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

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.



新創建集團有限公司*
NWS Holdings Limited

(incorporated in Bermuda with limited liability)

(stock code: 0659)

**PROPOSALS FOR
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES AND
AMENDMENTS TO BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of NWS Holdings Limited to be held at Room 201B (New Wing), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Tuesday, 29 November 2005 at 11:30 a.m. is set out in Appendix III to this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the branch share registrars of NWS Holdings Limited in Hong Kong, Standard Registrars Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the meeting or any adjourned meeting should you so wish.

28 October 2005

* For identification purposes only

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company convened to be held at Room 201B (New Wing), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Tuesday, 29 November 2005 at 11:30 a.m., notice of which is set out in Appendix III to this circular or, where the context so admits, any adjournment thereof
“Audit Committee”	the audit committee of the Company
“Board”	the board of directors of the Company
“Bye-laws”	the bye-laws of the Company
“Company”	NWS Holdings Limited, a company incorporated in Bermuda with limited liability and whose securities are listed on the Hong Kong Stock Exchange
“Directors”	the directors of the Company
“General 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 ordinary resolution no. 5(I) of the notice of the Annual General Meeting
“Group”	the Company and its subsidiaries
“Hong Kong” or “HKSAR”	the Hong Kong Special Administrative Region of The People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	21 October 2005, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining information contained herein
“Listing Rules”	Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“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 ordinary resolution no. 5(II) of the notice of the Annual General Meeting

DEFINITIONS

“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended and supplemented from time to time
“Share(s)”	the share(s) of HK\$1.00 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

LETTER FROM THE CHAIRMAN



新創建集團有限公司*
NWS Holdings Limited

(incorporated in Bermuda with limited liability)

(stock code: 0659)

Executive Directors:

Dr Cheng Kar Shun, Henry (*Chairman*)
Mr Doo Wai Hoi, William (*Deputy Chairman*)
Mr Chan Kam Ling (*Chief Executive Officer*)
Mr Tsang Yam Pui
Mr Wong Kwok Kin, Andrew
Mr Lam Wai Hon, Patrick
Mr Cheung Chin Cheung

Non-executive Directors:

Mr Wilfried Ernst Kaffenberger
Mr To Hin Tsun, Gerald
Mr Dominic Lai
Mr Yeung Kun Wah, David
(alternate director to Mr Wilfried Ernst Kaffenberger)
Mr Kwong Che Keung, Gordon[#]
Mr Cheng Wai Chee, Christopher[#]
The Honourable Shek Lai Him, Abraham[#]

[#] *Independent Non-executive Directors*

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Principal Place of Business
in Hong Kong:*

28/F., New World Tower
18 Queen's Road Central
Hong Kong

28 October 2005

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND
TO REPURCHASE SHARES AND AMENDMENTS TO BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the Annual General Meeting, resolutions will be proposed to approve (i) the re-election of Directors; (ii) the grant of the General Mandate and Repurchase Mandate; and (iii) the amendments to the Bye-laws.

* *For identification purposes only*

LETTER FROM THE CHAIRMAN

The purpose of this circular is to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the Annual General Meeting.

RE-ELECTION OF DIRECTORS

Pursuant to Bye-law 87, at every annual general meeting, one-third of the relevant number of Directors or, if their number is not a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office. Accordingly, Dr Cheng Kar Shun, Henry, Mr Doo Wai Hoi, William, Mr Chan Kam Ling and Mr Wong Kwok Kin, Andrew will retire from office.

The aforementioned Directors, being eligible, offer themselves for re-election at the Annual General Meeting. Details of such Directors are set out in Appendix I to this circular.

GENERAL MANDATE AND REPURCHASE MANDATE

The existing general mandates to issue and to repurchase Shares will expire at the conclusion of the Annual General Meeting.

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

At the Annual General Meeting, 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 aggregate nominal amount of the share capital of the Company in issue at the date of passing such resolution. An explanatory statement as required by the Listing Rules to provide the requisite information concerning the Repurchase Mandate is set out in Appendix II to this circular.

AMENDMENTS TO THE BYE-LAWS

The Board proposes to amend the Bye-laws in order to, among others, reflect the paragraph A.4.2 of the new Appendix 14 to the Listing Rules which became effective on 1 January 2005. The Bye-laws 86(2) and 87(2) of the Bye-laws will be amended to require those Directors, who are appointed by the Board either to fill a casual vacancy on the Board or as an addition to the existing Board, to hold office only until the next general meeting of the Company instead of the next following annual general meeting as stated in the existing Bye-laws and such Directors will not be taken into account in determining the number of Directors to be retired by rotation at the next following annual general meeting.

The amendments to the Bye-laws are stated in the special resolution in notice convening the Annual General Meeting, as set out on pages 14 and 15 of this circular.

LETTER FROM THE CHAIRMAN

ANNUAL GENERAL MEETING

Set out in Appendix III to this circular is a notice convening the Annual General Meeting. A form of proxy for use in connection with the Annual General Meeting is enclosed. Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the branch share registrars of the Company in Hong Kong, Standard Registrars Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the Annual General Meeting or any adjourned meeting should you desire.

RECOMMENDATION

The Directors believe that the grant of the General Mandate and the Repurchase Mandate and the proposed amendments to the Bye-laws are all in the best interest of the Company and the Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of all the ordinary resolutions and special resolution as set out in the notice convening the Annual General Meeting.

GENERAL

Your attention is drawn to the additional information set out in the Appendices to this circular.

Yours faithfully,
For and on behalf of
NWS HOLDINGS LIMITED
Dr Cheng Kar Shun, Henry
Chairman

APPENDIX I DETAILS OF DIRECTORS STANDING FOR RE-ELECTION

The following are the particulars of the Directors who will retire and, being eligible, offer themselves for re-election at the Annual General Meeting:

Dr Cheng Kar Shun, Henry, aged 58, was appointed as Executive Director in March 2000 and became the Chairman in March 2001. Dr Cheng is the Managing Director of New World Development Company Limited (stock code: 17), the Chairman and Managing Director of New World China Land Limited (stock code: 917) and the Chairman of New World TMT Limited (stock code: 301), New World Mobile Holdings Limited (stock code: 862), Tai Fook Securities Group Limited (stock code: 665) and International Entertainment Corporation (stock code: 8118). He is also the Managing Director of NWD (Hotels Investments) Limited, a director of Chow Tai Fook Enterprises Limited and HKR International Limited (stock code: 480) and a non-executive director of Lifestyle International Holdings Limited (stock code: 1212). Dr Cheng is the Chairman of the Advisory Council for The Better Hong Kong Foundation and a Committee Member of the Tenth Chinese People's Political Consultative Conference of The People's Republic of China. In 2001, he was awarded the Gold Bauhinia Star by the Government of the HKSAR. Dr Cheng is the brother-in-law of Mr Doo Wai Hoi, William.

Save as disclosed above, Dr Cheng did not hold any directorship in other listed public companies in the last three years. He also acts as directors of certain members of the Group.

Dr Cheng's service contract provides for a fixed term of 3 years but also subject to the rotational retirement and re-election requirements at annual general meeting pursuant to the Bye-laws. His emolument comprise a director's fee to be reviewed and determined by the Board annually with the authorization granted by the Shareholders at an annual general meeting of the Company annually and taking reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation. For the financial year ended 30 June 2005, his emoluments comprise director's fees of HK\$250,000 and HK\$100,000 from the Company and certain subsidiaries of the Company respectively.

Save as disclosed above, Dr Cheng is not connected with any directors, senior management or substantial and controlling shareholders of the Company. Except for the aggregate interest in 11,596,849 shares of the Company which includes personal interest in 3,009,849 shares, family interest in 587,000 shares and corporate interest in 8,000,000 shares, as at the Latest Practicable Date, Dr Cheng does not have other interests in shares of the Company within the meaning of Part XV of the SFO.

Mr Doo Wai Hoi, William, aged 61, was appointed as Executive Director in March 2000 and became the Deputy Chairman in January 2003. Mr Doo's corporate positions include: Vice Chairman of New World China Land Limited (stock code: 917) and New World Mobile Holdings Limited (stock code: 862); Deputy Chairman of Tai Fook Securities Group Limited (stock code: 665); Executive Director of Lifestyle International Holdings Limited (stock code: 1212), as well as Director of NWD (Hotels Investments) Limited and Fung Seng Diamond Company Limited. Moreover, he had been a director of New World TMT Limited (stock code: 301) during the last three years. Mr Doo is a member of the Executive Committee of the Tenth Chinese People's Political Consultative Conference in Shanghai and the Convener of the Shanghai Committee in Hong Kong. He has served as a

APPENDIX I DETAILS OF DIRECTORS STANDING FOR RE-ELECTION

Governor of the Canadian Chamber of Commerce in Hong Kong since 1995. Mr Doo has been appointed as the Honorary Consul of the Kingdom of Morocco in Hong Kong in May 2005. Mr Doo is the brother-in-law of Dr Cheng Kar Shun, Henry.

Save as disclosed above, Mr Doo did not hold any directorship in other listed public companies in the last three years. He also acts as directors of certain members of the Group.

Mr Doo's service contract provides for a fixed term of 3 years but also subject to the rotational retirement and re-election requirements at annual general meeting pursuant to the Bye-laws. His emoluments comprise an annual salary package of HK\$1.60 million and a director's fee to be reviewed and determined by the Board annually with the authorization granted by the Shareholders at an annual general meeting of the Company annually and taking reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation. For the financial year ended 30 June 2005, his emoluments comprise an annual salary package of HK\$1.60 million and director's fees of HK\$150,000 and HK\$40,000 from the Company and certain subsidiaries of the Company respectively.

Save as disclosed above, Mr Doo is not connected with any directors, senior management or substantial and controlling shareholders of the Company. Except for the aggregate interest in 2,832,566 shares of the Company which includes personal interest in 2,006,566 shares and corporate interest in 826,000 shares, as at the Latest Practicable Date, Mr Doo does not have other interests in the shares of the Company within the meaning of Part XV of the SFO.

Mr Chan Kam Ling, aged 65, was appointed as Executive Director and the Chief Executive Officer in January 2003. He is currently the Managing Director of Sino-French Holdings (Hong Kong) Limited and The Macao Water Supply Company Limited. He is also a director of New World First Bus Services Limited and Companhia de Electricidade de Macau - CEM, S.A. Moreover, he had been a director of New World Development Company Limited (stock code: 17), New World China Land Limited (stock code: 917) and New World TMT Limited (stock code: 301) during the last three years. Mr Chan has been a part-time member of the HKSAR Government's Central Policy Unit and a member of the Construction Industry Review Committee, the Provisional Construction Industry Co-ordination Board, the Professional Services Committee and the China Trade Advisory Committees of the Hong Kong Trade Development Council as well as the Departmental Advisory Committee of the Department of Building and Construction of the City University of Hong Kong. Mr Chan has more than 35 years of experience in construction, property development and infrastructure industry in the Mainland China, Hong Kong and Macau. In 2001, Mr Chan was awarded the Bronze Bauhinia Star by the Government of the HKSAR.

Save as disclosed above, Mr Chan did not hold any directorship in other listed public companies in the last three years. He also acts as directors of certain members of the Company's group of companies.

Mr Chan's service contract provides for a fixed term of 3 years but also subject to the rotational retirement and re-election requirements at annual general meeting pursuant to the Bye-laws. His emoluments comprise an annual salary package of HK\$3.10 million and a

APPENDIX I DETAILS OF DIRECTORS STANDING FOR RE-ELECTION

director's fee to be reviewed and determined by the Board annually with the authorization granted by the Shareholders at an annual general meeting of the Company annually and taking reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation. For the financial year ended 30 June 2005, his emoluments comprise an annual salary package of HK\$3.10 million and director's fees of HK\$150,000 and HK\$45,000 from the Company and certain subsidiaries of the Company respectively.

Mr Chan is not connected with any directors, senior management or substantial and controlling shareholders of the Company. Except for the aggregate interest in 11,598,212 shares of the Company which includes personal interest in 1,343,891 shares and corporate interest in 10,254,321 shares, as at the Latest Practicable Date, Mr Chan does not have other interests in the shares of the Company within the meaning of Part XV of the SFO.

Mr Wong Kwok Kin, Andrew, aged 59, was appointed as Executive Director in January 2003. Mr Wong is an executive director of Sky Connection Limited and several subsidiaries and affiliates of New World Group providing duty-free liquor and tobacco concessions, communication services, cleaning and laundry services, and estate management in both Hong Kong and Mainland China. He is also a director of New World First Holdings Limited, Citybus Limited, New World Telephone Holdings Limited and Tai Fook Securities Group Limited (stock code: 665). Mr Wong had been an executive director of New World Hotels (International) Limited and Renaissance Hotel Group N.V., a company listed on the New York Stock Exchange, from 1995 to 1997. Mr Wong has over 25 years of experience in the hospitality and the service industries, as well as finance and human resources administration.

Mr Wong did not hold any directorship in other listed public companies in the last three years. He also acts as directors of certain members of the Company's group of companies.

Mr Wong's service contract provides for a fixed term of 3 years but also subject to the rotational retirement and re-election requirements at annual general meeting pursuant to the Bye-laws. His emoluments comprise an annual salary package of HK\$2.60 million and a director's fee to be reviewed and determined by the Board annually with the authorization granted by the Shareholders at an annual general meeting of the Company annually and taking reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation. For the financial year ended 30 June 2005, his emoluments comprise an annual salary package of HK\$2.60 million and director's fees of HK\$150,000 and HK\$75,000 from the Company and certain subsidiaries of the Company respectively.

Mr Wong is not connected with any directors, senior management or substantial and controlling shareholders of the Company. Except for the aggregate interest in 7,189,662 shares of the Company which includes personal interest in 4,539,611 shares and family interest in 2,650,051 shares, as at the Latest Practicable Date, Mr Wong does not have other interests in shares of the Company within the meaning of Part XV of the SFO.

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

This explanatory statement contains the information required by the Listing Rules. Its purpose is to provide to Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

(a) Share Capital

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,834,886,274 fully paid up Shares. Subject to the passing of the relevant ordinary resolution approving the Repurchase Mandate on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 183,488,627 Shares.

(b) Reasons for Repurchases

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its shareholders and will provide the Directors the flexibility to repurchase Shares in the market when appropriate and beneficial to the Company. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

(c) Funding of Repurchases

Pursuant to the Listing Rules, repurchases must be financed out of funds legally available for the purpose in accordance with the Company's constitutive documents and the laws of the jurisdiction in which the Company is incorporated or otherwise established.

The Company is empowered by its Memorandum of Association and Bye-laws to repurchase its Shares. Repurchases will be funded from the Company's available cash flow or working capital facilities. Bermuda law provides that repurchases may only be effected out of the capital paid up on the repurchased Shares or out of the funds of the Company otherwise available for dividend or distribution or out of proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a repurchase over the par value of the Shares to be repurchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account or contributed surplus account. Such repurchase may only be made if at least two Directors of the Company by affidavit declare that taking into account the repurchase, the Company is solvent or that its creditors have consented to the repurchase.

The Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of Company for the year ended 30 June 2005) in the event that the Repurchase Mandate was to be exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

circumstances, have a material adverse impact on the working capital or gearing ratio of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

(d) Undertaking of the Directors

The Directors have undertaken to the Hong Kong Stock Exchange to exercise the powers of the Company to make repurchases under the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda and in accordance with the regulations set out in the Memorandum and Bye-laws of the Company.

None of the Directors nor, to the best of their knowledge having made all reasonable inquiries, any of their associates (as defined in the Listing Rules) has any present intention to sell Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company nor have they undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

(e) Effect of Takeovers Code

Repurchase of Shares may result in an increase in the proportionate interests of a Shareholder in the voting rights of the Company and such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, New World Development Company Limited ("NWD") directly and indirectly holds in aggregate 986,178,843 Shares, representing approximately 54% of the issued share capital of the Company and its shareholdings in the Company would be increased to approximately 60% in the event that the Directors should exercise in full the Repurchase Mandate. Furthermore, Chow Tai Fook Enterprises Limited, by virtue of its interest in NWD, is deemed to be interested in the said 986,178,843 Shares and its also holds beneficial interest in 59,831,893 Shares, which in aggregate representing approximately 57% of the issued share capital of the Company and its shareholdings in the Company would be increased to approximately 63% in the event that the Directors should exercise in full the Repurchase Mandate. The Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any purchases made under the Repurchase Mandate.

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

(f) Share Prices

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

		Per Share	
		Highest Price	Lowest Price
		<i>HK\$</i>	<i>HK\$</i>
2004:	October	11.45	9.55
	November	11.50	10.30
	December	12.50	10.25
2005:	January	11.50	9.90
	February	11.85	10.50
	March	11.80	10.90
	April	11.40	10.50
	May	11.35	10.50
	June	11.50	10.55
	July	12.40	10.90
	August	12.90	12.10
	September	13.00	12.05
	October (up to the Latest Practicable Date)	12.90	11.60

(g) Share Repurchase made by the Company

The Company has not repurchased any of its Shares on the Hong Kong Stock Exchange or otherwise during the previous six months from the Latest Practicable Date.



新創建集團有限公司*
NWS Holdings Limited

(incorporated in Bermuda with limited liability)

(stock code: 0659)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of the Company will be held at Room 201B (New Wing), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Tuesday, 29 November 2005 at 11:30 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the Reports of the Directors and Auditors for the year ended 30 June 2005.
2. To declare a final dividend.
3. To re-elect Directors and to authorize the Board of Directors to fix the Directors' remuneration.
4. To re-appoint Auditors and to authorize the Board of Directors to fix their remuneration.
5. As special business, to consider and if thought fit, pass with or without amendment, the following resolutions as ordinary resolutions and special resolution, respectively:

ORDINARY RESOLUTIONS

I. **"THAT:**

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

* *For identification purposes only*

(C) the aggregate nominal value of share capital 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 granted in paragraph (A) of this resolution, otherwise than pursuant to (i) a Right Issue (as hereinafter defined); (ii) the exercise of any conversion rights attaching to any securities which are convertible into shares of the Company; (iii) the exercise of the rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to Directors and/or employees of the Company and/or any of its subsidiaries of options to subscribe for, or rights to acquire, shares of the Company, or (iv) any issue of shares 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 in accordance with the bye-laws of the Company; shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the approval granted in paragraph (A) shall be limited accordingly; and

(D) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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 bye-laws of the Company or any applicable laws to be held; and
- (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.

“Right Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange, in any territory outside Hong Kong).”

II. **“THAT:**

(A) subject to paragraph (B) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission and the Hong Kong Stock Exchange for this purpose,

subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange or that of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

(B) the aggregate nominal amount of shares which may 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 share capital of the Company in issue as at the date of the passing of this resolution and the authority granted pursuant to paragraph (A) of this resolution 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 earlier 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 bye-laws of the Company or any applicable laws to be held; and
- (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.”

III. “**THAT** conditional upon the Ordinary Resolutions No. I and II being passed, the general mandate granted to the Directors of the Company pursuant to Ordinary Resolution No. I be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted by the Directors of the Company pursuant to such general mandate, an amount representing the aggregate nominal amount of the shares repurchased by the Company under the authority granted pursuant to Ordinary Resolution No. II provided that such amount 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.”

SPECIAL RESOLUTION

IV. “**THAT** the following amendments shall be made to the bye-laws of the Company:

(A) by deleting bye-law 86(2) in its entirety and substituting therefor by the following new bye-law 86(2):

“86(2) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the Members in general meeting, as an addition to the existing

Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Director so appointed by the Board shall hold office only until the next general meeting of the Company and shall then be eligible for re-election at that meeting.”

- (B) by deleting bye-law 87(2) in its entirety and substituting therefor by the following new bye-law 87(2):

“87(2) A retiring Director shall be eligible for re-election. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed pursuant to Bye-law 86(2) or at a general meeting other than the annual general meeting of the Company shall not taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.”

By Order of the Board
Chow Tak Wing
Company Secretary

Hong Kong, 28 October 2005

Principal Place of Business in Hong Kong:
28/F., New World Tower
18 Queen’s Road Central
Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the instrument appointing a proxy, together with the 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 branch registrars in Hong Kong, Standard Registrars Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the appointed time for holding of the meeting or at any adjournment thereof.
3. The register of members of the Company will be closed from Thursday, 24 November 2005 to Tuesday, 29 November 2005, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s branch registrars in Hong Kong, Standard Registrars Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:00pm on Wednesday, 23 November 2005.

The Company's Bye-laws 66 and 67 set out the procedure by which Shareholders may demand a poll:

A resolution put to the vote of a general meeting shall be decided on 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:

- (a) by the chairman of such meeting; or
- (b) by any of the Directors who individually or collectively (with the chairman of the relevant general meeting of the Company) hold proxies in respect of shares holding five (5) per cent. or more of the total voting rights at a particular meeting of members, and if on a show of hands such meeting votes in the opposite manner to that instructed in those proxies; or
- (c) 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
- (d) 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
- (e) 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.

A demand by a person as proxy for a Shareholder or in the case of a Shareholder being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a Shareholder.

Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.