

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

If you are in any doubt as to any aspect of this circular, 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 Golden Harvest Entertainment (Holdings) Limited (the "Company"), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank manager, 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 (the "Stock Exchange") 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.



**GOLDEN HARVEST ENTERTAINMENT (HOLDINGS) LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1132)**

**PROPOSED INCREASE OF AUTHORISED SHARE CAPITAL  
PROPOSED GENERAL MANDATES TO REPURCHASE  
ITS OWN SHARES AND TO ISSUE NEW SHARES  
RE-ELECTION OF RETIRING DIRECTORS  
APPOINTMENT OF NEW DIRECTORS  
AND  
NOTICE OF THE ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at Function Room – Cherry, InterContinental Hong Kong, 18 Salisbury Road, Kowloon, Hong Kong on Thursday, 30 November 2006 at 10:30 a.m., is set out in Appendix IV on pages 17 to 19 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)).

Whether or not you are able to attend the annual general meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

31 October 2006

# CONTENTS

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b>	
1. Introduction .....	3
2. Proposed increase of authorised share capital .....	4
3. Repurchase Mandate and Issue Mandate .....	4
4. Re-election of retiring Directors .....	5
5. Appointment of new Directors .....	5
6. Annual General Meeting and proxy arrangement .....	5
7. Recommendation .....	6
8. General information .....	6
<b>Appendix I – Explanatory statement on the Repurchase Mandate</b> .....	7
<b>Appendix II – Procedure for the Shareholders to demand a poll at a general meeting pursuant to the Bye-laws</b> .....	10
<b>Appendix III – Details of Directors proposed to be re-elected and appointed at the Annual General Meeting</b> .....	12
<b>Appendix IV – Notice of the Annual General Meeting</b> .....	17

## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Function Room – Cherry, InterContinental Hong Kong, 18 Salisbury Road, Kowloon, Hong Kong on Thursday, 30 November 2006 at 10:30 a.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the annual general meeting as set out in Appendix IV on pages 17 to 19 of this circular, or any adjournment thereof;
“Board”	the board of Directors of the Company for the time being;
“Bye-laws”	the existing bye-laws of the Company;
“Company”	Golden Harvest Entertainment (Holdings) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“Director(s)”	director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Issue Mandate”	as defined in paragraph 3(b) of the Letter from the Board;
“Latest Practicable Date”	23 October 2006, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Ordinary Resolutions”	the proposed ordinary resolutions as referred to in the notice of the Annual General Meeting;
“Repurchase Mandate”	as defined in paragraph 3(a) of the Letter from the Board;

## DEFINITIONS

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time.

## LETTER FROM THE BOARD



Golden Harvest

### **GOLDEN HARVEST ENTERTAINMENT (HOLDINGS) LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1132)**

*Executive Directors:*

Raymond Chow Ting Hsing (*Chairman*)  
Phoon Chiong Kit  
David Chan Sik Hong  
Roberta Chin Chow Chung Hang  
Lau Pak Keung (*alternate to Phoon Chiong Kit*)

*Non-executive Director:*

Eric Norman Kronfeld

*Independent Non-executive Directors:*

Paul Ma Kah Woh  
Frank Lin  
Prince Chatrichalerm Yukol

*Registered Office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Principal Place of Business*

*in Hong Kong:*  
16th Floor  
The Peninsula Office Tower  
18 Middle Road  
Tsimshatsui  
Kowloon  
Hong Kong

31 October 2006

*To the Shareholders and for information only  
to the holders of share options and convertible notes*

Dear Sir or Madam,

**PROPOSED INCREASE OF AUTHORISED SHARE CAPITAL  
PROPOSED GENERAL MANDATES TO REPURCHASE  
ITS OWN SHARES AND TO ISSUE NEW SHARES  
RE-ELECTION OF RETIRING DIRECTORS  
APPOINTMENT OF NEW DIRECTORS  
AND  
NOTICE OF THE ANNUAL GENERAL MEETING**

#### **1. INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for (i) the proposed increase of authorised share capital; (ii) the granting of the Repurchase Mandate to the Directors; (iii) the granting of the Issue Mandate to the Directors; (iv) the extension of the Issue Mandate by adding to it the aggregate number of the issued Shares repurchased by the Company under the Repurchase Mandate; (v) the re-election of retiring Directors; and (vi) the appointment of new Directors.

## LETTER FROM THE BOARD

### 2. PROPOSED INCREASE OF AUTHORISED SHARE CAPITAL

In order to increase the flexibility for fund raising activities of the Group and enable the Group to capture investment opportunities for future growth should they arise in the future, the Directors propose to increase the Company's authorised share capital from HK\$200,000,000 divided into 2,000,000,000 Shares to HK\$600,000,000 divided into 6,000,000,000 Shares by the creation of additional 4,000,000,000 Shares of HK\$0.10 each. However, the Company has no present intention to issue any new Shares, other than Shares which the Company is obliged to issue upon the exercise of any outstanding share options or convertible notes. An ordinary resolution to this effect will be proposed at the Annual General Meeting.

As at the Latest Practicable Date, the authorised share capital of the Company consists of 2,000,000,000 Shares of which 1,330,309,375 Shares were in issue.

### 3. REPURCHASE MANDATE AND ISSUE MANDATE

At the annual general meeting of the Company held on 28 November 2005, general mandates were given to the Directors to exercise the powers of the Company to repurchase Shares of the Company and to issue new Shares of the Company respectively. Such mandates will lapse at the conclusion of the Annual General Meeting.

Ordinary Resolutions will be proposed at the Annual General Meeting to approve the granting of new general mandates to the Directors:

- (a) to purchase Shares of an aggregate nominal amount of up to 10% of the aggregate nominal amount of the issued share capital of the Company on the date of passing of such resolution;
- (b) to issue, allot, or dispose of Shares of an aggregate nominal amount of up to 20% 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 extend the Issue Mandate by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Repurchase Mandate and the Issue Mandate will continue to be in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in Ordinary Resolutions nos. 5 and 6.

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,330,309,375 Shares. Subject to the passing of the Ordinary Resolution no. 6, the Company would be allowed under the Issue Mandate to issue, allot and dispose of a maximum of 266,061,875 Shares, representing 20% of the issued share capital of the Company, on the basis that no further Shares will be issued or repurchased and no outstanding share options of the Company has been exercised prior to the date of the Annual General Meeting.

## LETTER FROM THE BOARD

In accordance with the requirements of the Listing Rules, the Company is required to send to each of the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I of this circular.

#### **4. RE-ELECTION OF RETIRING DIRECTORS**

In accordance with Bye-law 87 of the Bye-laws, Mr. Raymond Chow Ting Hsing, Mr. Phoon Chiong Kit and Mr. Frank Lin, will retire as Directors, and being eligible, offer themselves for re-election at the Annual General Meeting. The details of Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix III of this circular.

Mr. Raymond Chow Ting Hsing and Mr. Phoon Chiong Kit had for a period of time been acting as director of a subsidiary of the Group now in court winding up. The petition for winding up was made by another wholly-owned subsidiary of the Group as the creditor. Both Mr. Chow and Mr. Phoon have not been directly involved in the winding up. Based on their confirmation together with the information provided to the Company, the Board considers that Mr. Chow and Mr. Phoon have the competence commensurate with their position as Director of the Company.

#### **5. APPOINTMENT OF NEW DIRECTORS**

In accordance with Bye-law 86(1) of the Bye-laws, it is proposed to appoint Mr. Lau Pak Keung as an executive Director and Mr. George Huang Shao Hua as an independent non-executive Director of the Company at the Annual General Meeting. The details of Directors proposed to be appointed at the Annual General Meeting are set out in Appendix III of this circular.

#### **6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT**

The notice of the Annual General Meeting is set out in Appendix IV on pages 17 to 19 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the proposed increase of authorised share capital, the granting of the Repurchase Mandate and the Issue Mandate, the extension of the Issue Mandate by the addition thereto of the number of Shares repurchased pursuant to the Repurchase Mandate, the re-election of retiring Directors and the appointment of new Directors. No Shareholder is required to abstain from voting at the Annual General Meeting.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's share registrar in Hong Kong, Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not

## LETTER FROM THE BOARD

less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

### 7. RECOMMENDATION

The Directors consider that the proposed increase of authorised share capital, the granting of the Repurchase Mandate to the Directors, the granting/extension of the Issue Mandate to the Directors, the re-election of retiring Directors and the appointment of new Directors are in the interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

### 8. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory statement on the Repurchase Mandate), Appendix II (Procedure for the Shareholders to demand a poll at a general meeting pursuant to the Bye-laws), Appendix III (Details of Directors proposed to be re-elected and appointed at the Annual General Meeting) and Appendix IV (Notice of the Annual General Meeting) of this circular.

Yours faithfully,  
On behalf of the Board  
**Raymond CHOW Ting Hsing**  
*Chairman*



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

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

### **1. Reasons for share repurchase**

Although the Directors have no present intention of repurchasing any Shares, they believe that the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and its Shareholders. At any time in the future when Shares are trading at a discount to their underlying value, the ability of the Company to repurchase Shares will be beneficial to those Shareholders who retain their investment in the Company since the earnings per Share and their percentage interest in the assets of the Company would increase in proportion to the number of Shares repurchased by the Company. Repurchases will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders.

### **2. Share capital**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,330,309,375 Shares. Subject to the passing of the Ordinary Resolution no. 5, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 133,030,937 Shares, representing 10% of the issued share capital of the Company, on the basis that no further Shares will be issued or repurchased and no outstanding share options of the Company has been exercised prior to the date of the Annual General Meeting.

### **3. Funding of repurchases**

Any repurchases will only be funded out of funds of the Company legally available for the purpose of making the proposed purchases in accordance with its Bye-laws and the laws of Bermuda. The Directors propose that repurchases of Shares under the Repurchase Mandate in these circumstances would be financed from the Company's distributable profits and proceeds of a fresh issue of Shares.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the latest audited financial statements contained in the annual report 2006) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

<b>APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE</b>
---

#### 4. Market prices of Shares

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

	<b>Price per Share</b>	
	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2005</b>		
November	0.2300	0.1910
December	0.2200	0.2050
<b>2006</b>		
January	0.2200	0.1710
February	0.2550	0.1750
March	0.1880	0.1580
April	0.1800	0.1600
May	0.1800	0.1490
June	0.1510	0.1420
July	0.1790	0.1270
August	0.1680	0.1400
September	0.1600	0.1450
October (up to the Latest Practicable Date)	0.1700	0.1550

#### 5. Disclosure of interests

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make repurchases under the Repurchase Mandate in accordance with the Listing Rules and the laws of Bermuda.

The Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate. However, if as a result of a repurchase a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could 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, Mr. Raymond Chow Ting Hsing, the chairman and a Director together with Planet Gold Associates Limited and Net City Limited, being companies which are wholly-owned by Mr. Chow, beneficially held in aggregate 293,121,527 Shares in the issued share capital of the Company (representing approximately 22.03% of the Company's issued share capital). If the powers of the Company to make repurchases under the Repurchase Mandate is exercised in full, Mr. Chow's direct and indirect interest in the issued share capital of the Company will be increased to 24.48%.

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

The Directors will not repurchase Shares if the repurchase would result in the number of the listed securities which are in the hands of the public falling below 25%, being the relevant minimum prescribed percentage for the Company as required by the Stock Exchange.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates presently intend to sell Shares to the Company under the Repurchase Mandate in the event that the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any connected persons of the Company that they have a present intention to sell any Shares, or that they have undertaken not to sell any Shares held by them to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

### **6. Shares purchases made by the Company**

No purchase of Shares has been made by the Company during the last six months (whether on the Stock Exchange or otherwise).

The following paragraphs set out the procedure for the Shareholders to demand a poll at a general meeting of the Company (including the Annual General Meeting) pursuant to the Bye-laws.

According to Bye-law 66 of the Bye-laws, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless voting by way of poll is required by the Listing Rules or (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 by:

- (a) the chairman of such meeting; or
- (b) 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
- (c) 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
- (d) 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; or
- (e) if required by the Listing Rules, by any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing 5% or more of the total voting rights at such meeting.

In compliance with the Listing Rules, any vote of shareholders at a general meeting will be taken on a poll where:

- (i) the chairman of the general meeting and/or the directors individually or collectively hold proxies in respect of shares representing 5% or more of the total voting rights at the general meeting, and the meeting, on a show of hands, votes in the opposite manner to that instructed in those proxies, unless it is apparent from the total proxies held that a vote taken on a poll will not reverse the vote taken on a show of hands;
- (ii) the meeting is to approve connected transactions;
- (iii) the meeting is to approve transactions that are subject to independent shareholders' approval pursuant to the Listing Rules;

- (iv) the meeting is to approve granting of options to a substantial shareholder or an independent non-executive director of the issuer, or any of their respective associates, as required under the Listing Rules; and
- (v) the meeting is to approve any other transactions in which a shareholder has a material interest and is therefore required to abstain from voting at the general meeting.

Pursuant to the Listing Rules, the details of the proposed Directors who will retire and offer themselves for re-election and who will be appointed at the Annual General Meeting are provided below.

**(1) Mr. Raymond CHOW Ting Hsing, GBS, OBE, OST, aged 79, Chairman**

Mr. Raymond CHOW Ting Hsing, GBS, OBE, OST, is the Chairman of the Company and is jointly responsible for the business and the strategic planning of the Group. He graduated from St. John's University in Shanghai, majoring in journalism. He co-founded the Golden Harvest Group in 1970 and has more than 46 years' experience in the film industry. Mr. Chow is the father of Mrs. Roberta Chin Chow Chung Hang, an executive director of the Company.

Among the many awards that he has received for his contribution to the film industry are "International Showman of the Year" from the National Association of Theatre Owners of the United States and the Golden Horse Award for "The Most Outstanding International Producer from Taiwan", both in 1980, and the "Lifetime Achievement Award" at the 1996 CineAsia film industry convention in Singapore. Mr. Chow was also honoured in 1987 by Her Majesty Queen Elizabeth II with the Order of the British Empire, in 1996 by the Emperor of Japan with the Order of the Sacred Treasure, Gold Rays with Rosette, and in 1998 by the Government of the Hong Kong Special Administrative Region with the Gold Bauhinia Star. Mr. Chow is also a director of certain subsidiaries of the Company.

As at the Latest Practicable Date, the service contract of Mr. Chow is for a term of 3 years. He is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Bye-laws. In accordance with his service contract, Mr. Chow will be entitled to a director's emolument in the amount of US\$500,000 plus housing allowance of HK\$1,039,800 per annum which are determined by reference to his duties and responsibilities within the Company. His emolument is also determined by reference to the Company's performance and profitability.

Mr. Chow has not held directorship in any other listed public companies in the last three years. As at the Latest Practicable Date, Mr. Chow is interested in 384,030,617 Shares within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Chow is not connected with any other directors, senior management, substantial or controlling shareholders of the Company and he does not have any interest (within the meaning of Part XV of the SFO) in the Shares of the Company.

**(2) Mr. PHOON Chiong Kit, aged 54, Managing Director**

Mr. PHOON Chiong Kit is the Managing Director of the Company, graduated with a Bachelor of Business Administration Degree from the University of Singapore. He has 21 years' experience as an investment banker and corporate finance consultant. Mr. Phoon is a Board member of the Media Development Authority in Singapore and also a director of certain subsidiaries of the Company.

Mr. Phoon has been appointed as Director of the Company since 1998.

As at the Latest Practicable Date, the service contract of Mr. Phoon is for a term of 3 years. He is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Bye-laws. In accordance with his service contract, Mr. Phoon will be entitled to an annual remuneration of HK\$3,352,000 plus housing and other allowances of an amount to be negotiated and agreed upon by the Company and Mr. Phoon. The emolument is determined by reference to his duties and responsibilities within the Company. His emolument is also determined by reference to the Company's performance and profitability. Subsequent to the year end, Mr. Phoon received a bonus of HK\$522,000.

Mr. Phoon has not held directorship in any other listed public companies in the last three years. He is not connected with any other directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Phoon is interested in 44,500,000 Shares within the meaning of Part XV of the SFO. Save as disclosed, he does not have any interest (within the meaning of Part XV of the SFO) in the Shares of the Company.

Both Mr. Chow and Mr. Phoon were directors of Golden Harvest Film Productions Limited (in liquidation) ("GHFP") until 12 February 2006. GHFP is a Hong Kong incorporated company and was wholly-owned by the Group. The principal activity of GHFP is provision of production controller and film producer services. A petition made by another wholly-owned subsidiary of the Group, the creditor of GHFP, to wind up GHFP was submitted to the court on 23 June 2006. The order for winding up by the court was issued on 23 August 2006. The amount involved was approximately HK\$64 million. As both companies were wholly-owned by the Group, the petition is not expected to have a negative financial impact on the Group.

In response to all reasonable enquiries made by the Company, each of Mr. Chow and Mr. Phoon confirms to the Company that he has the character, experience and integrity and is able to demonstrate a standard of competence commensurate with his position as Director of the Company.

Save as disclosed herein, there is no information which is discloseable pursuant to any of the requirements of the provisions under 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters relating to re-election of Mr. Chow and Mr. Phoon that need to be brought to the attention of the Shareholders.

**(3) Mr. Frank LIN, OBE, J.P., aged 79, independent non-executive Director**

Mr. Frank LIN, OBE, J.P., received his education at St. John's University, Shanghai. He is presently the Chairman of Milo's International Corporation Limited and the Honorary Chairman of the Textile Council of Hong Kong Limited and the Hong Kong Knitwear Exporters & Manufacturers Association.

Mr. Lin has been appointed as Director of the Company since 1994.

As at the Latest Practicable Date, Mr. Lin has not entered into any service contract with the Company. He does not have a specific length of service and is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Bye-laws. Mr. Lin will be entitled to a director's emolument in the amount of HK\$100,000 per annum which is determined by reference to his duties and responsibilities within the Company. He is not entitled to receive any bonus.

Mr. Lin has not held directorship in any other listed public companies in the last three years. He is not connected with any other directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Lin is interested in 350,000 Shares within the meaning of Part XV of the SFO. Save as disclosed, he does not have any interest (within the meaning of Part XV of the SFO) in the Shares of the Company.

Saved as disclosed herein, there is no information which is discloseable pursuant to any of the requirements of the provisions under 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders.



**(4) Mr. LAU Pak Keung, aged 48, proposed executive Director**

Mr. LAU Pak Keung was appointed as Group Financial Controller of the Group, Chief Representative of Shanghai Office in January 2004 and an alternate director to Mr. Phoon Chiong Kit on 22 November 2004. He has over 25 years' experience in the auditing and accounting field. He began his professional career in KPMG and Ernst & Young. Prior to joining Golden Harvest in March 1992, he worked in an international transportation group of a listed company as Vice President – Finance & Administration and acted as a director of its joint venture in the PRC. Mr. Lau is the supervisor of a Taiwanese subsidiary as well as a director, an alternate director and the company secretary of certain other subsidiaries of the Company.

The service contract of Mr. Lau will be for a term of 3 years. He will be subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Bye-laws. In accordance with his proposed service contract, Mr. Lau will be entitled to an annual remuneration of HK\$1,690,000 plus allowances of an amount to be negotiated and agreed upon by the Company and Mr. Lau. The emolument is determined by reference to his duties and responsibilities within the Company. He may also be entitled to bonus which is determined by reference to his individual performance and the Company's performance and profitability.

Mr. Lau has not held any directorship in any other listed public companies in the last three years. He is not connected with any other directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Lau is interested in 1,600,000 Shares within the meaning of Part XV of the SFO. Save as disclosed, he does not have any interest (within the meaning of Part XV of the SFO) in the Shares of the Company.

Save as disclosed herein, there is no information which is discloseable pursuant to any of the requirements of the provisions under 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters relating to the appointment of Mr. Lau that need to be brought to the attention of the Shareholders.

**(5) Mr. George HUANG Shao Hua, aged 57, proposed independent non-executive Director**

Mr. George HUANG Shao Hua graduated from the College of Telecommunications Engineering, National Chiao-Tung University in Taiwan, and co-founded the Acer Group in 1976. He has been heavily involved in the development of microprocessor technology applications and services and was the first person in Taiwan to promote and sell microcomputers to international markets in 1979. Mr. Huang is presently a Supervisor of Acer Inc., public company of Taiwan as well as Vice Chairman of Taiwan Fixed Network Co., Ltd., in Taiwan. He was distinguished as an honoured graduate of National Chiao-Tung University in Taiwan and also as an outstanding graduate of Cheng-Uen Junior High School.

Mr. Huang will not enter into any service contract with the Company. He will not have a specific length of service and is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Bye-laws. Mr. Huang will be entitled to a director's emolument in the amount of HK\$100,000 per annum which is determined by reference to his duties and responsibilities within the Company. He is not entitled to receive any bonus.

Mr. Huang has not held directorship in any other listed public companies in the last three years except for the Acer Group. He is not connected with any other directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Huang does not have any interest (within the meaning of Part XV of the SFO) in the Shares of the Company.

Save as disclosed herein, there is no information which is discloseable pursuant to any of the requirements of the provisions under 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters relating to the appointment of Mr. Huang that need to be brought to the attention of the Shareholders.



Golden Harvest

## GOLDEN HARVEST ENTERTAINMENT (HOLDINGS) LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1132)**

**NOTICE IS HEREBY GIVEN** that an annual general meeting of Golden Harvest Entertainment (Holdings) Limited (the "Company") will be held at Function Room – Cherry, InterContinental Hong Kong, 18 Salisbury Road, Kowloon, Hong Kong on Thursday, 30 November 2006 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the Directors and of the auditors for the year ended 30 June 2006.
2. To re-elect Directors, to appoint new Directors, to authorise the Board to fix Directors' remuneration, to set a maximum number of Directors and to authorise the Board to appoint additional Directors up to the maximum number set.
3. To re-appoint Messrs Ernst & Young as auditors and to authorise the Directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an Ordinary Resolution:

**"THAT** the authorised share capital of the Company be increased from HK\$200,000,000 divided into 2,000,000,000 Shares to HK\$600,000,000 divided into 6,000,000,000 shares by the creation of additional 4,000,000,000 shares of HK\$0.10 each."

5. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an Ordinary Resolution:

**"THAT**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;

- (b) the total nominal amount of the shares to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on 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 revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting; and
    - (iii) 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.”
6. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an Ordinary Resolution:

**“THAT**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to issue, allot and dispose of additional shares of the Company and to make or grant offers, agreements and options which would or might require shares to be allotted, issued or disposed of during or after the end of the Relevant Period (as defined below), be and is hereby generally and unconditionally approved, provided that, otherwise than pursuant to a rights issue where shares are offered to shareholders on a fixed record date in proportion to their then holdings of shares (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 or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong) or any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company, the total nominal amount of additional shares issued, allotted, disposed of or agreed conditionally or unconditionally to be issued, allotted or disposed of (whether pursuant to an option or otherwise) shall not in total exceed 20% of the total nominal amount of the share capital of the Company in issue on the date of passing of this Resolution and the said approval shall be limited accordingly; and

- (b) 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 revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting; and
  - (iii) 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.”
7. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT** the general mandate granted to the Directors of the Company pursuant to the resolution set out as Ordinary Resolution no. 6 in the notice convening this meeting and for the time being in force to exercise the powers of the Company to issue, allot and otherwise dispose of additional shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby extended by an amount representing the total nominal amount of the share capital of the Company which has been repurchased by the Company since the granting of such general mandate referred to in the resolution set out as Ordinary Resolution no. 5 in the notice convening this meeting pursuant to the exercise by the Directors of the Company of the powers of the Company to purchase such shares, provided that such amount shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of passing of this Resolution.”

By order of the Board  
**LEE So Ching**  
*Company Secretary*

Hong Kong, 31 October 2006

*Notes:*

- (a) A member entitled to attend and vote at the 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.
- (b) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, must be lodged with the Company’s share registrar in Hong Kong, Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof.
- (c) The proposed maximum number of Directors under resolution no. 2 is not more than 20, which is to reconfirm the existing maximum number. Resolution no. 2 above will permit the Directors of the Company to appoint additional Directors up to the maximum number so determined. Details of the retiring Directors and new Directors have been included in the circular dated 31 October 2006.