



ZHONG HUA INTERNATIONAL HOLDINGS LIMITED

中華國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1064)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a special general meeting of Zhong Hua International Holdings Limited (the “Company”) will be held at Unit 6307, 63rd Floor, The Center, 99 Queen’s Road Central, Hong Kong at 11:00 a.m. on Monday, 7th February, 2005 for the purpose of considering and, if thought fit, passing the following ordinary resolutions by way of a poll, with or without amendments, as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. **“THAT** the agreement dated 14th December, 2004 (the “Agreement”) entered into between the Company’s wholly-owned subsidiary, Telesuccess International Limited, as purchaser and 廣東中訊科技有限公司 (Guang Dong Zhong Xun Technology Limited) as vendor for the sale and purchase of 19.1% equity interest in 廣州天城網絡通訊有限公司 (GuangZhou Sky City Network Communication Ltd.), a copy of which has been produced to the meeting marked “A” and has been signed by the chairman of the meeting for the purpose of identification, and the transactions contemplated therein be and are hereby approved, confirmed and ratified in all aspects; and

THAT any one director of the Company be and is hereby authorised on behalf of the Company to sign, seal, execute, perfect and deliver such other documents and do all such acts, matters and things as he may in his discretion consider necessary, desirable or expedient for the purpose of implementing, completing and giving effect to the Agreement and the transactions contemplated under the Agreement.”

2. **“THAT** the mandate to issue shares of the Company given to the directors of the Company at the Annual General Meeting held on 16th June, 2004 be and is hereby revoked and replaced by the following mandate:

(A) subject to paragraph (C) below, 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 or otherwise deal with additional shares of HK\$0.02 each in the capital of the Company or securities convertible into such shares, or options, warrants or similar rights to subscribe for any shares in the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;

- (B) the approval in paragraph (A) of this resolution shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures 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 and agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (A) above, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined); (b) an issue of shares as scrip dividends pursuant to the bye-laws of the Company from time to time; (c) an issue of shares of the Company upon the exercise of the subscription or conversion rights under the terms or any warrants or other securities issued by the Company carrying a right to subscribe for shares of the Company; and (d) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company, shall not exceed the aggregate of:
- (i) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution; and
 - (ii) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of the Annual General Meeting on 16th June, 2004); 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 passing of this resolution until whichever is 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 law or the bye-laws of the Company to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company; and

“Rights Issue” means the allotment issue or grant of shares pursuant to an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements 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 applicable to the Company).”

3. “**THAT** conditional upon the passing of resolution no. 2 above, the mandate granted to the directors of the Company at the Annual General Meeting of the Company held on 16th June, 2004 to extend the general mandate to allot, issue and deal with shares of the Company to shares repurchased by the Company be and is hereby revoked and replaced by the mandate **THAT** the Directors be and they are hereby authorised to exercise the authority referred to in paragraph (A) of resolution no. 2 above in respect of the share capital of the Company referred to in sub-paragraph (ii) of paragraph (C) of resolution no. 2 above.”

By order of the Board
Zhong Hua International Holdings Limited
Ho Tsam Hung
Chairman

Hong Kong, 21st January, 2005

Head office and principal place of business in Hong Kong:
Unit 6307, 63rd Floor
The Center
99 Queen’s Road Central
Hong Kong

Notes:

- (1) A member of the Company entitled to attend and vote at the above 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. A form of proxy for use at the meeting is enclosed herewith. In the case of a joint holding, the form of proxy may be signed by any joint holder, but if more than one joint holder is present at the meeting, whether in person or by proxy, that one of the joint holders whose name stands first on the register of members in respect of the relevant joint holding shall alone be entitled to vote in respect thereof.
- (2) To be valid, the form of proxy together with any power of attorney or other authority under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Hong Kong branch share registrars of the Company, Tengis Limited at 28th Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 48 hours before the time fixed for holding the meeting or any adjournment thereof.
- (3) Completion and return of the form of proxy will not preclude members from attending and voting at the special general meeting.

* *for identification purpose only.*

*Please also refer to the published version of this announcement in
China Daily and Hong Kong Economic Times.*