

---

**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 **Goldbond Group Holdings Limited**, you should at once hand this circular with the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the 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.

---



**GOLDBOND GROUP HOLDINGS LIMITED**

**金榜集團控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 172)**

**PROPOSALS INVOLVING GENERAL MANDATES TO  
ISSUE SHARES AND TO REPURCHASE SHARES,  
REFRESHMENT OF THE 10% LIMIT  
UNDER THE SHARE OPTION SCHEME,  
AMENDMENTS TO THE ARTICLES OF ASSOCIATION  
AND  
RE-ELECTION OF DIRECTORS**

---

A notice convening the Annual General Meeting of the Company to be held on 22 September 2004 at 3:00 p.m. at Kennedy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong at which, among other things, the above proposals will be considered, is set out on pages 13 to 20 of this circular. Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the form of proxy enclosed with the Annual Report in accordance with the instructions printed thereon and deposit to the Company's Registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not prevent you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

28 July 2004

---

# CONTENTS

---

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b>	
Introduction .....	3
General Mandate to Issue Shares and to Repurchase Shares .....	4
Refreshment of the 10% Limit under the Share Option Scheme .....	4
Amendments to the Articles of Association .....	5
Re-election of Directors .....	6
Annual General Meeting .....	6
Right to Demand a Poll .....	6
Recommendation .....	7
Documents Available for Inspection .....	7
<b>Appendix I – Explanatory Statement</b> .....	8
<b>Appendix II – Details of Directors Proposed to be Re-elected</b> .....	12
<b>Appendix III – Notice of Annual General Meeting</b> .....	13

---

## DEFINITIONS

---

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

“AGM Notice”	the notice for convening the Annual General Meeting contained in pages 13 to 20 of this circular
“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be convened on 22 September 2004 at 3:00 p.m. at Kennedy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong
“Articles of Association”	the articles of association of the Company
“associates”	shall have the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Companies Ordinance”	Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as amended or supplemented or otherwise modified from time to time
“Company”	Goldbond Group Holdings Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“General Mandate”	the proposed general mandate to be sought at the AGM to authorize the Directors to allot and issue Shares up to a maximum of 20% of the aggregate nominal amount of the ordinary share capital of the Company in issue as at the date of passing the relevant resolution approving the same as the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative region of the People’s Republic of China
“Latest Practicable Date”	23 July 2004, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

---

## DEFINITIONS

---

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Preference Share(s)”	Both the “A” Limited Voting Convertible Preference Share(s) and the “B” Limited Voting Convertible Preference Share(s)
“Repurchase Mandate”	the proposed repurchase mandate to be sought at the AGM to authorize the Directors to repurchase the Shares the aggregate nominal amount of which does not exceed 10% of the aggregate nominal amount of the ordinary share capital in issue as at the date of passing the relevant resolution approving the same at the AGM
“Scheme”	the share option scheme adopted by the Company on 18 September 2002 and amended on 29 August 2003
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent



**GOLDBOND GROUP HOLDINGS LIMITED**

**金榜集團控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

*Executive Directors:*

Mr. Wong Yu Lung, Charles

Mr. Ko Po Ming

Ms. Loh Jiah Yee, Katherine

Mr. Lan Ning

Mr. Kee Wah Sze

*Registered Office:*

Unit 3902A, 39th Floor

Tower One, Lippo Centre

89 Queensway

Hong Kong

*Independent non-executive Directors:*

Mr. Ma Ho Fai

Mr. Zhang Xiao Shu

28 July 2004

*To the Shareholders and, for information only,  
holders of the Preference Shares*

Dear Sir or Madam,

**PROPOSALS INVOLVING GENERAL MANDATE TO  
ISSUE SHARES AND TO REPURCHASE SHARES,  
REFRESHMENT OF THE 10% LIMIT  
UNDER THE SHARE OPTION SCHEME,  
AMENDMENTS TO THE ARTICLES OF ASSOCIATION  
AND  
RE-ELECTION OF DIRECTORS**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding the proposed General Mandate and Repurchase Mandate, the proposed refreshment of the 10% limit under the Scheme, the proposed amendments to the Articles of Association and re-election of directors.

---

## LETTER FROM THE BOARD

---

### **GENERAL MANDATE TO ISSUE SHARES AND TO REPURCHASE SHARES**

At the extraordinary general meeting of the Company held on 28 November 2003, the Directors were granted a general mandate to allot, issue and deal with Shares in the capital of the Company and a repurchase mandate to repurchase Shares on the Stock Exchange. These mandates will expire at the conclusion of the forthcoming AGM. To facilitate future allotment and issue of Shares by the Directors on behalf of the Company, the Directors will seek the approval of the Shareholders for the grant of the General Mandate and Repurchase Mandate at the forthcoming AGM.

The explanatory statement in relation to the Repurchase Mandate required by the Listing Rules to be included herein is set out in Appendix I to this circular.

### **REFRESHMENT OF THE 10% LIMIT UNDER THE SHARE OPTION SCHEME**

The Company operates a Scheme for the purpose of providing incentives and rewards to eligible participants, including the Company's directors and/or to enable the Company to recruit and retain high-calibre employees and attract human resources that are valuable to the Company. The Scheme became effective on 18 September 2002 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date. On 29 August 2003, amendments were made for giving clarity to the Scheme. The eligibility of any of the eligible participants will be determined by the Directors from time to time on the basis of their opinion as to his contribution to the development and growth of the Company.

Pursuant to Chapter 17 of the Listing Rules and Paragraph (a) of the existing rule 8 of the Scheme, the total number of Shares which may be issued upon exercise of all options to be granted under the Scheme and any other schemes must not in aggregate exceed 10% of the Shares of the Company (or its subsidiaries) in issue as at the date of amendment of the Scheme, i.e., 29 August 2003. As at 29 August 2003, the Company had 331,488,000 issued Shares and so the Company may grant options to subscribe for up to 33,148,800 Shares. The Company had no other share option scheme other than the Scheme as at the Latest Practicable Date. No option has been granted under the Scheme since its adoption.

At the Annual General Meeting, an ordinary resolution will be proposed to the Shareholders of the Company to refresh the limit on the grant of options under the Scheme to 10% of the number of Shares in issue as at the date of approval of such refreshed limit (the "Refreshed Limit"). Subsequent to 29 August 2003 and up to the Latest Practicable Date, the issued share capital of the Company had been increased to 1,662,440,000 Shares. If the 10% limit is refreshed on the basis of 1,662,440,000 Shares in issue as at the Latest Practicable Date, the Refreshed Limit will be 166,244,000 Shares assuming no Shares are issued or purchased by the Company prior to the AGM.

Pursuant to the Listing Rules, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme(s) of the Company at any time must not in aggregate exceed 30% of the Shares in issue from time to time. No options shall be granted under any scheme(s) of the Company or any of its subsidiaries if this will result in the 30% limit being exceeded.

---

## LETTER FROM THE BOARD

---

On the basis of 1,662,440,000 Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or repurchased by the Company on or before the date of the Annual General Meeting, the maximum number of Shares which may fall to be issued upon exercise of all the options that may be granted by the Company under the Refreshed Limit would be 166,244,000 Shares.

Granting of options under the Refreshed Limit is conditional upon the passing of an ordinary resolution (as set out in Resolution No. 7 in the AGM Notice, which is set out on pages 13 to 20 of this circular) and the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, any new Shares, representing a maximum of 10% of the Shares in issue as at the date of approval of the limit as “refreshed”, which may be issued upon exercise of options to be granted under the Refreshed Limit.

Application will be made to the Stock Exchange for granting approval of the listing of, and permission to deal in, the new Shares which may be issued upon exercise of options to be granted under the Refreshed Limit, being up to a maximum of 10% of the Shares in issue as at the date of approval of the limit as “refreshed”.

There are no other changes to the terms of the Scheme save as abovementioned. The terms of the Scheme are available for inspection in the registered office of the Company prior to the AGM.

### AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Following certain recent amendments to the Companies Ordinance which became effective on 13 February 2004 and the amendments to the Listing Rules which became effective on 31 March 2004, it is proposed to make corresponding amendments to the Articles of Association. Listed below are major proposed amendments to be made to the existing Articles of Association pursuant to special resolution No. 8 set out in the AGM Notice at Appendix III:

- (a) where any Shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted (new Article 70A);
- (b) the Shareholders may, at any general meeting convened and held in accordance with the Articles of Association, by ordinary resolution remove a Director at any time before the expiration of his/her period of office (Article 122);
- (c) a minimum of seven (7) day period must be allowed for lodgment by Shareholders of a notice to nominate a Director and such period shall commence no earlier than the day after despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days before the date of such meeting (Article 119); and

---

## LETTER FROM THE BOARD

---

- (d) Directors shall abstain from voting at the board meeting on any matter in which he/she or any of his/her associates has a material interest and are not to be counted towards the quorum of the relevant board meeting (Article 123).

### RE-ELECTION OF DIRECTORS

In accordance with Articles 117 and 118 of the Company's Articles of Association, Mr. Kee Wah Sze and Ms. Loh Jiah Yee, Katherine will be retiring from their respective offices at the Annual General Meeting and being eligible for re-election. Details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

### ANNUAL GENERAL MEETING

The AGM Notice convening the AGM to be held on Wednesday, 22 September 2004, which contains, *inter alia*, ordinary resolutions to approve the General Mandate, Repurchase Mandate, refreshment of the 10% limit under the Scheme, and a special resolution to approve the amendments to the Articles of Association. The AGM Notice is set out on pages 13 to 20 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. If you are not able to attend the AGM, you are requested to complete the form of proxy and return it to the share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not later than 48 hours before the time fixed for holding of the AGM or any adjournment (as the case may be). 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.

No Shareholder is required to abstain from voting in the coming AGM.

### RIGHT TO DEMAND A POLL

Pursuant to Article 64 of the Articles of Association, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless before or upon the declaration of the result of the show of hands a poll is demanded by:

- (a) the Chairman of the meeting;
- (b) at least three members present in person or by proxy entitled to vote; or
- (c) one member or two members so present and entitled, if that member or those two members together hold not less than fifteen per cent of the paid-up capital of the Company.



---

## LETTER FROM THE BOARD

---

### RECOMMENDATION

The Directors considers that the granting of the General Mandate, Repurchase Mandate, refreshment of the 10% limit under the Scheme, amendment of Articles of Association and the re-election of Directors are in the interests of the Company and the Shareholders as a whole and accordingly recommend the Shareholders to vote in favour of all the resolutions as set out in the AGM Notice.

### DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Articles of Association and the Scheme will be available for inspection at the registered office of the Company at Unit 3902A, 39th Floor, Tower One, Lippo Centre, 89 Queensway, Hong Kong during normal business hours from the date of this circular up to and including 22 September 2004 and also at the AGM.

Yours faithfully,  
For and on behalf of the Board  
**Goldbond Group Holdings Limited**  
**Li Sang, Edward**  
*Company Secretary*

*This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for consideration of the Repurchase Mandate.*

## **PROVISIONS OF THE LISTING RULES**

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

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

Such authority may only continue in force during the period from the passing of the resolution until the next annual general meeting of that company or the expiration of the period.

## **NUMBER OF SECURITIES SUBJECT TO THE REPURCHASE MANDATE**

As at the Latest Practicable Date, the issued ordinary share capital of the Company consisted of 1,662,440,000 Shares. If the ordinary resolution authorizing the Directors to repurchase the Shares is passed at the AGM, and assuming that no further securities in the Company are issued or repurchased and no Preference Share(s) are converted to Share(s) prior to the date of passing the said resolution, up to 166,244,000 Shares may be repurchased by the Company.

## **SOURCE OF FUNDS**

Repurchases must be funded out of funds legally available for the purpose in accordance with the memorandum and articles of association of the Company and the laws of Hong Kong. The Companies Ordinance provides that the amount of capital repaid in connection with a share repurchase may only be paid from the distributable profits of the Company or the proceeds of a new issue of shares made for the purpose of the repurchase and any premium payable on repurchase shall be paid out of distributable profits of the Company unless such repurchased shares were issued at a premium, in which case, any premium payable on repurchase may be paid out of the proceeds of a fresh issue of shares made for the purpose of the repurchase to such extent allowable under the Companies Ordinance.

**REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase securities in the market at any appropriate time. The Directors have no present intention to repurchase any Shares but consider that such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per share and/or earnings per share of the Company and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

**FINANCIAL EFFECT OF REPURCHASES**

As compared with the financial position of the Company as at 31 March 2004 (being the date of the latest published audited accounts of the Company), the Directors anticipate that there might be a material adverse impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate is exercised in full during the proposed repurchase period. 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.

**GENERAL****(a) Undertaking**

The Directors have undertaken to the Stock Exchange that they will exercise the Repurchase Mandate in accordance with the applicable laws of Hong Kong and the Listing Rules.

**(b) Directors and connected persons**

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their associates, have any present intention to sell any of the Shares to the Company or its subsidiaries if the Repurchase Mandate is approved by the Shareholders. No “connected person” (as defined in the Listing Rules) has notified the Company that it has a present intention to sell any of the Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

**(c) Effect of Takeover Code**

If, as a result of a repurchase of the Shares, 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 Hong Kong Code on Takeovers and Mergers (“the Code”). As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and, depending on the level of increase of the Shareholder’s interest, may become

obliged to make a mandatory offer in accordance with Rule 26 of the Code. Accordingly, during the exercise of the power to repurchase the Shares pursuant to the Repurchase Mandate, the Directors and the Shareholders will act in compliance with the Code as and when necessary.

As at the Latest Practicable Date, Allied Luck Trading Limited, being a substantial Shareholder, was interested in or deemed to be interested in approximately 29.91% of the issued ordinary share capital of the Company. Assuming that there will be no change to the issued share capital of the Company between the Latest Practicable Date and the date of exercising the Repurchase Mandate, if the Repurchase Mandate, if so approved, is exercised in full, Allied Luck Trading Limited will be interested in or deemed to be interested in approximately 33.23% of the issued ordinary share capital of the Company. In the opinion of the Directors, such increase may give rise to an obligation to make a mandatory offer under Rule 26.1 of the Takeover Code.

As at the Latest Practicable Date, Mr, Kee Wah Sze (“Mr. Kee”), being a director of the Company, was interested in or deemed to be interested in approximately 28.43% of the issued ordinary share capital of the Company. Assuming that there will be no change to the issued share capital of the Company between the Latest Practicable Date and the date of exercising the Repurchase Mandate, if the Repurchase Mandate, if so approved, is exercised in full, Mr. Kee will be interested in or deemed to be interested in approximately 31.59% of the issued ordinary share capital of the Company. In the opinion of the Directors, such increase may also give rise to an obligation to make a mandatory offer under Rule 26.1 of the Takeover Code.

The Directors have no present intention to exercise the Repurchase Mandate if the repurchase would result in less than 25% of the issued share capital of the Company in the public hands.

**(d) Share Repurchase made by the Company**

The Company has made no repurchases of its Shares in the past six months (whether on the Stock Exchange or otherwise) preceding the Latest Practicable Date.

**(e) Shares Prices**

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

<b>Month</b>	<b>Price per share</b>	
	<b>Highest Price</b> <i>(HK\$)</i>	<b>Lowest Price</b> <i>(HK\$)</i>
<b>2003</b>		
July	0.122	0.116
August	0.119	0.114
September	0.148	0.116
October	0.184	0.131
November	0.230	0.134
December	0.255	0.150
<b>2004</b>		
January	0.245	0.156
February	0.195	0.145
March	0.191	0.164
April	0.180	0.145
May	0.154	0.134
June	0.141	0.101
July (up to the Latest Practicable Date)	0.127	0.110

---

## APPENDIX II      DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

---

The followings are the particulars of the Directors proposed to be re-elected at the Annual General Meeting in accordance with the Articles of Association:

**Ms. Loh Jiah Yee, Katherine**, aged 40, joined the Company as an Executive Director in January 2003. Ms. Loh has been the Chief Executive Officer of the Company since July 2003 and is responsible for business development, investment, administration and finance of the Group. She is currently the Chief Operating Officer of the Goldbond Capital Holdings Limited and the Chairman of the Gobi Fund Inc., a venture capital fund mainly focuses on early stage investment in PRC's digital media sector. She is also the Chief Executive Officer of an investment company mainly engaged in, among other things, investments in both listed and non-listed companies. She has more than 11 years of experience in finance and investment banking and is a qualified chartered accountant in Canada. She does not have any relationship with any Directors, senior management, or substantial Shareholders of the Company. She has a service contract with the Company which has no fixed length of service. Save as disclosed, Ms. Loh has no other directorship in other listed company in the last three years. Ms. Loh is also the director in eight subsidiaries of the Company.

As at the Latest Practicable Date, Ms. Loh is interested in 404,770,143 Shares (approximately 24.35% of total issued Shares) of the Company within the meaning of Part XV of the SFO. Ms. Loh has a service contract with the Company starting from 1 February 2003 pursuant to which she received a total sum of HK\$1,240,000.00 from 1 April 2003 to 31 March 2004. She received a discretionary bonus of HK\$100,000.00 during the year. Her emoluments are determined by the Board of Directors with reference to the Company's performance and profitability and the prevailing market condition.

**Mr. Kee Wah Sze**, aged 56, joined the Company as an Executive Director in January 2003, is responsible for management and legal aspect of the Group. He is a practicing solicitor in Hong Kong and the senior partner of Messrs. Michael Cheuk, Wong & Kee. He has over 20 years of experience in legal field and has extensive legal practice in commercial and corporate laws both in Hong Kong and China. Mr. Kee is also a director of Fu Shan Holdings Limited and China Fair Land Holdings Limited. He does not have any relationship with any Directors, senior management, or substantial Shareholders of the Company. He has a service contract with the Company which has no fixed length of service. Save as disclosed, Mr. Kee has no other directorship in other listed company in the last three years. Mr. Kee is also the director in 6 subsidiaries of the Company.

As at the Latest Practicable Date, Mr. Kee is interested in 472,589,643 Shares (approximately 28.43% of the total issued Shares) of the Company within the meaning of Part XV of the SFO. Mr. Kee has a service contract with the company starting from 1 February 2003 pursuant to which he received a total sum of HK\$720,000.00 from 1 April 2003 to 31 March 2004. He received a discretionary bonus of HK\$60,000.00 during the year. His emoluments are determined by the Board of Directors with reference to the Company's performance and profitability and the prevailing market condition.

**GOLDBOND GROUP HOLDINGS LIMITED****金榜集團控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Goldbond Group Holdings Limited (the “Company”) will be held at Kennedy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Wednesday, 22 September 2004 at 3:00 p.m. for the following purposes:

1. To receive and approve the audited financial statements and the Reports of the Directors and the Auditors for the year ended 31 March 2004;
2. To re-elect those Directors retiring in accordance with Articles of Association and to authorise the Board of Directors to fix the Directors’ remuneration;
3. To re-appoint KPMG as the Auditors of the Company and to authorise the Board of Directors to fix their remuneration;
4. As special business, to consider and, if thought fit, pass with or without modification(s), the following resolution as Ordinary Resolution:

**“THAT:**

- (a) subject to paragraph (c) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares of HK\$0.10 each in the capital of the Company, and to make or grant offers, agreements and options (including bonds, warrants and debentures, notes and any other securities which carry rights to subscribe for and are convertible into shares of the Company) which would or might require the exercise of such power, subject to and in accordance with all applicable laws of Hong Kong and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited as amended from time to time (“Listing Rules”), be and the same 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 and options (including bonds, warrants and debentures, notes and any other securities

which carry rights to subscribe for and are convertible into shares of the Company) 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 to be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereafter defined); (ii) an issue of shares of the Company upon the exercise of conversion rights under the terms of any warrants, debentures and notes issued by the Company or any securities which are convertible into shares of the Company; (iii) the exercise of any option under the share option scheme of the Company or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company; (iv) an issue of shares of the Company as scrip dividends or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company pursuant to the Articles of Association of the Company from time to time shall not exceed the aggregate of 20% of the aggregate nominal amount of the ordinary share capital of the Company in issue at the date of passing of this Resolution and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly; and
- (d) for the purpose of this Resolution,

“**Relevant Period**” means the period from the date of 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 Articles of Association of the Company or the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) to be held; or
- (iii) the date upon which the authority set out in this Resolution is revoked, varied or renewed by way of ordinary resolution of the shareholders in general meeting; and

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company whose names appear on the register of members 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 may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions of obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”



5. As special business, to consider and, if thought fit, pass with or without modification(s), the following resolution as Ordinary Resolution:

“**THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) 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 any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Listing Rules as amended from time to time, and all applicable laws, be and is hereby generally and unconditionally approved;
  - (b) the aggregate nominal amount of the shares to be repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the aggregate nominal amount of the shares of the Company in issue at the date of passing of this Resolution, and the said approval shall be limited accordingly; and
  - (c) 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 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 the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) to be held; or
    - (iii) the date upon which the authority set out in this Resolution is revoked, varied or renewed by way of ordinary resolution of the shareholders in general meeting.”
6. As special business, to consider and, if thought fit, pass with or without modification(s), the following resolution as Ordinary Resolution:

“**THAT** subject to the passing of Resolution No. 4 above, the general mandate granted to the Directors to allot, issue and deal with unissued shares pursuant to Resolution No. 4 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Resolution No. 5, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this Resolution.”

7. As special business, to consider and, if thought fit, pass with or without modification(s), the following resolution as Ordinary Resolution:

“**THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, any shares of the Company which may fall to be issued pursuant to the exercise of any options under the existing share option scheme of the Company adopted on 18 September 2002 and amended on 29 August 2003 (the “Scheme”), the Directors of the Company be and are hereby authorized to grant further options under the Scheme provided that the total number of shares which may be issued upon exercise of options to be granted under the Scheme on or after the date of this Resolution 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.”

8. As special business, to consider and, if thought fit, pass the following resolution as Special Resolution:

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

- (I) By inserting the following three definitions in Article 1:

“associate” shall have the meaning ascribed to it in the Listing Rules from time to time.

“Listing Rules” means the Rules Governing the Listing of Securities on the SEHK.

“SEHK” means The Stock Exchange of Hong Kong Limited.

- (II) By inserting the following new Article 10A after the existing Article 10:

“Every share certificate shall specify the number of the shares in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Director may from time to time prescribe. No certificate shall be issued representing shares of more than one class. If at any time the share capital of the Company is divided into different classes of shares, every share certificate shall comply with the requirements of Section 57A of the Ordinance and if different classes of shares carry with them different voting rights, the descriptive title of each class of the shares, other than those with the most favourable voting rights, shall include the word “restricted voting” or “limited voting”.”

(III) By inserting the following new Article 70A after the existing Article 70:

“Where any Member is, under the Listing Rules, required to abstain from voting on a particular resolution or restrict to voting only for or only against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.”

(IV) By deleting the word “one-half” and replacing therewith the word “one-third” appearing on the last line of Article 54.

(V) By inserting the following new Article 75A after the existing Article 75:

“Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Director may from time to time approve provided that in any event, such form shall include a provision whereby the Member may, if he so elects, indicate whether his proxy is directed to vote for or against the resolution in question.”

(VI) By deleting the words “not less than seven nor more than fourteen days before the date appointed for the meeting” in Article 119 and adding thereto the following proviso:

“provided that the minimum length of the period, during which such notice is given, shall be at least seven (7) days before the date of the General Meeting and that the period for lodgment of such notice shall commence no earlier than the day after the dispatch of the notice of the General Meeting appointed for such election and end no later than seven (7) days prior to the date of such General Meeting.”

(VII) By deleting the word “Special” and replacing therewith the word “Ordinary” appearing in the first line of Article 122.

(VIII) By deleting Article 123 in its entirety and substituting the following new Article 123:

“(a) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his associates is materially interested, but this prohibition shall not apply to any of the following namely:

- (i) any contract or arrangement for the giving by the Company or any of its subsidiaries of any security or indemnity to the Director or his associate(s) in respect of money lent by him or any of his associates or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;

- (ii) any contract or arrangement for the giving by the Company or any of its subsidiaries of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (iii) any contract or arrangement or proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iv) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;
- (v) any contract, arrangement or proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder or in which the Director and any of his associates are not in aggregate beneficially interested in five (5) per cent or more of the issued shares or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of any of his associates is derived); or
- (vi) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his associate(s) and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates.

- (b) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five (5) per cent or more if and so long as (but only if and so long as) he and/or his associates (either directly or indirectly) is/are the holder(s) of or beneficially interested in five (5) per cent or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any share held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any share comprised in an authorized unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder.
- (c) Where a company in which a Director and/or his associate(s) holds five (5) per cent or more is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.
- (d) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.

- (e) No Director or intended Director shall be disqualified by his office from contracting with the Company either as vendor purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any person company or partnership of or in which any Director shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relation thereby established.”

By Order of the Board  
**Goldbond Group Holdings Limited**  
**Li Sang, Edward**  
*Company Secretary*

Hong Kong, 28 July 2004

*Notes:*

1. Any member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
2. In order to be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the Company's Registrar, Computershare Hong Kong Investor Services Limited at Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time of the Annual General Meeting or any adjournment thereof.
3. In relation to proposed Resolution No. 2 above, Mr. KEE Wah Sze and Ms. LOH Jiah Yee, Katherine will retire from their offices of director at the Annual General Meeting pursuant to the Articles of Association and, being eligible, offer themselves for re-election. Details of the said retiring directors are set out in Appendix II to this circular.