
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 licenced securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in World Houseware (Holdings) Limited, you should at once hand this circular, together with the enclosed form of proxy to the purchaser or other transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.

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.

**WORLD HOUSEWARE (HOLDINGS) LIMITED**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 713)

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION**

A notice convening the annual general meeting of World Houseware (Holdings) Limited to be held at the Jade Room, 6th Floor, The Marco Polo Hongkong Hotel, Harbour City, Kowloon, Hong Kong at 3:00 p.m. on Wednesday, 25 May 2005, is set out on pages 12 to 17 of this circular. Whether or not you intend to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time for holding the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the annual general meeting or any adjourned meeting should you so wish.

Hong Kong, 21 April 2005

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
Introduction	3
General Mandates to Issue New Shares and Repurchase its own Shares	4
Reasons for Repurchase	5
Funding of Repurchases	5
Disclosure of Interests	5
Share Purchase made by the Company	5
Director's Undertaking	6
Takeovers Code Consequences	6
Market Prices	7
Shareholders' Approval	7
Proposed Amendments to Articles of Association	7
Annual General Meeting	8
Re-election of Directors	9
Responsibility Statement	11
Recommendation	11
Notice of Annual General Meeting	12

DEFINITIONS

“Annual General Meeting”	the annual general meeting of the Company to be held at the Jade Room, 6th Floor, The Marco Polo Hongkong Hotel, Harbour City, Kowloon, Hong Kong at 3:00 p.m. on Wednesday, 25 May 2005 and any adjournment thereof
“Articles of Association”	the articles of association of the Company
“associates”	has the same meaning as defined in the Listing Rules
“Board”	the board of Directors
“Company”	World Houseware (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the main board of the Stock Exchange
“Directors”	directors of the Company
“General Mandates”	the Share Issue Mandate and the Repurchase Mandate
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	19 April 2005, being the latest practicable date prior to the printing of this circular for ascertaining certain information included herein
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted at the Annual General Meeting to the Directors to exercise all the powers of the Company to repurchase Shares
“Share Issue Mandate”	a general and unconditional mandate proposed to be granted at the Annual General Meeting to the Directors to exercise all the powers of the Company to issue, allot and otherwise deal with new Shares
“Shares”	ordinary shares of HK\$0.10 each in the capital of the Company, and “Shareholders” shall be construed accordingly

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Code on Takeovers and Mergers
“HK\$” and “cents”	Hong Kong dollars and cents respectively

LETTER FROM THE BOARD



WORLD HOUSEWARE (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 713)

Executive Directors:

Mr. Lee Tat Hing (*Chairman and Managing Director*)

Ms. Fung Mei Po (*Vice Chairwoman*)

Mr. Lee Chun Sing (*Vice Chairman*)

Ms. Lai Lai Wah

Mr. Lee Pak Tung

Registered office:

P.O. Box 309GT

Ugland House

South Church Street

George Town

Grand Cayman

Cayman Islands

British West Indies

Non-executive Director:

Mr. Cheung Tze Man, Edward

*Head office and principal place of
business in Hong Kong:*

Independent Non-executive Directors:

Mr. Wong Kong Chi

Mr. Hui Chi Kuen, Thomas

Mr. Ho Tak Kay

Flat C, 18th Floor

Bold Win Industrial Building

16-18 Wah Sing Street

Kwai Chung

New Territories

Hong Kong

21 April 2005

To Shareholders

Dear Sir/Madam,

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES AND PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

INTRODUCTION

The purpose of this circular is to provide you with information reasonably necessary to enable you to make a decision on whether to vote for or against the ordinary and special resolutions

LETTER FROM THE BOARD

to be proposed at the Annual General Meeting which has been convened for the purpose of considering and if thought fit, approving, inter alia:

- the grant of the Share Issue Mandate and Repurchase Mandate to Directors to issue new Shares and repurchase Shares; and
- the proposed amendments to the Articles of Association.

A notice of the Annual General Meeting is set out on pages 12 to 17 of this circular.

GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE ITS OWN SHARES

At the last annual general meeting of the Company held on 28 May 2004, the Directors were granted a general mandate to allot and issue Shares and a general mandate to repurchase Shares. These mandates will expire at the conclusion of the Annual General Meeting. The Directors propose to seek the approval of the Shareholders at the Annual General Meeting by way of passing ordinary resolutions for the grant of:

- the Share Issue Mandate to issue Shares up to a maximum of 20% of the Shares in issue as at the date of passing of the relevant resolution; and
- the Repurchase Mandate to repurchase Shares up to a maximum of 10% of the Shares in issue as at the date of passing of the relevant resolution.

Whilst the Directors do not presently intend to repurchase any Shares, they believe that the flexibility afforded by the Repurchase Mandate, if the ordinary resolution granting it is passed, would be beneficial to the Company.

As at the Latest Practicable Date, the issued share capital of the Company was 676,417,401 Shares. Subject to the passing of the ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing of such resolution, the Directors would be authorised to repurchase up to 67,641,740 Shares during the period up to the next annual general meeting in 2006 or the expiration of the period within which the next annual general meeting of the Company is required by law to be held or the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in general meeting of the Company, whichever occurs first.

LETTER FROM THE BOARD

REASONS FOR REPURCHASE

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

FUNDING OF REPURCHASES

Repurchases must be funded out of funds legally available for the purpose in accordance with the articles of association of the Company and the laws of the Cayman Islands, being profits available for distribution and the proceeds of a fresh issue of shares made for the purpose of the repurchase and it is envisaged that the funds required for any repurchase would be derived from such sources.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent published audited financial statements as at 31 December 2004) 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 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, and to the best of their knowledge, having made all reasonable enquiries, none of their associates, has any present intention, if the Repurchase Mandate is exercised, to sell any Shares to the Company or its subsidiaries.

No connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell any Shares to the Company, or that he has undertaken not to sell any Shares held by him to the Company, in the event that the Repurchase Mandate is granted by the Shareholders at the Annual General Meeting and is exercised.

SHARE PURCHASE MADE BY THE COMPANY

There have been no repurchases of Shares by the Company during the six months prior to the date of this document (whether on the Stock Exchange or otherwise).

LETTER FROM THE BOARD

DIRECTOR'S UNDERTAKING

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

TAKEOVERS CODE CONSEQUENCES

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 purposes of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Goldhill Profits Limited ("Goldhill") is holding 280,895,630 Shares representing approximately 41.53% of the entire issued Shares of the Company and Lees International Investments Limited ("Lees International") is holding 28,712,551 Shares representing approximately 4.24% of the entire issued Shares of the Company. Assuming the Repurchase Mandate is exercised in full and there is not any issue of new Shares by the Company, the shareholding of Goldhill will be increased to 46.14% of the entire issued Shares of the Company and the shareholding of Lees International will be increased to 4.72% of the entire issued Shares. In the opinion of the Directors, such increase may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. Apart from Goldhill and Lees International, the Directors are not aware of any Shareholder, or group of Shareholders acting in concert who may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code in the event that the Directors exercise the power to repurchase Shares pursuant to the Repurchase Mandate.

LETTER FROM THE BOARD

MARKET PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during the 12 months preceding the Latest Practicable Date were as follows:

	Share prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2004		
April	0.360	0.295
May	0.315	0.270
June	0.305	0.270
July	0.300	0.270
August	0.280	0.250
September	0.290	0.237
October	0.245	0.223
November	0.295	0.220
December	0.280	0.250
2005		
January	0.300	0.240
February	0.280	0.240
March	0.280	0.250
April (<i>up to and including the Latest Practicable Date</i>)	0.270	0.240

SHAREHOLDERS' APPROVAL

All repurchases of securities by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of General Mandate or by specific approval in relation to a specific transaction.

PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Following the recent amendments to the Listing Rules concerning corporate governance practices which became effective on 1 January 2005, the Directors propose to amend the Articles of Association to ensure compliance with the changes.

The major proposed amendments to the Articles of Association include:

- A new provision is added to provide that if the aggregate proxies held by the chairman of a general meeting and the Directors account for 5% or more of the total voting rights at that meeting, and if on a show of hands in respect of any resolution, the meeting

LETTER FROM THE BOARD

votes in the opposite manner to that instructed in those proxies, the chairman of the meeting and/or any Director holding proxies as aforesaid shall demand a poll, unless it is apparent from the total proxies held by those persons that a vote taken on a poll will not reverse the vote taken on a show of hands.

- The Articles of Association are amended so that every Director shall retire from office at least once every three years.
- The Articles of Association are amended so that a Director appointed to fill a casual vacancy shall retire at the next following general meeting.

A full text of the amendments to be made to the Articles of Association is contained in resolution no.6 in the notice of the Annual General Meeting set out on pages 12 to 17 of this circular.

ANNUAL GENERAL MEETING

The notice of Annual General Meeting is set out on pages 12 to 17 of this circular. A form of proxy for use at the Annual General Meeting is enclosed and whether you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's share registrar in Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time limit fixed for holding the Annual General Meeting. Completion of the form of proxy and returning it to the Company will not preclude you from attending, and voting at, the Annual General Meeting if you so wish.

Pursuant to Article 80 of the Articles of Association, at the Annual General Meeting, resolutions 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 hand, demanded or otherwise required under the Listing Rules. A poll may be demanded:

- (a) by the chairman of the Annual General Meeting;
- (b) by at least three members present in person or by proxy for the time being entitled to vote at the Annual General Meeting;
- (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the Annual General Meeting; or
- (d) by any member or members present in person or by proxy and holding Shares conferring a right to vote at the Annual General 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.

LETTER FROM THE BOARD

In addition, pursuant to Rule 13.39(3) of the Listing Rules, if the chairman of a general meeting and/or the directors individually or collectively hold proxies in respect of shares holding 5% or more of the total voting rights at a particular meeting, and if on a show of hands the meeting votes in the opposite manner to that instructed in those proxies, the chairman of the meeting and/or the directors and the chairman of the meeting holding proxies as aforesaid collectively shall demand a poll; provided that if it is apparent from the total proxies held that a vote taken on a poll will not reverse the vote taken on a show of hands, then no poll shall be required.

RE-ELECTION OF DIRECTORS

According to Article 116 of the existing Articles of Association, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office by rotation at every annual general meeting of the Company. A retiring Director shall be eligible for re-election. Accordingly, at the Annual General Meeting, Mr. Lee Tat Hing, Mr. Lee Pak Tung and Mr. Wong Kong Chi shall retire office by rotation and being eligible, each of them will offer himself/herself for re-election as Directors. At the Annual General Meeting, ordinary resolution will be proposed to re-elect them as Directors. Brief biographies of each of them are as follows:

Mr. Lee Tat Hing, aged 67, is the Chairman and Managing Director of the Group. Mr. Lee has over 30 years' experience in the trading and manufacture of household products and is responsible for the strategic planning and business development of the Group. Other than as disclosed in the annual report for the year ended 31 December 2004, Mr. Lee does not have any other interests in shares within the meaning of Part XV of the Securities and Futures Ordinance.

There is no service agreement in writing between the Company and Mr. Lee and the total emoluments of Mr. Lee is determined by reference to the Company's performance and profitability, as well as the prevailing market conditions. For the year ended 31 December 2004, the total emoluments paid by the Company to Mr. Lee amounts to HK\$7,942,000.

There is no any other matters that need to be brought to the attention of the Shareholders of the Company.

Mr. Lee Pak Tung, aged 58, joined the Group in 1976. He has over 30 years' experience in trading and is responsible for the Group's sales to the Asia and Latin America markets. Other than as disclosed in the annual report for the year ended 31 December 2004, Mr. Lee does not have any other interests in shares within the meaning of Part XV of the Securities and Futures Ordinance.

LETTER FROM THE BOARD

There is no service agreement in writing between the Company and Mr. Lee and the total emoluments of Mr. Lee is determined by reference to the Company's performance and profitability, as well as the prevailing market conditions. For the year ended 31 December 2004, the total emoluments paid by the Company to Mr. Lee amounts to HK\$506,000.

There is no any other matters that need to be brought to the attention of the Shareholders of the Company.

Mr. Wong Kong Chi, aged 47, is a fellow member of the Chartered Association of Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Wong joined the Group in 1993 after retiring from the merchant banking industry. He also sits on the board as independent non-executive director of China Resources Land Limited, Le Saunda Holdings Limited, Kee Shing (Holdings) Limited and Yip's Chemical Holdings Limited. Mr. Wong does not have any interest of shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance nor any relationships with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service agreement in writing between the Company and Mr. Wong and the total emoluments of Mr. Wong is determined by reference to the Company's performance and profitability, as well as the prevailing market conditions. For the year ended 31 December 2004, the total emoluments paid by the Company to Mr. Wong amounts to HK\$180,000.

There is no any other matters that need to be brought to the attention of the Shareholders of the Company.

According to Articles 99 and 117 of the existing Articles of Association, any person appointed by the Directors as a Director either to fill a casual vacancy or as an addition to the Board shall hold office until the next annual following general meeting of the Company and shall then be eligible for re-election. Accordingly, at the Annual General Meeting, Mr. Ho Tak Kay and Mr. Hui Chi Kuen, Thomas shall retire office and being eligible, each of them will offer himself for re-election as Directors. At the Annual General Meeting, ordinary resolution will be proposed to re-elect them as Directors. Brief biographies of each of them are as follows:

Mr. Ho Tak Kay, aged 47, is a fellow member of the Chartered Association of Certified Accountants as well as the Hong Kong Institute of Certified Public Accountants. He has developed his career over the past 30 years' in the accounting profession with strong audit and financial experience in a spectrum of sectors. He gained extensive exposure from working with international accounting firms for 18 years from 1973 to 1991. Mr. Ho joined the Group in 2004. Mr. Ho does not have any interest of shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance nor any relationships with any directors, senior management or substantial or controlling shareholders of the Company.

LETTER FROM THE BOARD

There is no service agreement in writing between the Company and Mr. Ho and the total emoluments of Mr. Ho is determined by reference to the Company's performance and profitability, as well as the prevailing market conditions. For the year ended 31 December 2004, the total emoluments paid by the Company to Mr. Ho amounts to HK\$90,000.

There is no any other matters that need to be brought to the attention of the Shareholders of the Company.

Mr. Hui Chi Kuen, Thomas, aged 47, is a professional accountant. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia. He has over 20 years' experience in accounting, taxation and financial management gained from multinational corporations and publicly listed companies in Hong Kong and Australia. Mr. Hui joined the Group in 2004. Mr. Hui has a beneficial personal interest of 100,000 shares (less than 1% in the total issued share capital of the Company) in the Company within the meaning of Part XV of the Securities and Futures Ordinance. He does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company.

There is no service agreement in writing between the Company and Mr. Hui and the total emoluments of Mr. Hui is determined by reference to the Company's performance and profitability, as well as the prevailing market conditions. For the year ended 31 December 2004, the total emoluments paid by the Company to Mr. Hui amounts to HK\$90,000.

There is no any other matters that need to be brought to the attention of the Shareholders of the Company.

RESPONSIBILITY STATEMENT

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

RECOMMENDATION

The Directors consider that the granting of the General Mandates and the amendments to the existing Articles of Association are in the interests of and for the benefit of the Company and the Shareholders and accordingly the Directors recommend you to vote in favour of these resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
Lee Tat Hing
Chairman and Managing Director

NOTICE OF ANNUAL GENERAL MEETING



WORLD HOUSEWARE (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 713)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of World Houseware (Holdings) Limited (the “**Company**”) will be held at the Jade Room, 6th Floor, The Marco Polo Hongkong Hotel, Harbour City, Kowloon, Hong Kong on Wednesday, 25 May 2005 at 3:00 p.m. for the purpose of considering and if thought fit, passing the following resolutions:

As ordinary business:

1. To receive and adopt the audited financial statements of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31 December 2004.
2. To re-elect directors and to authorise the Board to fix the directors’ remuneration.
3. To re-appoint auditors and authorise the Board to fix their remuneration.
4. To declare a final dividend.

As special business:

ORDINARY RESOLUTION

5. To consider and, if thought fit, pass with or without modifications, the following resolutions as Ordinary Resolutions:
 - A. **“THAT:**
 - (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) of this Resolution) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into such shares, options, warrants or similar rights to subscribe for any shares in the Company, and to make and grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) of this Resolution shall authorise the directors of the Company during the Relevant Period to make and grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this Resolution) or (ii) the exercise of options under any share option scheme or similar arrangement or (iii) the exercise of rights of conversion under the terms of any securities which are convertible into shares of the Company or warrants to subscribe for shares of the Company or (iv) any scrip dividend or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of the dividend on the shares of the Company in accordance with the Company's Articles of Association, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the end of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law of Cayman Islands to be held; or
- (iii) revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting;

“Rights Issue” means an offer of shares in the capital of the Company open for a period fixed by the directors of the Company to the holders of shares 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 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 any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange applicable to the Company.”

NOTICE OF ANNUAL GENERAL MEETING

B. “THAT:

- (a) subject to paragraph (b) of this Resolution, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) of this Resolution) of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange on which the securities of the Company may be listed as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval mentioned in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10 % of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution the expression “Relevant Period” shall have the same meaning as assigned to it under Ordinary Resolution 5A(d) of this notice.”

- C. “THAT** conditional upon Resolutions 5A and 5B being passed, the aggregate nominal amount of shares in the capital of the Company which are repurchased by the Company under the authority granted to the directors as mentioned in Resolution 5B above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to Resolution 5A, provided that the amount of share capital repurchased by the Company shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of this Resolution.”

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTION

6. To consider and, if thought fit, pass with or without modifications, the following resolution as Special Resolution:

“**THAT** the Articles of Association of the Company be hereby amended as follows:

(a) Article 80A

By inserting the following new Article 80A immediately after Article 80:

“Poll demanded by chairman and/or Directors holding proxies 80A. Notwithstanding any other provisions in these Articles, if the Chairman of a general meeting and/or the Directors individually or collectively hold proxies in respect of shares holding 5% or more of the total voting rights at a particular meeting, and if on a show of hands the meeting votes in the opposite manner to that instructed in those proxies, the Chairman of the meeting and/or the Directors and the Chairman of the meeting holding proxies as aforesaid collectively shall demand a poll; provided that if it is apparent from the total proxies held that a vote taken on a poll will not reverse the vote taken on a show of hands, then no poll shall be required.”

(b) Articles 85(c), 96 and 96A

- (i) By deleting the existing Article 85(c) in its entirety; and
- (ii) By re-numbering the existing Article 96 as Article 96(a); and
- (iii) By inserting the following as new Article 96(b):

“(b) Without prejudice to the generality of Article 96(a), if a clearing house (or its nominee(s)), being a corporation, is a member, it may authorise such persons as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such

NOTICE OF ANNUAL GENERAL MEETING

person were the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) including the right to vote individually on a show of hands”; and

(iv) By deleting the existing Article 96A in its entirety.

(c) Article 116

By inserting the words “by rotation provided that every Director shall be subject to retirement at least once every three years” at the end of the first sentence of Article 116.

(d) Article 117

(i) By deleting Article 117(a) in its entirety and replacing therewith the following new Article 117(a):

“(a) The Company at any general meeting may elect any person to be a director either to fill a casual vacancy or as an additional director. A Director so elected to fill a casual vacancy shall retire at the next following annual general meeting and shall not be taken into account in determining which Directors or the number of Directors who are to retire by rotation at the meeting;”

(ii) By deleting the second sentence of Article 117(c) and replacing therewith the following sentence:

“A Director so appointed shall retire at the next following general meeting and shall not be taken into account in determining which Directors or the number of Director who are to retire by rotation at the meeting.”

By Order of the Board

Lee Tat Hing

Chairman and Managing Director

Hong Kong, 12 April 2005

NOTICE OF ANNUAL GENERAL MEETING

Registered office:

P.O. Box 309GT
Ugland House
South Church Street
George Town
Grand Cayman
Cayman Islands
British West Indies

Head office and principal place of business in Hong Kong:

Flat C, 18th Floor
Bold Win Industrial Building
16-18 Wah Sing Street
Kwai Chung
New Territories
Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, subject to the provisions of the Articles of Association, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which such proxy is so appointed.
2. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be deposited at the office of the Company's branch share registrar in Hong Kong, at Secretaries Limited of G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment hereof.
3. The register of members of the Company will be closed from 19 May 2005 to 25 May 2005 both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the right to attend and vote at the meeting all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, at Secretaries Limited of G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong for registration not later than 4:00 p.m. on 18 May 2005.