Mr. Chen Simo (*Aged 41*)

Mr. Chen has been appointed as executive director and chief executive officer of the Company since 23 February 2006 and shall hold his directorship only until the SGM. Mr. Chen is also a member of the Executive Committee, the Remuneration Committee and the Special Committee of the Company. Mr. Chen is a graduate of Chong Qing Television University (重慶電視大學). He has over 20 years of experience in finance, accounting and corporate management. Prior to his director's appointment with the Company, Mr. Chen held senior executive positions in a number of electronic products and property companies in the PRC.

Madam Qiu Jing (*Aged 39*)

Madam Qiu has been appointed as executive director of the Company since 23 February 2006 and shall hold her directorship only until the SGM. She is also a member of the Executive Committee of the Company. Madam Qiu is a graduate of Chong Qing Professional Accounting College (重慶立信會計專科學院). She has over 20 years of experience in finance, accounting and treasury. Prior to her director's appointment with the Company, Madam Qiu was a senior finance executive of a number companies engaged in the field of trading, property and manufacturing companies in the PRC.

Each of Mr. Chen and Madam Qiu:

- a) did not hold any other directorships in other listed public companies in the last three years, save as disclosed above;
- b) did not have any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance as at the Latest Practicable Date;
- c) is not related to other Directors, senior management or substantial shareholders (as defined in the Listing Rules) or controlling shareholders (as defined in the Listing Rules) of the Company;
- d) has not entered into any service contract with the Company;
- e) is currently entitled to receive a director's fee of HK\$10,000 per month which is determined by the Remuneration Committee and approved by the Board, as authorized by the shareholders at the annual general meeting held on 26 August 2005, with reference to their duties and responsibilities.

The above candidates, if elected, will be appointed as Directors with effect from the conclusion of the SGM and shall be subject to the provisions of retirement and re-election as set out in the Bye-laws.

Save as aforesaid, there are no other matters that need to be brought to the attention of the Shareholders and there is no information that needs to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules.