

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

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

If you have sold or transferred all your shares in FinTronics Holdings Company Limited (“Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission 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.

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**FinTronics**

**銀創控股**

**FINTRONICS HOLDINGS COMPANY LIMITED**

**銀創控股有限公司\***

*(incorporated in Bermuda with limited liability)*

**(Stock code: 706)**

**AMENDMENTS TO THE BYE-LAWS,  
RENEWAL OF THE 10% GENERAL LIMIT ON THE GRANT  
OF OPTIONS UNDER THE SHARE OPTION SCHEME,  
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of the Company to be held at Tien Room, Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, Hong Kong at 10:30 a.m. on 30 June 2006 is set out on pages 15 to 20 of this circular. Whether or not you are able 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 of the meeting to the office of the Company’s branch registrar in Hong Kong, Tengis Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting in person should you so wish.

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## DEFINITIONS

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

“10% General Limit”	the limit imposed under Clause 8.01(a) of the rules of the Share Option Scheme on the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company, being 10% of the Company’s issued share capital as at the date of adoption of the Share Option Scheme, which may be “refreshed” pursuant to the rules of the Share Option Scheme
“Annual General Meeting”	the annual general meeting of the Company convened to be held at Tien Room, Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, Hong Kong at 10:30 a.m. on 30 June 2006, notice of which is set out on pages 15 to 20 of this circular, and any adjournment thereof
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company, as amended from time to time
“CG Code”	the Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules
“Company”	FinTronics Holdings Company Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Companies Act”	the Companies Act 1981 of Bermuda
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the General Mandate
“General Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares 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 the relevant resolution at the Annual General Meeting

## DEFINITIONS

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	6 June 2006, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general and unconditional mandate to the Directors to enable them to repurchase Shares the aggregate nominal amount of which shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution at the Annual General Meeting
“SFO”	Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme of the Company adopted pursuant to an ordinary resolution of the Company passed on 23 May 2002 replacing the Terminated Scheme
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Terminated Scheme”	the share option scheme of the Company terminated by an ordinary resolution of the Company passed on 23 May 2002
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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**FINTRONICS HOLDINGS COMPANY LIMITED**

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*(incorporated in Bermuda with limited liability)*

**(Stock code: 706)**

*Executive Directors:*

Sze Wai, Marco (*Chairman*)

Chu Chi Shing

Song Jing Sheng

Gu Peijian

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Independent non-executive Directors:*

Wong Po Yan

Mao Zhenhua

Chong Yiu Kan, Sherman

*Principal place of business*

*in Hong Kong:*

Units 2003 and 2005, 20th Floor

Great Eagle Centre

23 Harbour Road

Wanchai

Hong Kong

8 June 2006

*To the Shareholders*

Dear Sir or Madam,

**AMENDMENTS TO THE BYE-LAWS,  
RENEWAL OF THE 10% GENERAL LIMIT ON THE GRANT  
OF OPTIONS UNDER THE SHARE OPTION SCHEME,  
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purposes of this circular are to provide you with information regarding the resolutions to be proposed at the Annual General Meeting and to give you notice of the Annual General Meeting. At the Annual General Meeting, resolutions relating to, among other matters, (i) the proposed amendments to the Bye-laws (ii) the proposed renewal of the 10% General Limit; (iii) the proposed grant of the General Mandate, the Repurchase Mandate and the Extension Mandate and (iv) the proposed re-election of Directors will be proposed.

\* *for identification purposes only*

## LETTER FROM THE BOARD

Under the Listing Rules, the Company is required to provide you with information reasonably necessary to enable you to make an informed decision as to whether to vote for or against the resolutions to be proposed at the Annual General Meeting. This circular is also prepared for such purpose.

### 2. AMENDMENTS TO THE BYE-LAWS

In November 2004, the Stock Exchange made amendments to the Listing Rules which came into effect on 1 January 2005. Amongst the various changes, the CG Code was introduced. It sets out principles of good corporate governance, and two levels of recommendations being code provisions and recommended best practices. Issuers, such as the Company, are expected to comply with, but may choose to deviate from the code provisions whereas the recommended best practices are for guidance only. The Company has implemented the code provisions of the CG Code to the extent that it is reasonable, practicable and in the interest of the Company to do so. In order to ensure that provisions in the Bye-laws are consistent with the CG Code, it is proposed that certain provisions of the existing Bye-laws be amended to the effect that:

- (1) all Directors, if they are appointed by the Board to fill a casual vacancy, should be subject to election by the Shareholders at the first general meeting after their appointment; and
- (2) all Directors should be subject to retirement by rotation at least once every three years.

In addition, in February 2006, the Stock Exchange made amendments to the Listing Rules which came into effect on 1 March 2006. Pursuant to the amendment made to Appendix 3 to the Listing Rules which states the requirements for the articles of association or equivalent document of listed issuers, the listed issuer in general meeting shall have power by ordinary resolutions to remove any director. According to the Bye-laws, the Company may by special resolution remove any Director before the expiration of his period of office. Amendment to the relevant provision of the Bye-laws will be proposed at the Annual General Meeting.

### 3. SHARE OPTION SCHEME – RENEWAL OF 10% GENERAL LIMIT

Under the rules of the Share Option Scheme:

- (1) the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company is subject to the 10% General Limit (which was 10% of the Company's issued share capital as at the date of adoption of the Share Option Scheme);

## LETTER FROM THE BOARD

- (2) the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 30% of the Shares of the Company in issue from time to time ("**30% Overall Limit**"); and
- (3) unless approved by the Shareholders in general meeting, the total number of Shares issued and to be issued upon the exercise of options granted to each participant (other than a substantial shareholder or an independent non-executive director of the Company, who shall be subject to a lower threshold) of the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the issued share capital of the Company in issue ("**Single Participant Limit**").

The Company may seek approval from the Shareholders in general meeting for refreshing the 10% General Limit so that the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company shall be re-set at 10% of the Shares in issue as at the date of the approval of the limit as "refreshed".

In this connection, options previously granted under the Share Option Scheme and any other share option schemes of the Company (including options outstanding, cancelled, lapsed or exercised) will not be counted for the purpose of calculating the 10% General Limit as "refreshed".

The existing 10% General Limit is 44,064,400 Shares, being 10% of the Shares in issue as at the date of the adoption of the Share Option Scheme. As at the Latest Practicable Date, options carrying the rights to subscribe for a total of 44,060,000 Shares had been granted under the Share Option Scheme and 43,560,000 Shares of which remained outstanding. All these options were granted in accordance with the terms and restrictions of the Share Option Scheme (including the Single Participant Limit) and were granted to employees and consultants of the Group.

All the above grantees of the options fall within the category of eligible participants under the Share Option Scheme. The Directors confirm that the grant of options to the above grantees was in line with the rules of the Share Option Scheme and the relevant requirements of the Listing Rules.

Apart from the Share Option Scheme and the Terminated Scheme, the Company has no other share option scheme. As at the Latest Practicable Date, options carrying the right to subscribe for 15,681,000 Shares remained outstanding under the Terminated Scheme. No further options may be granted under the Terminated Scheme.

## LETTER FROM THE BOARD

A breakdown setting out the outstanding options granted under the Terminated Scheme and the Share Option Scheme as at the Latest Practicable Date is as follows:

### Terminated Scheme

	Exercise period	Exercise price	Number of options
<b>Directors</b>			
Mr. Chu Chi Sing	2 October 1999 to 5 July 2009	HK\$1.08	2,100,000
	2 January 2001 to 16 January 2010	HK\$1.32	200,000
	1 October 2001 to 3 June 2011	HK\$0.58	200,000
Mr. Sze Wai, Marco	1 October 2001 to 3 June 2011	HK\$0.58	3,500,000
<b>Employees and consultants of the Group</b>			
	2 October 1999 to 5 July 2009	HK\$1.08	2,881,000
	2 January 2001 to 29 December 2009	HK\$1.13	100,000
	2 January 2001 to 16 January 2010	HK\$1.32	650,000
	2 January 2001 to 20 January 2010	HK\$1.44	560,000
	2 January 2001 to 6 March 2010	HK\$2.06	40,000
	2 January 2001 to 9 August 2010	HK\$1.14	200,000
	1 October 2001 to 3 June 2011	HK\$0.58	5,250,000

### Share Option Scheme

	Exercise period	Exercise price	Number of options
<b>Employees and consultants of the Group</b>	20 March 2006 to 19 March 2016	HK\$0.122	43,560,000

Unless the 10% General Limit is “refreshed”, only up to 4,400 Shares may be issued pursuant to the grant of further options under the Share Option Scheme.

If the 10% General Limit is “refreshed”, on the basis of 1,057,788,000 Shares in issue as at the Latest Practicable Date and assuming that, prior to the Annual General Meeting, no Shares are issued (whether upon exercise of options granted under the Share Option Scheme or otherwise) or repurchased by the Company, the 10% General Limit will be re-set at 105,778,800 Shares and the Company will be allowed to grant further options under the Share Option Scheme and other share option schemes carrying the rights to subscribe for a maximum of 105,778,800 Shares (“**Available Limit**”).

On the basis of 1,057,788,000 Shares in issue as at the Latest Practicable Date, the 30% Overall Limit represents a total of 317,336,400 Shares. Accordingly, the Available Limit arising from the “refreshing” of the 10% General Limit, together with the outstanding options granted under the Terminated Scheme carrying the right to subscribe for 15,681,000 Shares and the outstanding options granted under the Share Option Scheme carrying the right to subscribe for 43,560,000 Shares, does not exceed the 30% Overall Limit as at the Latest Practicable Date.



## LETTER FROM THE BOARD

The purpose of the Share Option Scheme is to provide incentives or rewards to employees, customers and suppliers of the Group and other eligible participants of the Share Option Scheme for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group. Given that the existing 10% General Limit is in depletion, the Share Option Scheme cannot continue to serve its intended purpose for the benefits of the Group and its Shareholders unless the 10% General Limit is “refreshed” in accordance with the rules of the Share Option Scheme.

The Directors consider that it will be for the benefit of the Company and its Shareholders as a whole that eligible participants of the Share Option Scheme are granted rights to obtain equity holdings of the Company through the grant of options under the Share Option Scheme. This will motivate the eligible participants to contribute to the success of the Group. For these reasons, the Directors will propose the passing of an ordinary resolution at the Annual General Meeting for “refreshing” the 10% General Limit.

#### **4. GRANT OF GENERAL MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE**

By an ordinary resolution passed at the annual general meeting of the Company on 31 May 2005, the Directors were granted a general mandate to repurchase the Shares and a general mandate to allot, issue and deal with the Shares. These mandates will expire at the conclusion of the forthcoming Annual General Meeting. At the Annual General Meeting, the following resolutions (among other matters) will be proposed:

- (a) to grant the General Mandate to the Directors to exercise the powers of the Company to allot, issue or otherwise deal with additional Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of such resolution;
- (b) to grant the Repurchase Mandate to the Directors to enable them to repurchase the Shares on the Stock Exchange up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of such resolution; and
- (c) to grant the Extension Mandate so as to increase the number of Shares to be issued and allotted under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,057,788,000 Shares. Subject to the passing of the proposed resolution for the grant of the General Mandate and on the basis that no Shares are allotted and issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the General Mandate to allot, issue or otherwise deal with a maximum of 211,557,600 Shares.

## LETTER FROM THE BOARD

Under the Listing Rules, the Company is required to give its Shareholders all information which is reasonably necessary to enable its Shareholders to make an informed decision as to whether to vote for or against the resolution to renew the grant to the Directors of the Repurchase Mandate. The explanatory statement required by the Listing Rules is set out in Appendix I to this circular.

### 5. RE-ELECTION OF DIRECTORS

Pursuant to Bye-laws 111A and 111B of the Bye-laws, each of Mr. Chu Chi Shing and Mr. Gu Peijian will retire at the Annual General Meeting and, being eligible, offer himself for re-election.

In addition, pursuant to Bye-law 114 of the Bye-laws, Mr. Song Jing Sheng will hold office until the Annual General Meeting and, being eligible, offer themselves for re-election.

Brief biographical details of the Directors offered themselves for re-election are set out in Appendix II to this circular.

### 6. ACTION TO BE TAKEN

Set out on pages 15 to 20 of this circular is a notice convening the Annual General Meeting at which resolutions will be proposed to approve, among other matters, the following:

- (a) the amendments to the Bye-laws;
- (b) the renewal of the 10% General Limit;
- (c) the grant of the General Mandate, the Repurchase Mandate and the Extension Mandate; and
- (d) the re-election of Directors.

You will find enclosed with this circular a form of proxy for use at the Annual General Meeting. Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the Annual General Meeting. 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 if you so wish.

## LETTER FROM THE BOARD

### 7. RECOMMENDATION

The Directors consider that the proposed amendments to the Bye-laws, the proposed refreshment of the 10% General Limit, the proposed grant of each of the General Mandate, the Repurchase Mandate and the Extension Mandate and the proposed re-election of Directors are in the best interests of the Company and its Shareholders and recommend Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

### 8. PROCEDURE TO DEMAND A POLL AT THE ANNUAL GENERAL MEETING

Pursuant to Bye-law 73 of the Bye-laws, a resolution put to the vote of a meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (i) by the chairman of such meeting; or
- (ii) by at least three Shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) by a Shareholder or Shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (iv) by a Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised 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 shares conferring that right.

Yours faithfully,  
For and on behalf of the Board  
**FinTronics Holdings Company Limited**  
**Sze Wai, Marco**  
*Chairman*

## **APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE**

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to enable you to make an informed decision whether to vote for or against the resolution to approve the grant of the Repurchase Mandate to the Directors.

### **1. LISTING RULES RELATING TO THE REPURCHASE OF SECURITIES**

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which is summarised below. The Company is empowered by its memorandum of association and the Bye-laws to repurchase its own securities.

### **2. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,057,788,000 Shares. Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no Shares are allotted and issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 105,778,800 Shares.

### **3. REASONS FOR THE REPURCHASE**

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

### **4. FUNDING OF REPURCHASES**

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and the Bye-laws, the Listing Rules and the applicable laws of Bermuda.

Taking into account the current working capital position of the Group, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Group as compared with the position as at 31 December 2005. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Group which in the opinion of the Directors are from time to time appropriate for the Group.

## APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

### 5. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months and up to the Latest Practicable date were as follows:

	Highest HK\$	Lowest HK\$
<b>2005</b>		
June	0.225	0.183
July	0.188	0.160
August	0.175	0.140
September	0.164	0.143
October	0.160	0.129
November	0.140	0.110
December	0.128	0.110
<b>2006</b>		
January	0.168	0.108
February	0.189	0.138
March	0.202	0.110
April	0.163	0.122
May	0.335	0.151
June ( <i>Note</i> )	0.250	0.233

*Note:* Up to the Latest Practicable Date

### 6. DISCLOSURE OF INTERESTS AND MINIMUM PUBLIC HOLDING

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their associates (as defined in the Listing Rules), have any present intention to sell to the Company or its subsidiaries any of the securities in the Company if the Repurchase Mandate is approved at the Annual General Meeting and exercised.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make purchases of the Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, applicable laws of Bermuda and the regulations set out in the memorandum of association of the Company and the Bye-laws.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase securities pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

## **APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE**

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Leading Value Industrial Limited held 264,869,906 Shares representing approximately 25.04% of the then issued share capital of the Company. On the basis that 1,057,788,000 Shares in issue as at the Latest Practicable Date and assuming no further issue nor repurchase of Shares prior to the date of the Annual General Meeting, if the Repurchase Mandate were exercised in full, the Directors are not aware of any consequence which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in less than 25% of the Shares being held by the public.

As at the Latest Practicable Date, no connected person (within the meaning ascribed to it in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any securities of the Company nor has such connected person undertaken not to sell any of the securities held by him/her/it to the Company in the event that the Repurchase Mandate is granted.

### **SECURITIES REPURCHASE MADE BY THE COMPANY**

The Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise) during the six months preceding the date of this circular.

## PARTICULARS OF DIRECTORS FOR RE-ELECTION

The biographical details of the Directors offered themselves for re-election at the Annual General Meeting are set out below:

### **Mr. Chu Chi Shing, aged 39, an executive Director**

Mr. Chu is an executive Director and Chief Executive Officer of the Company. He joined the Group in June 1998. Mr Chu graduated from Shanghai Jiaotong University with a bachelor degree in Computer Science. Mr Chu has extensive experience in the computer industry. He is responsible for the Group's business operations and also responsible for the implementation of the Group's business strategies and policies and investors' relationships. Mr. Chu is also the director of a number of subsidiaries of the Company. In the last three years and until 1 October 2005, Mr. Chu was an executive director of SJTU Sunway Software Industry Limited, a company listed on the Growth Enterprise Market of the Stock Exchange. Other than that, Mr. Chu has not held any directorship in any other listed companies in the last three years except for the Company.

Mr. Chu has not entered into any service contract with the Company. He is entitled to an annual director's fee of HK\$888,000 which is determined based on the duties and responsibility of Mr. Chu in the Group. Save as disclosed herein, there are no other benefits provided to Mr. Chu for his directorship in the Company.

Apart from being an executive Director, Mr. Chu does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Chu was interested in 2,500,000 Shares within the meaning of Part XV of the SFO.

### **Mr. Gu Peijian, aged 40, an executive Director**

Mr. Gu obtained a master degree from Zhongguo Guoli Huaqiao University. He has over 15 years of experience in the computer industry. He was an executive Director from March 1999 to November 2000. Mr. Gu is also the director of a number of subsidiaries of the Company. Mr. Gu has not held any directorship in any listed companies in the last three years except for the Company.

Mr. Gu has not entered into any service contract with the Company. The amount of emoluments of Mr. Gu is HK\$25,000 per month, which is determined by the Board with reference to his duties and responsibilities. Save as disclosed herein, there are no other benefits provided to Mr. Gu for his directorship in the Company.

Apart from being an executive Director, Mr. Gu does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Gu was interested in 540,000 Shares within the meaning of Part XV of the SFO.

**Mr. Song Jing Sheng, aged 48, an executive Director**

Mr. Song graduated from the postgraduate school of Chinese Academy of Social Sciences majoring in Finance in July 1998. He has extensive experience in the banking and finance industry in the PRC. Mr Song was an independent non-executive director of SJTU Sunway Software Industry Limited, a company listed on the Growth Enterprise Market of the Stock Exchange. Mr Song joined the Group in May 2005. Save as disclosed above, Mr. Song has not held any directorship in any listed companies in the last three years except for the Company.

Mr. Song has not entered into any service contract with the Company. The amount of emoluments of Mr. Song is HK\$60,000 per month, which is determined by the Board with reference to his duties and responsibilities. Save as disclosed herein, there are no other benefits provided to Mr. Song for his directorship in the Company.

Apart from being an executive Director, Mr. Song does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Song was interested in 43,800,000 Shares within the meaning of Part XV of the SFO.

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the Shareholders in relation to the above re-appointment of Directors and there is no other information which is discloseable pursuant to any of the requirements set out in Rule 13.51(2)(h) to (v) of the Listing Rules.



## NOTICE OF ANNUAL GENERAL MEETING

# **FinTronics**

## **銀創控股**

### **FINTRONICS HOLDINGS COMPANY LIMITED**

### **銀創控股有限公司\***

*(incorporated in Bermuda with limited liability)*

**(Stock code: 706)**

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an annual general meeting (“AGM”) of FinTronics Holdings Company Limited (“Company”) will be held at Tien Room, Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, Hong Kong at 10:30 a.m. on 30 June 2006 to consider and, if thought fit, transact the following ordinary businesses:

1. To receive and consider the audited financial statements and the reports of the directors and auditors for the year ended 31 December 2005.
2. To re-elect retiring directors (each as a separate resolution) and to authorise the board of directors to fix director’s remuneration.
3. To re-appoint auditors and to authorise the board of directors to fix their remuneration.

and as special businesses, to consider and, if thought fit, pass the following resolutions as ordinary resolutions, or as the case may be, a special resolution:

### **SPECIAL RESOLUTION**

4. **“THAT** the bye-laws of the Company be and they are hereby amended in the following manner:
  - (a) the definition of “clearing house” in paragraph (A) of Bye-law 1 be deleted in its entirety and replaced by the following:

““clearing house” shall mean a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted with the permission of the Company on a stock exchange in such jurisdiction;”;
  - (b) paragraph (vii) of Bye-law 108 be amended by the deletion of the words “by a Special Resolution of the Company”;

\* for identification purposes only

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- (c) paragraph (A) of Bye-law 111 be deleted in its entirety and replaced by the following:

“At each annual general meeting 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 less than one-third, shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. A retiring Director shall be eligible for re-election. The Company at the general meeting at which a Director retires may fill the vacated office.”

- (d) Bye-law 114 be deleted in its entirety and replaced by the following:

“Subject to the Statutes and the provisions of these Bye-laws, the Company may from time to time in general meeting by Ordinary Resolution elect any person to be a Director either to fill a casual vacancy or as an additional Director.”

- (e) Bye-law 115 be amended by deleting the word “annual” on the eighth line;

- (f) Bye-law 117 be amended by substituting the word “Special” with the word “Ordinary” on the first line; and

- (g) the last sentence of Bye-law 117 be deleted in its entirety.”

### ORDINARY RESOLUTIONS

5. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) granting the listing of, and permission to deal in, such number of shares of the Company which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the share option scheme adopted by the Company on 23 May 2002 (“**Share Option Scheme**”), representing 10 per cent. of the issued share capital of the Company as at the day on which this resolution is passed, pursuant to Clause 8.01(a) of the Share Option Scheme:

- (a) approval be and is hereby granted for refreshing the 10 per cent. mandate under the Share Option Scheme (“**Refreshed Scheme Mandate**”) provided that the total number of shares of the Company which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company under the limit as refreshed hereby shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the day on which this resolution is passed (options previously granted under the Share Option Scheme and any other share option schemes of the Company (including options outstanding,

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cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate); and

- (b) the directors of the Company or a duly authorised committee thereof be and they are hereby authorised: (i) at their absolute discretion, to grant options to subscribe for shares of the Company within the Refreshed Scheme Mandate in accordance with the rules of the Share Option Scheme, and (ii) to allot, issue and deal with Shares pursuant to the exercise of options granted under the Share Option Scheme within the Refreshed Scheme Mandate.”
6. (A) “**THAT:**
- (a) subject to paragraph (c) below, the exercise by the directors of the Company (“**Directors**”) during the Relevant Period (as defined below) of all powers of the Company to allot, issue and deal with new or additional shares (each a “**Share**”) of HK\$0.10 each in the capital of the Company, and to make or grant offers, agreements or options, including warrants, bonds, debentures, notes or securities convertible into Shares which would or might require the exercise of such powers during or after the end of the Relevant Period (as defined below), subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements or options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under any share option scheme adopted by the Company; or (iii) any scrip dividend scheme or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:

## NOTICE OF ANNUAL GENERAL MEETING

(aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution; and

(bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any share capital of the Company purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. 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 authority pursuant to paragraph (a) of this resolution shall be limited accordingly;

(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 expiration of the period within which the next annual general meeting of the Company is required by the applicable law of Bermuda or the bye-laws of the Company 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 the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors 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 Shares as at that date (subject to such exclusion 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 of or the requirements of any recognised regulatory body or any stock exchange in any territory applicable to the Company).”

## NOTICE OF ANNUAL GENERAL MEETING

(B) **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (**“Directors”**) during the Relevant Period (as defined below) of all powers of the Company to repurchase shares (each a **“Share”**) of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (**“Stock Exchange”**) or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (**“SFC”**) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Act 1981 of Bermuda (as amended) and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be repurchased or agreed to be repurchased pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution:

**“Relevant Period”** means the period from the date of 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 expiration of the period within which the next annual general meeting of the Company is required by the applicable law of Bermuda or the bye-laws of the Company 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.”

(C) **“THAT** conditional on the passing of resolution numbered 6(B) above, the general mandate granted to the directors of the Company pursuant to paragraph (a) of resolution numbered 6(A) above be and it is hereby extended by the addition to the aggregate nominal amount of the shares of HK\$0.10 each in the capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to or in accordance with such general mandate

## NOTICE OF ANNUAL GENERAL MEETING

of an amount representing the aggregate nominal amount of the share capital of the Company purchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 6(B) above.”

By order of the board of directors of  
**FinTronics Holdings Company Limited**  
**Sze Wai, Marco**  
*Chairman*

Hong Kong, 8 June 2006

As at the date of this notice, the board of Directors is comprised of the following Directors:

Executive Directors

Sze Wai, Marco  
Chu Chi Shing  
Song Jing Sheng  
Gu Peijian

Independent non-executive Directors

Wong Po Yan  
Mao Zhenhua  
Chong Yiu Kan, Sherman

*Principal place of business in Hong Kong:*

Units 2003 and 2005, 20th Floor  
Great Eagle Centre  
23 Harbour Road  
Wanchai  
Hong Kong

*Notes:*

1. A member entitled to attend and vote at the AGM is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the bye-laws of the Company, vote in his stead. A proxy need not be a member of the Company.
2. A form of proxy for use at the AGM is enclosed. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company's Hong Kong branch registrars, Tengis Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the AGM or adjourned meeting. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the AGM or any adjournment thereof, should he so wish.