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If you are in any doubt as to any aspect of this circular or as to the action you should take, 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 WorldMetal Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

WorldMetal Holdings Limited

金屬電子交易所集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8161)

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

This circular, for which the directors (the “Directors”) of WorldMetal Holdings Limited (the “Company”) 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 the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:– (i) the information contained in this circular is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this circular misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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

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

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

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board 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 Renaissance Harbour View Hotel, 8/F., Concord Rooms 2 & 3, 1 Harbour Road, Wanchai, Hong Kong on Thursday, 29 September 2005 at 10:00 a.m.
“associates”	shall have the meaning ascribed thereto in the GEM Listing Rules
“Board”	the board of Directors
“Bye-laws”	the Bye-laws of the Company as amended, supplemented or modified from time to time
“Company”	WorldMetal Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on GEM
“Directors”	The directors of the Company
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM
“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
“Latest Practicable Date”	27 June 2005, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“New Repurchase Mandate”	the proposed general mandate to be granted to the Directors at the Annual General Meeting to permit the repurchase of Shares of up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate
“Notice of AGM”	the notice to convene the Annual General Meeting dated 29 June 2005

DEFINITIONS

“Proposed Refreshment of General Mandate”	the proposed refreshment of general mandate to be granted to the Directors at the Special General Meeting to permit the allotment and issue of new Shares or other securities in the Company of up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Issue Mandate”	the proposed general mandate to be granted to the Directors at the Annual General Meeting to permit the allotment and issue of new Shares or other securities in the Company of up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate
“Share(s)”	ordinary shares of HK\$0.01 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
“Shareholders”	registered holders of Shares
“Special General Meeting”	the special general meeting of the Company to be held on 4 July 2005 for the purpose of considering, if thought fit, approving the Proposed Refreshment of General Mandate and the extension thereof
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	The Hong Kong Code on Takeovers and Mergers

LETTER FROM THE BOARD

WorldMetal Holdings Limited

金屬電子交易所集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8161)

Executive Directors:

LAU Ting (Chairman)

CHEN Aizheng

NG Man Fai, Matthew

Registered office:

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

Independent Non-Executive Directors:

KING Roger

HUANG Shenglan

LI Xiaojun

Head office and

principal place of business:

Unit 1406, Office Tower

Convention Plaza

1 Harbour Road

Wanchai

Hong Kong

29 June 2005

To the Shareholders

Dear Sir or Madam,

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

INTRODUCTION

The purpose of this circular is to provide you with the information on the resolutions to be proposed at the Annual General Meeting relating to (i) the re-election of Directors; (ii) the grant of the New Repurchase Mandate to the Directors; and (iii) the grant of the Share Issue Mandate to the Directors.

RE-ELECTION OF DIRECTORS

Pursuant to Bye-laws 99 and 102(B) of the Bye-laws, Mr. Huang Shenglan and Mr. Li Xiaojun shall retire from office by rotation at the Annual General Meeting. All the retiring Directors, being eligible, will offer themselves for re-election.

A brief biographical details of the above retiring Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix I to this circular.

* For identification only

LETTER FROM THE BOARD

GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES

At the annual general meeting of the Company held on 3 August 2004, resolutions were passed giving general mandates to the Directors (i) to exercise the powers of the Company to repurchase Shares of the Company on the Stock Exchange or other recognised stock exchanges up to 10% of the issued share capital of the Company as at 3 August 2004, and (ii) to allot, issue and deal with additional Shares of the Company up to a limit equal to the aggregate of (a) 20% of the issued share capital of the Company as at 3 August 2004 and (b) the aggregate nominal amount of any Shares repurchased by the Company pursuant to the general mandate as described in paragraph (i) above. The general mandate to repurchase Shares of the Company as described in paragraph (i) will lapse at the conclusion of the forthcoming Annual General Meeting.

Upon completion of the two placing agreements dated 7 March 2005 entered into between the Company and two independent third parties respectively, pursuant to which an aggregate of 200,000,000 new Shares had been allotted and issued, the general mandate as described in paragraph (ii) had been fully utilized. As mentioned in the circular of the Company dated 17 June 2005, a Special General Meeting will be held on 4 July 2005 for the purpose of considering and, if thought fit, approving the Proposed Refreshment of General Mandate. Should the resolutions approving the Proposed Refreshment of General Mandate be passed at the Special General Meeting, this general mandate will lapse at the conclusion of the forthcoming Annual General Meeting.

The Directors wish to seek your approval of the resolutions as set out in Ordinary Resolutions (6) to (8) to be proposed at the forthcoming Annual General Meeting to renew these general mandates to the Directors to repurchase Shares and to issue additional Shares and other securities subject to the limitations and conditions of the GEM Listing Rules.

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,200,000,000 Shares. Subject to the passing of the proposed resolution for the Share Issue Mandate and on the basis that there will be no variation in the number of issued Shares prior to the date of the Annual General Meeting, the Directors would be allowed to issue additional Shares up to a maximum of 240,000,000 Shares.

Assuming that the general mandate under the Proposed Refreshment of General Mandate be granted and be utilized to its fullest extent, the issued share capital of the Company will be comprised of 1,440,000,000 Shares. Subject to the passing of the proposed resolution for the Share Issue Mandate and on the basis that save for utilization of the Proposed Refreshment of General Mandate, there will be no other variations in the number of issued Shares prior to the date of the Annual General Meeting, the Directors would be allowed to issue additional Shares up to a maximum of 288,000,000 Shares.

An explanatory statement as required by the GEM Listing Rules to provide you with the requisite information on the proposed general mandate to repurchase Shares is set out in Appendix II to this circular.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

The Notice of AGM is set out on pages 12 to 15 in Appendix III to this circular and a form of proxy for the Annual General Meeting is enclosed. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the principal place of business of the Company at Unit 1406, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof (as the case may be) should you so wish.

PROCEDURES FOR DEMANDING A POLL

Pursuant to bye-law 70 of the Bye-laws of the Company, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:-

- (i) by the chairman of the meeting; or
- (ii) by at least three Shareholders present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any Shareholder or Shareholders present in person or by its duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders having the right to vote at the meeting; or
- (iv) by any Shareholder or Shareholders present in person or by its duly authorised corporate representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

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

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that (i) the re-election of Directors; (ii) the grant of the New Repurchase Mandate to the Directors; and (iii) the grant of the Share Issue Mandate to the Directors are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all the Shareholders should vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully
For and on behalf of the Board
WorldMetal Holdings Limited
LAU Ting
Chairman

To enable the Shareholders to make an informed decision on the re-election of the retiring Directors, we set out below the biographical details of the retiring Directors for Shareholders' information.

Mr. Huang Shenglan, aged 53, was appointed as an Independent Non-Executive Director of the Company in October 2002. Mr. Huang was an Executive Director and the Deputy Governor of China Everbright Bank, Head Office and was an Executive Director and the General Manager of China Everbright Technology Limited. Mr. Huang holds a diploma in Arts from Huazhong Normal University and in International Economics from Huadong Normal University and a certificate in International Economic Law from Xiamen University and in Advanced Management Programme from the Business School of Harvard University, USA. He is currently an Independent Non-Executive Director of Burwill Holdings Limited, a listed public company in Hong Kong, and 重慶路橋股份有限公司 (Chongqing Road & Bridge Co. Ltd.), a listed public company in Shanghai, China. Save as aforesaid, Mr. Huang did not hold other directorships in any listed public companies in the past 3 years.

As at the Latest Practicable Date, Mr. Huang does not have any interests in Shares of the Company within the meaning of Part XV of the SFO as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standards of dealings by directors of listed issuer as referred to in Rule 5.46 of the GEM Listing Rules. There is no service contract between Mr. Huang and the Company but Mr. Huang is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. Mr. Huang shall be entitled to a Director fee of HK\$120,000 per annum which will be reviewed on annual basis with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and prevailing market conditions.

Mr. Huang does not have any relationship with any other Director, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company.

Mr. Li Xiaojun, aged 30, was appointed as Independent Non-Executive Director of the Company in September 2004. Mr. Li is a practising lawyer in China at East Associates, focusing his area of practice in corporate and capital market matters and has represented a number of domestic state-owned enterprises, private-owned enterprises and foreign invested companies in restructuring and reorganisation, mergers and acquisitions, and initial public offerings exercises and provided legal services to the establishment of a Sino-foreign joint venture public securities investment fund, which is the first of its kind in China. Mr. Li graduated from Zhongnan University of Economic and Law and is a member of Beijing Bar Association and All-China Lawyers Association. Mr. Li did not hold other directorships in any listed public companies in the past 3 years.

As at the Latest Practicable Date, Mr. Li does not have any interests in Shares of the Company within the meaning of Part XV of the SFO as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standards of dealings by directors of listed issuer as referred to in Rule 5.46 of the GEM Listing Rules. There is no service contract between Mr. Li and the Company but Mr. Li is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. Mr. Li shall be entitled to a Director fee of HK\$120,000 per annum which will be reviewed on annual basis with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and prevailing market conditions.

Mr. Li does not have any relationship with any other Director, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company.

Save as disclosed above, there is no matter that needs to be brought to the attention of the Shareholders in relation to the re-election of the above retiring Directors.

This Appendix serves as the explanatory statement required by the GEM Listing Rules to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the New Repurchase Mandate.

THE REPURCHASE PROPOSAL

The New Repurchase Mandate will authorise the Directors to repurchase on the Stock Exchange or on another exchange recognised for this purpose by the Securities and Futures Commission and the Stock Exchange under the Hong Kong Code on Share Repurchases Shares of the Company up to a maximum of 10% of the issued share capital of the Company as at the date on which the resolution approving the New Repurchase Mandate is passed.

Based on the 1,200,000,000 Shares in issue as at the Latest Practicable Date, the Company would be allowed under the New Repurchase Mandate to repurchase a maximum of 120,000,000 Shares on the basis that there will be no variation in the number of issued Shares prior to the date of the Annual General Meeting.

The authority conferred on the Directors by the New Repurchase Mandate would continue in force until: (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 to be held by law; or (iii) the variation or revocation of the New Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

REASONS FOR REPURCHASES

The Directors consider that it is in the best interests of the Company and its Shareholders to have the New Repurchase Mandate. Such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per Share and/or earnings per Share and/or dividend per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders.

SOURCE OF FUNDS

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association and Bye-laws and the laws of Bermuda. It is presently proposed that any Share repurchased under the New Repurchase Mandate would be purchased out of the capital paid up on the repurchased Shares, the profits of the Company which would otherwise be available for dividend, the proceeds of a fresh issue of Shares made for the purpose of the repurchase, the Company's share premium account and/or its contributed surplus account.

EFFECT ON WORKING CAPITAL

The Directors consider that there might be an adverse impact on the working capital or the gearing position of the Company as compared with the position disclosed in the audited accounts as at 31 March 2005 in the event that the New Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the New Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DISCLOSURE OF INTERESTS

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

DIRECTORS' UNDERTAKING

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

TAKEOVER CODE

If as a result of a Share repurchased by the Company, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeover Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could, depending on the level of increase in his/their shareholding interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code.

As at the Latest Practicable Date, Burwill Holdings Limited ("Burwill"), the substantial shareholder of the Company, was beneficially interested in approximately 38.65% of the Company's issued share capital. As at the Latest Practicable Date, the aggregate interest of Mr. CHAN Shing (the spouse of Ms. LAU Ting) and Ms. LAU Ting, through their personal interests of 10.27%, corporate interests of 1.83% and their controlling interests in Burwill, in the Shares of the Company were approximately 50.75% of the Company's issued share capital. In the event that the Directors exercised in full the power to repurchase Shares which is proposed to be granted pursuant to the New Repurchase Mandate, the interests of Burwill in the Company would be increased to approximately 42.95% and the aggregate interests held by Mr. CHAN Shing and Ms. LAU Ting would be increased to approximately 56.39% of the issued share capital of the Company. The increase of Burwill's proportionate interest in the Company may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeover Code. However, the Directors have no present intention to exercise the New Repurchase Mandate to such extent as would give rise to this obligation.

Save as disclosed herein, the Directors are not aware of any consequences which may arise under the Takeover Code if the New Repurchase Mandate is to be exercised in full.

SHARE PURCHASES MADE BY THE COMPANY

The Company has not made any purchase of Shares on the Stock Exchange or otherwise in the six months preceding the date of this circular.

CONNECTED PERSONS

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

MARKET PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the twelve calendar months preceding the Latest Practicable Date were as follows:

	Share Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
June 2004	0.034	0.030
July 2004	0.032	0.030
August 2004	0.032	0.030
September 2004	0.034	0.033
October 2004	0.033	0.033
November 2004	0.030	0.028
December 2004	0.030	0.028
January 2005	0.029	0.028
February 2005	0.035	0.025
March 2005	0.188	0.030
April 2005	0.500	0.139
May 2005	1.230	0.250
June 2005 (up to the Latest Practicable Date)	1.400	0.900

WorldMetal Holdings Limited**金屬電子交易所集團有限公司****(incorporated in Bermuda with limited liability)***(Stock Code: 8161)**

Notice is hereby given that the Annual General Meeting of WorldMetal Holdings Limited (the “Company”) will be held at Renaissance Harbour View Hotel, 8/F., Concord Rooms 2 & 3, 1 Harbour Road, Wanchai, Hong Kong on Thursday, 29 September 2005 at 10:00 a.m. for the following purposes:

1. To receive the Audited Accounts of the Company and the Reports of the Directors and Auditors for the year ended 31 March 2005.
2. To re-elect retiring Directors.
3. To fix the remuneration of Directors.
4. To re-appoint HLB Hodgson Impey Cheng as the Auditors and authorise the Board of Directors to fix their remuneration.
5. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an Ordinary Resolution:

ORDINARY RESOLUTION

“**THAT** the maximum number of Directors be fixed at twelve and that the Directors be authorised to appoint Directors up to such maximum number in addition to those in office at the close of the 2005 Annual General Meeting.”

6. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an Ordinary Resolution:

ORDINARY RESOLUTION

“**THAT:**

- (i) the exercise by the Directors during the Relevant Period (as hereinafter defined in this Resolution) of all powers of the Company to purchase issued shares of HK\$0.01 each in the capital of the Company (“Shares”), subject to paragraph (ii) below, be and is hereby generally and unconditionally approved;

* For identification only

- (ii) the aggregate nominal amount of Shares which may be purchased by the Company on The Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Repurchases, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) or of any other stock exchange as amended from time to time, pursuant to the approval in paragraph (i) above shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution, and the said approval shall be limited accordingly;
 - (iii) the approval in paragraph (i) above 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 (as defined below) to procure the Company to purchase its Shares, subject to and in accordance with all applicable laws and requirements of the GEM Listing Rules or of any other stock exchange as amended from time to time, at such prices as the Directors at their discretion may determine; and
 - (iv) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or the Companies Act 1981 of Bermuda to be held; and
 - (c) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
7. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an Ordinary Resolution:

ORDINARY RESOLUTION

“THAT:

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined in this Resolution) of all the powers of the Company to allot, issue or deal with additional shares in the share capital of the Company or securities convertible into shares, options, warrants or similar rights to subscribe for any shares, and to make or grant offers, agreements and options, which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted or issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (i), otherwise than pursuant to (a) a Rights Issue (as hereinafter defined in this Resolution), (b) any share option scheme or similar arrangement of the Company for the time being adopted for the grant or issue to its eligible participants of shares or rights to acquire shares of the Company, (c) the exercise of rights of subscription or conversion under the terms of any warrants or convertible bonds issued by the Company or any securities which are convertible into shares of the Company, or (d) 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, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution and the approval in paragraph (i) shall be limited accordingly;
- (iv) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or the Companies Act 1981 of Bermuda to be held; and
 - (c) the revocation or variation of the approval given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares, 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 of the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions 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 or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

8. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an Ordinary Resolution:

ORDINARY RESOLUTION

“**THAT** conditional upon the passing of Resolutions numbered 6 and 7 set out in the notice of annual general meeting dated 29 June 2005, the aggregate nominal amount of the shares of the Company that the Directors may allot, issue or deal with additional shares or securities convertible into shares, options, warrants or similar rights to subscribe for any shares, and to make or grant offers, agreements and options under the general mandate granted to the Directors pursuant to such Resolution numbered 7 be and is hereby increased by the aggregate nominal amount of shares in the share capital of the Company repurchased by the Company pursuant to and in accordance with Resolution numbered 6, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution.”

9. To transact any other business of the Company.

By Order of the Board
NG Lai Ping, Grace
Company Secretary

Hong Kong, 29 June 2005

Notes:

- (1) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy or proxies to attend and vote instead of him. A proxy need not be a member of the Company. In the event that a member appoints more than one proxy, on a show of hands, all such proxies shall collectively have one vote unless otherwise provided for in the Bye-laws of the Company.
- (2) A form of proxy for use at the Annual General Meeting is enclosed. To be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed or notarially certified copy thereof must be deposited at the principal place of business of the Company at Unit 1406, 14th Floor, Office Tower, Convention Plaza, 1 Harbour Road, 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. Completion and deposit of the form of proxy will not preclude a member from attending and voting in person.
- (3) If two or more persons are joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the share.