
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in New World Mobile Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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NEW WORLD MOBILE HOLDINGS LIMITED 新世界移動控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 862)

RE-ELECTION OF DIRECTORS, RENEWAL OF THE GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND NOTICE OF ANNUAL GENERAL MEETING

A letter from the board of directors of New World Mobile Holdings Limited is set out on pages 3 to 8 of this circular.

A notice convening an annual general meeting of New World Mobile Holdings Limited to be held at Meeting Rooms 603 and 604, Hong Kong Convention and Exhibition Centre, 1 Harbour Road, Wanchai, Hong Kong on Tuesday, 21 November 2006 at 12:30 p.m. is set out on pages 12 to 16 of this circular.

If you are not able to attend the annual general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrars of New World Mobile Holdings Limited in Hong Kong, Abacus Share Registrars Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than forty-eight hours before the time appointed for the 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 meeting or any adjournment thereof should you so desire.

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	
Introduction	3
Re-election of Directors	4
General Mandates	7
Amendments to the Articles	7
AGM	7
Procedure by which a poll may be demanded	8
Documents for inspection	8
Recommendation	8
General	8
APPENDIX: EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE	9
AGM NOTICE	12

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Meeting Rooms 603 and 604, Hong Kong Convention and Exhibition Centre, 1 Harbour Road, Wanchai, Hong Kong on Tuesday, 21 November 2006 at 12:30 p.m.
“AGM Notice”	the notice convening the AGM as set out on pages 12 to 16 of this circular
“Articles”	the articles of association of the Company as amended from time to time
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Company”	New World Mobile Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“General Mandates”	the 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
“Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue and deal with Shares in the manner as set out in the ordinary resolution numbered 4 of the AGM Notice
“Latest Practicable Date”	13 October 2006, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to repurchase Shares in the manner as set out in the ordinary resolution numbered 5 of the AGM Notice
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.



NEW WORLD MOBILE HOLDINGS LIMITED
新世界移動控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 862)

Executive Directors:

Dr. Cheng Kar Shun, Henry (*Chairman*)
Mr. Doo Wai Hoi, William, *JP* (*Vice Chairman*)
Dr. Wai Fung Man, Norman (*Chief Executive Officer*)
Mr. To Hin Tsun, Gerald
Mr. Chow Yu Chun, Alexander

Non-executive Directors:

Mr. Lo Lin Shing, Simon
Mr. Ho Hau Chong, Norman

Independent non-executive Directors:

Mr. Tsui Hing Chuen, William, *JP*
Mr. Kwong Che Keung, Gordon
Mr. Hui Chiu Chung, *JP*

Registered office:

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

*Principal place of business in
Hong Kong:*

17th Floor
Chevalier Commercial Centre
8 Wang Hoi Road
Kowloon Bay
Kowloon
Hong Kong

26 October 2006

To the Shareholders

Dear Sir or Madam,

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

INTRODUCTION

The purpose of this circular is to give you details of the following proposals which, together with other ordinary business, will be proposed at the AGM for the Shareholders' consideration and, where appropriate, approval:

- (a) re-election of Directors;
- (b) grant of the General Mandates; and

LETTER FROM THE BOARD

(c) amendments to the Articles.

The AGM Notice is set out on pages 12 to 16 of this circular.

RE-ELECTION OF DIRECTORS

At the forthcoming AGM, Mr. Lo Lin Shing, Simon, Mr. To Hin Tsun, Gerald, Mr. Ho Hau Chong, Norman and Mr. Chow Yu Chun, Alexander will retire from office by rotation in accordance with Article 116 of the Articles and, being eligible, offer themselves for re-election. Mr. Tsui Hing Chuen, William, *JP* will retire from office in accordance with Article 99 of the Articles and, being eligible, offer himself for re-election. Pursuant to Rule 13.74 of the Listing Rules, the details of the aforesaid Directors required under Rule 13.51(2) of the Listing Rules are set out below.

Mr. Lo Lin Shing, Simon, aged 50, joined the Company in March 2000 and is currently a non-executive Director. Mr. Lo possesses over 20 years of experience in the financial, securities and futures industries. He has been a member of the CME and IMM since 1986. Mr. Lo is the chairman of New World CyberBase Limited (stock code 276), the deputy chairman of Taifook Securities Group Limited (stock code 665), an executive director of International Entertainment Corporation (stock code 8118) and a non-executive director of each of Beijing Beida Jade Bird Universal Sci-Tech Company Limited (stock code 8095) and Macau Prime Properties Holdings Limited (stock code 199), all of which are companies whose shares are listed on the Stock Exchange. Save as disclosed above, Mr. Lo did not hold any directorship in any other listed public company in the past three years immediately prior to the date of this circular.

As at the Latest Practicable Date, Mr. Lo had personal interests in the options to subscribe for 278,000 Shares which are required to be notified to the Company and the Stock Exchange under Part XV of the SFO. There is no service contract between Mr. Lo and the Company nor is there any specific term of his appointment but his term of office is subject to retirement by rotation and re-election in accordance with the Articles. Mr. Lo is entitled to an annual director's fee of HK\$50,000 which is determined with reference to his duties and responsibilities with the Company and is subject to review by the Board from time to time. Other than his role as a non-executive Director, Mr. Lo does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company.

Mr. To Hin Tsun, Gerald, aged 57, was appointed as an independent non-executive Director in March 2000 and re-designated as an executive Director in July 2004. Mr. To has been a practising solicitor in Hong Kong since 1975. Mr. To is also a qualified solicitor in the United Kingdom, as well as an advocate and solicitor in Singapore. Mr. To is currently the senior and managing partner of Messrs. T. S. Tong & Co., Solicitors and Notaries. Mr. To is also an executive director of International Entertainment Corporation (stock code 8118) and a non-executive director of each of New World CyberBase Limited (stock code 276), NWS Holdings Limited (stock code 659) and Taifook Securities Group Limited (stock code 665), all of which are companies whose shares are listed on the Stock Exchange. Save as disclosed above, Mr. To did not hold any directorship in any other listed public company in the past three years immediately prior to this circular.

LETTER FROM THE BOARD

As at the Latest Practicable Date, Mr. To had personal interests in the options to subscribe for 482,000 Shares which are required to be notified to the Company and the Stock Exchange under Part XV of the SFO. There is no service contract between Mr. To and the Company nor is there any specific term of his appointment but his term of office is subject to retirement by rotation and re-election in accordance with the Articles. Mr. To is entitled to an annual director's fee of HK\$50,000 which is determined with reference to his duties and responsibilities with the Company and is subject to review by the Board from time to time. Mr. To has also been paid to a performance bonus of HK\$600,000 for the year ended 30 June 2006. Other than his role as an executive Director, Mr. To does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company.

Mr. Ho Hau Chong, Norman, aged 51, was appointed as a non-executive Director in November 2000. He is an executive director of Miramar Hotel and Investment Company Limited (stock code 71), a non-executive director of each of Taifook Securities Group Limited (stock code 665) and Macau Prime Properties Holdings Limited (stock code 199) and an independent non-executive director of each of CITIC Pacific Limited (stock code 267), Hong Kong Ferry (Holdings) Company Limited (stock code 50), Lee Hing Development Limited (stock code 68), Shun Tak Holdings Limited (stock code 242) and Starlight International Holdings Limited (stock code 485) all of which are companies whose shares are listed on the Stock Exchange. Mr. Ho is an executive director of Honorway Investments Limited and Tak Hung (Holding) Company Limited. Save as disclosed above, Mr. Ho did not hold any directorship in any other listed public company in the past three years immediately prior to the date of this circular.

As at the Latest Practicable Date, Mr. Ho had personal interests in the options to subscribe for 78,000 Shares which are required to be notified to the Company and the Stock Exchange under Part XV of the SFO. There is no service contract between Mr. Ho and the Company nor is there any specific term of his appointment but his term of office is subject to retirement by rotation and re-election in accordance with the Articles. Mr. Ho is entitled to an annual director's fee of HK\$50,000 which is determined with reference to his duties and responsibilities with the Company and is subject to review by the Board from time to time. Other than his role as a non-executive Director, Mr. Ho does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

Mr. Chow Yu Chun, Alexander, age 59, was appointed as an executive Director in July 2004. He is a fellow of The Chartered Association of Certified Accountants, the United Kingdom and a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and has over 30 years of experience in property development and investment in Hong Kong. Mr. Chow joined the New World Group in 1973 and is responsible for the financial operations of the New World Group. Mr. Chow is also an executive director of New World China Land Limited (stock code 917), and an independent non-executive director of each of Playmates Holdings Limited (stock code 635), Top Form International Limited (stock code 333) and Yu Ming Investments Limited (stock code 666), all of which are companies whose shares are listed on the Stock Exchange. Save as disclosed above, Mr. Chow did not hold any directorship in any other listed public company in the past three years immediately prior to this circular.

LETTER FROM THE BOARD

As at the Latest Practicable Date, Mr. Chow had personal interests in the options to subscribe for 482,000 Shares which are required to be notified to the Company and the Stock Exchange under Part XV of the SFO. There is no service contract between Mr. Chow and the Company nor is there any specific term of his appointment but his term of office is subject to retirement by rotation and re-election in accordance with the Articles. Mr. Chow is entitled to an annual director's fee of HK\$50,000 which is determined with reference to his duties and responsibilities with the Company and is subject to review by the Board from time to time. Mr. Chow has also been paid to a performance bonus of HK\$600,000 for the year ended 30 June 2006. Other than his role as an executive Director, Mr. Chow does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

Mr. Tsui Hing Chuen, William, JP aged 55, was appointed as an independent non-executive director, a member of the audit committee and a member of the remuneration committee of the Company in September 2006. Mr. Tsui is the founder partner of Messrs. Lo, Wong & Tsui, Solicitors & Notaries since 1980. He has been a solicitor of the High Court of Hong Kong since 1977, a solicitor of the Supreme Court of England & Wales since 1980 as well as a barrister and solicitor of the Supreme Court of Victoria, Australia since 1983. He has also been an advocate and solicitor in Singapore since 1985 and a notary public appointed by the Archbishop of Canterbury, England since 1988. Mr. Tsui was appointed as a Justice of Peace by the government of Hong Kong in 1997. He is as an independent non-executive director of Taifook Securities Group Limited (stock code 665) and New World CyberBase Limited (stock code 276), both of which are companies whose shares are listed on the Stock Exchange. Save as disclosed above, Mr. Tsui did not hold any directorship in any other listed public company in the past three years immediately prior to this circular.

As at the Latest Practicable Date, Mr. Tsui had no personal interests in the options to subscribe for Shares which are required to be notified to the Company and the Stock Exchange under Part XV of the SFO. There is no service contract between Mr. Tsui and the Company nor is there any specific term of his appointment but his term of office is subject to retirement by rotation and re-election in accordance with the Articles. Mr. Tsui is entitled to an annual director's fee of HK\$120,000 which is determined with reference to his duties and responsibilities with the Company and is subject to review by the Board from time to time. Other than his role as an independent non-executive Director, Mr. Tsui does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

Save as disclosed above, the Board is not aware of any matters relating to the above proposed re-election that need to be brought to the attention of the Shareholders and the Stock Exchange in connection with their re-election. The Board also confirms that there is no other information required to be disclosed pursuant to Rule 13.51(2)(h)-(v) of the Listing Rules.

LETTER FROM THE BOARD

GENERAL MANDATES

The current general mandates granted to the Directors to issue and repurchase Shares will expire at the conclusion of the AGM. The Directors will ask for renewal of such authorities by proposing resolutions numbered 4, 5 and 6 as ordinary resolutions for Shareholders' consideration and approval.

In order to provide flexibility and discretion to the Directors to issue new Shares, an ordinary resolution will be proposed at the AGM that the Directors be granted the Issue Mandate to allot, issue and deal with the new Shares not exceeding 20% of the issued share capital of the Company at the time of passing such resolution and a separate ordinary resolution will also be proposed to extend the Issue Mandate by adding the aggregate nominal amount of any Shares repurchased by the Company pursuant to the Repurchase Mandate.

At the AGM, an ordinary resolution will be proposed to the Shareholders that the Directors be granted the Repurchase Mandate to repurchase Shares up to a maximum of 10% of the issued share capital of the Company at the time of passing such resolution. An explanatory statement as required under the Listing Rules to provide the requisite information concerning the Repurchase Mandate is set out in the Appendix to this circular.

AMENDMENTS TO THE ARTICLES

The Board would also take the opportunity at the AGM to seek the approval of the Shareholders to amend the current Articles. The purpose of the amendments is to comply with the amendments to the Listing Rules. The principal amendments include: (i) the Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the Listing Rules; and (ii) the voting by poll shall be demanded by the chairman of a general meeting and/or Directors who, individually or collectively, hold proxies in respect of Shares representing 5% or more of the total voting rights at a particular general meeting.

The full text of the proposed amendments is set out in resolution numbered 7 in the AGM Notice set out on page 15 of this circular.

The proposed amendments are subject to the approval of the Shareholders by way of special resolution at the AGM.

AGM

The AGM Notice is set out on pages 12 to 16 of this circular. If you are not able to attend the AGM, you are requested to complete and return the form of proxy enclosed in this circular in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrars, Abacus Share Registrars Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than forty-eight hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof should you so wish but the authority of your proxy will be invalidated forthwith.

LETTER FROM THE BOARD

PROCEDURE BY WHICH A POLL MAY BE DEMANDED

Under the Articles, at the AGM, 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 by:

- (i) the chairman of the meeting; or
- (ii) at least five members present in person or by proxy and entitled to vote at the meeting; or
- (iii) any member or members present in person or by proxy and representing in aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or
- (iv) any member or members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

DOCUMENTS FOR INSPECTION

Copy of the Articles is available for inspection during normal business hours at the principal place of business of the Company in Hong Kong at 17th Floor, Chevalier Commercial Centre, 8 Wang Hoi Road, Kowloon Bay, Kowloon, Hong Kong from the date of this circular up to and including the date of the AGM and at the AGM.

RECOMMENDATION

The Directors consider that the proposals described in this circular are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favour of the resolutions regarding the re-election of Directors, the grant of the General Mandates and the amendments to the Articles to be proposed at the AGM.

GENERAL

Your attention is drawn to the additional information set out in the Appendix.

Yours faithfully,
For and on behalf of the Board
New World Mobile Holdings Limited
Dr. Cheng Kar Shun, Henry
Chairman

This is an explanatory statement given to the Shareholders relating to resolution numbered 5 granting the Repurchase Mandate to the Directors. It contains a summary of the information required pursuant to Rule 10.06(1)(b) of the Listing Rules which is set out as follows:

(1) Exercise of the Repurchase Mandate

Resolution numbered 5 set out in the AGM Notice will, if passed, give a general unconditional mandate to the Directors authorising the repurchase by the Company of the issued and fully paid Shares up to a maximum of 10% of the nominal amount of the share capital of the Company as at the date of the AGM. It will be valid until the next annual general meeting unless revoked or varied before such meeting.

Exercise in full of the Repurchase Mandate would result in up to a maximum of 9,533,606 Shares (on the basis of 95,336,069 Shares in issue as at the Latest Practicable Date) being repurchased by the Company.

(2) Reasons for repurchases

The Directors believe that it is in the interests of the Company and its Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders as a whole.

(3) Funding of repurchases

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the applicable laws of the Cayman Islands, the memorandum of association of the Company and the Articles. Cayman Islands law provide that the amount to be paid in connection with a share repurchase may be paid out of profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the repurchase or out of capital, provided the Company can, immediately following such payments, pay its debts as they fall in the ordinary course of business.

There might be a material impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an 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.

(4) Status of repurchased Shares

The Listing Rules provide that the listing of all the Shares repurchased by the Company are automatically cancelled and the Company must ensure that the corresponding certificates are cancelled and destroyed. Under Cayman Islands law, the Shares so repurchased will be treated as having been cancelled.

(5) Share repurchases

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six (6) months preceding the Latest Practicable Date.

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

(6) Share prices

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous 12 months were as follows:-

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2005		
October	3.200	2.00
November	2.875	1.60
December	2.175	1.41
2006		
January	1.680	1.42
February	1.690	1.45
March	1.800	1.48
April	2.350	1.75
May	1.850	1.50
June	1.630	1.48
July	1.680	1.45
August	1.800	1.45
September	1.900	1.42
October (<i>up to the Latest Practicable Date</i>)	1.950	1.54

(7) Effect of the Takeovers Code

If, as a result of a share repurchase 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 purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, could, depending upon the level of increase in shareholding, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

The Directors are not aware of any consequences which would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code in the event that the Repurchase Mandate, if approved by the Shareholders at the AGM, is exercised in full. The Directors have no present intention to repurchase Shares to an extent which will result in the number of Shares held by the public being reduced to less than 25%.

(8) General

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates has any present intention to sell any Shares to the Company under the Repurchase Mandate if the Repurchase Mandate is approved by the Shareholders.

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

NOTICE OF ANNUAL GENERAL MEETING



NEW WORLD MOBILE HOLDINGS LIMITED 新世界移動控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 862)

NOTICE IS HEREBY GIVEN that an annual general meeting of New World Mobile Holdings Limited (the “Company”) will be held at Meeting Rooms 603 and 604, Hong Kong Convention and Exhibition Centre, 1 Harbour Road, Wanchai, Hong Kong on Tuesday, 21 November 2006 at 12:30 p.m. to transact the following ordinary business:

1. To receive and consider the audited financial statements and the reports of the directors and auditors of the Company and its subsidiaries for the year ended 30 June 2006;
2.
 - (a) To re-elect Mr. Lo Lin Shing, Simon as non-executive director of the Company;
 - (b) To re-elect Mr. To Hin Tsun, Gerald as executive director of the Company;
 - (c) To re-elect Mr. Ho Hau Chong, Norman as non-executive director of the Company;
 - (d) To re-elect Mr. Chow Yu Chun, Alexander as executive director of the Company;
 - (e) To re-elect Mr. Tsui Hing Chuen, William, *JP* as independent non-executive director of the Company; and
 - (f) To authorise the board of directors of the Company to fix their remuneration;
3. To re-appoint the auditors and to authorise the board of directors of the Company to fix their remuneration,

and, by way of special business, to consider and, if thought fit, to pass each of the following resolutions, with or without modification, of which resolutions numbered 4, 5 and 6 will be proposed as ordinary resolutions and resolution numbered 7 will be proposed as special resolution:

ORDINARY RESOLUTIONS

4. **“THAT:**
 - (a) subject to the following provisions of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of the Company, and to make

NOTICE OF ANNUAL GENERAL MEETING

or grant offers, agreements or options (including bonds, notes, warrants, debentures and securities convertible into shares of the Company) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements or options (including bonds, notes, warrants, debentures and securities convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued 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 below); (ii) an issue of shares pursuant to any existing specific authority, including upon the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any bonds, notes, debentures or securities convertible into shares of the Company; (iii) the exercise of options granted under any share option scheme adopted by the Company; and (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; or
- (iii) the revocation or variation of the authority 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 open for a period fixed by the directors of the Company made to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements

NOTICE OF ANNUAL GENERAL MEETING

or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in, or in any territory outside, Hong Kong).”

5. **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to repurchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose (the “Recognised Stock Exchange”), subject to and in accordance with all applicable laws, rules and regulations and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, or of any other Recognised Stock Exchange and the articles of association of the Company be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares which the Company is authorised to repurchase pursuant to the approval in paragraph (a) of this resolution shall not exceed 10 per cent. of the aggregate nominal amount of the shares in the capital of the Company in issue as at the date of passing this resolution; and
- (c) for the purposes of this resolution, “Relevant Period” means the period from the date of passing this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; or
 - (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

6. **“THAT,** subject to the passing of resolutions numbered 4 and 5 as set out in the notice convening this meeting (the “Notice”), the general mandate granted to the directors of the Company to allot, issue and deal with additional shares of the Company pursuant to resolution numbered 4 set out in the Notice be and is hereby extended by the addition to it of an amount representing the aggregate nominal amount of the shares in the capital of the Company which are repurchased by the Company pursuant to and since the granting to the Company of the general mandate to repurchase shares in accordance with resolution numbered 5 set out in the Notice.”

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTION

7. “**THAT**, the existing articles of association of the Company (the “Articles”) be and are hereby amended in the following manner:

- (a) by deleting the word “or” at the end of the Article 80(c), deleting the full-stop at the end of Article 80(d) and replacing therewith a semicolon and the word “or” and inserting the following new Article 80(e):

“Article 80(e)

if required by the Listing Rules, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.”

- (b) by inserting the following new Article 80(A) immediately after Article 80:

“Article 80(A)

The Company shall only be required to disclose the voting figures on a poll if such disclosure is required under the Listing Rules.”

By Order of the Board
Sien Yun Man
Company Secretary

Hong Kong, 26 October 2006

NOTICE OF ANNUAL GENERAL MEETING

Principal place of business in Hong Kong:

17th Floor
Chevalier Commercial Centre
8 Wang Hoi Road
Kowloon Bay
Kowloon
Hong Kong

Registered office:

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

Notes:

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person(s) as his/her proxy to attend and vote instead of him/her. In the case of a recognised clearing house, it may authorise such person(s) as it thinks fit to act as its representative(s) at the meeting and vote in its stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy together with a 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 branch share registrars of the Company in Hong Kong, Abacus Share Registrars Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof (as the case may be).
3. Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the meeting or any adjournment thereof if he so desires and, in such event, the instrument appointing a proxy shall be deemed to have been revoked.
4. Where there are joint holders of any share, any one of such holders may vote at the meeting either personally or by proxy in respect of such share as if he/she were solely entitled to vote; but if more than one of such joint holders be present at the meeting in person or by proxy, then the one of such holders whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
5. The register of members of the Company will be closed from Tuesday, 14 November 2006 to Tuesday, 21 November 2006, both days inclusive, during which period no transfer of shares will be effected. In order to determine the entitlement to attend and vote the forthcoming Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Abacus Share Registrars Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, not later than 4:00 p.m. on Monday, 13 November 2006.

Note: The Chinese translation of this Circular which contains details of the amendments to the Articles is for reference only. In case of inconsistency, the English version shall prevail.