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If you have sold all your shares in Dan Form Holdings Company Limited, you should at once hand this document and the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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DAN FORM HOLDINGS COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 271)

PROPOSALS FOR RE-ELECTION OF DIRECTORS GENERAL MANDATE TO ISSUE NEW SHARES GENERAL MANDATE TO REPURCHASE SHARES AND NOTICE OF ANNUAL GENERAL MEETING

The notice convening the 2005 Annual General Meeting of Dan Form Holdings Company Limited to be held at Meeting Room 408, Level 4, Hong Kong Convention and Exhibition Centre, 1 Harbour Road, Wanchai, Hong Kong on 25th May, 2005 at 9:30 a.m. is set out on pages 6 to 9 of this document.

Whether or not you are able to attend the Annual General Meeting, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon 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.

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held on 25th May, 2005 at 9:30 a.m.
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	Dan Form Holdings Company Limited, a company duly incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Latest Practicable Date”	22nd April, 2005, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this document
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Shares”	share(s) of HK\$0.50 each in the share capital of the Company
“Shareholder(s)”	Registered holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers



DAN FORM HOLDINGS COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

Executive Directors:

Dai Xiaoming (*Chairman and Chief Executive*)
Kenneth Hiu King Kon (*Deputy Chief Executive*)

Independent Non-executive Directors:

Jesse Nai Chau Leung
Xiang Bing
Edward Shen

Registered Office:

Room 901–903
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong.

29th April, 2005

To the shareholders

Dear Sir or Madam,

**PROPOSALS FOR
RE-ELECTION OF DIRECTORS
GENERAL MANDATE TO ISSUE NEW SHARES
GENERAL MANDATE TO REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The Directors would like to seek your approval of the ordinary resolutions to be proposed at the forthcoming Annual General Meeting in respect of re-election of Directors, granting the Directors general mandates to repurchase Shares and issue new Shares upon the expiration of the existing general mandates at the Annual General Meeting. In accordance with the Listing Rules, the Company is required to send to the shareholders an explanatory statement containing all the information reasonably necessary to enable the shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the repurchase of Shares by the Company. The purpose of this document is to set out the information concerning the above matters.

This document also sets out the notice convening the Annual General Meeting which can be found in Appendix I of this document.

2. RE-ELECTION OF DIRECTORS

Pursuant to the existing Article 102 of the Articles of Association, Mr. Kenneth Hiu King Kon and Mr. Xiang Bing will retire by rotation and, being eligible, offer themselves for re-election at the Annual General Meeting.

Brief biographical details of the retiring Directors who are proposed to be re-elected at the Annual General Meeting are set out Appendix II to this document.

3. GENERAL MANDATE TO ISSUE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed for the granting to the Directors of a general and unconditional mandate to issue further Shares representing up to 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date the resolution is passed. In addition, if the resolution authorising the repurchase of Shares is passed, a resolution will be proposed to authorise the Directors to issue Shares up to an amount equal to the aggregate nominal amount of the Shares purchased under the authority to repurchase.

4. GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed for the granting to the Directors of a general and unconditional mandate to exercise all powers of the Company to repurchase issued Shares subject to the criteria set out in this document. In particular, shareholders should note that the maximum number of Shares that may be repurchased pursuant to the mandate will be such number of Shares as represent 10 per cent. of the share capital of the Company in issue as at the date of passing the resolution. Furthermore, the authority relates only to purchases of Shares which are fully paid up and which are made on the Stock Exchange and otherwise in accordance with the Listing Rules. On the Latest Practicable Date, there were in issue 1,135,606,132 Shares and accordingly, exercise in full of the repurchase mandate will result in up to 113,560,613 Shares being repurchased by the Company. In addition, shareholders should note that the general mandate covers purchases made or agreed to be made only during the period ending on the earliest of the conclusion of the next annual general meeting of the Company, the date by which the next annual general meeting of the Company is required to be held by law or the Company's Articles of Association and the date upon which such authority is revoked or varied by ordinary resolution of the shareholders in general meeting.

While it is not possible to anticipate in advance any specific circumstance in which the Directors might think it appropriate to repurchase Shares, the Directors believe that such repurchases may, depending on market condition and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and its assets and/or its earnings per share. Shareholders can be assured that the Directors will only make such repurchases in circumstances which they consider to be in the best interests of the Company. On the basis of the consolidated financial position of the Company as at 31st December, 2004 (being the date to which the latest published audited consolidated financial statements of the Company have been made up) and in particular the working capital position and gearing position of the Company at that time and the number of Shares now in issue, the Directors consider that, in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period, there would be a material adverse impact on the working capital of the Company. However, there might not be a material adverse impact on the gearing position of the Company as compared with the position disclosed in the latest published audited consolidated financial statements for the year ended 31st December, 2004. 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 requirement of the Company. Repurchases will only be made in circumstances which in the opinion of the Directors are from time to time appropriate to the Company.

The Company is empowered by its Memorandum and Articles of Association to repurchase its Shares. Repurchases may be funded out of the profits of the Company or out of the proceeds of a fresh issue of Shares or out of bank borrowings which are funds legally available for the purpose of repurchase in accordance with the Company's Memorandum and Articles of Association and the Companies Ordinance.

LETTER FROM THE CHAIRMAN

Directors and connected persons

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of the associates of any of the Directors have any present intention, in the event that the grant to the Directors of a repurchase mandate is approved by shareholders, to sell Shares to the Company.

No persons who are connected persons of the Company (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 sell any of the Shares held by them to the Company in the event that the Company is authorised to make repurchase of Shares.

Listing Rules

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of Hong Kong, and in accordance with the regulations set out in the Memorandum and Articles of Association of the Company.

Takeovers Code

If as a result of a share 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 and 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 Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Dai Xiaoming, Chairman and Chief Executive Officer of the Company, together with Dan Form International Limited (a company controlled by Mr. Dai) were beneficially interested in an aggregate of 411,720,881 Shares representing approximately 36.26 per cent. of the issued share capital of the Company. Based on such shareholdings and in the event that the Directors exercised in full the power to repurchase Shares under the repurchase mandate, then (if the present shareholdings otherwise remained the same) the shareholdings of Mr. Dai and Dan Form International Limited would be increased to approximately 40.28 per cent. of the reduced issued share capital of the Company which would trigger their obligations to make a mandatory offer under the Takeovers Code. The Directors have no intention to exercise the repurchase mandate to an extent that give rise to the consequences which would arise under the Takeovers Code.

Miscellaneous

During each of the six months preceding the Latest Practicable Date, no Shares have been purchased by the Company.

During each of the twelve months preceding the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange are set out in Appendix III.

5. NOTICE OF ANNUAL GENERAL MEETING

Notice of the Annual General Meeting is set out in Appendix I of this document.

LETTER FROM THE CHAIRMAN

A form of proxy is enclosed with this document for use at the Annual General Meeting. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete and return the form of proxy to the registered office of the Company in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the Annual General Meeting. Completion of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person.

6. PROCEDURE FOR DEMANDING A POLL BY SHAREHOLDERS

Pursuant to existing Article 74 of the Articles of Association of the Company, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

- (i) by the Chairman of the meeting; or
- (ii) by at least three shareholders present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any shareholder or shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders having the right to vote at the meeting; or
- (iv) by a shareholder or shareholders present in person 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 the Shares conferring that right.

7. RECOMMENDATION

The Directors are of the opinion that the proposed general mandates to issue new Shares and to repurchase Shares are in the best interests of the Company and accordingly recommend that shareholders vote in favour of the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
Dai Xiaoming
Chairman



DAN FORM HOLDINGS COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Dan Form Holdings Company Limited (the “Company”) will be held at Meeting Room 408 , Level 4, Hong Kong Convention and Exhibition Centre, 1 Harbour Road, Wanchai, Hong Kong on Wednesday, 25th May, 2005 at 9:30 a.m. for the following purposes:

1. To receive and adopt the Audited Financial Statements and the Reports of the Directors and Auditors for the year ended 31st December, 2004.
2. To re-elect Directors and authorise the Directors to fix the remuneration of the Directors.
3. To re-appoint the Auditors of the Company and authorise the Directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass with or without amendments, the following as an Ordinary Resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period 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 shares or warrants or similar rights to subscribe for any shares in the Company and to make or grant offers, agreements and options that might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors of the Company and shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options that might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted and issued, or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; (ii) the exercise of the conversion rights under the terms of any securities which are convertible into shares of the Company; (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to such grantees as specified in such scheme or similar arrangement of shares or rights to acquire shares of the Company; (iv) the exercise of rights of subscription under the terms of any warrants issued by the Company; or (v) any scrip dividend 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 Articles of Association of the Company, shall not exceed twenty (20) per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly; and

(d) for the purposes 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 law or by the Company’s Articles of Association 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 of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of 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 laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange).”

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

“THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to repurchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares purchased or agreed conditionally or unconditionally to be purchased by the Directors of the Company pursuant to the approval in paragraph (a) above shall not exceed ten (10) per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly; and
- (c) for the purposes 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 law or by the Company's Articles of Association 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 of the Company in general meeting."
6. As special business, to consider and, if thought fit, pass with or without amendments, the following as an Ordinary Resolution:

"**THAT** conditional upon the passing of Ordinary Resolution Nos. 4 and 5 as set out in the notice of the Meeting of which this Resolution forms part, the aggregate nominal amount of shares that shall have been repurchased by the Company after the date of the Meeting pursuant to and in accordance with the said Ordinary Resolution No. 5 shall be added to the aggregate nominal amount of share capital that may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors of the Company pursuant to the general mandate granted by the said Ordinary Resolution No.4."

By Order of the Board
Fung Man Yuen
Company Secretary

Hong Kong, 29th April, 2005

Registered Office:

Room 901-903
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong.

Notes:

1. With respect to Ordinary Resolution No. 4, approval is being sought from the members in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to issue any shares of the Company up to twenty (20) per cent. of the aggregate nominal amount of the issued share capital of the Company. Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the existing general mandate to issue shares lapses at the above Meeting.
2. An explanatory statement containing further details regarding Ordinary Resolution No. 5 on the general mandate to repurchase shares is set out on pages 3 to 4 and page 12 of this document.
3. A member entitled to attend and vote at the above Meeting is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his stead. A proxy need not be a member of the Company.

4. To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified true copy thereof must be deposited at the Company's registered office at Room 901-903, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the above Meeting or any adjourned meeting.
5. With respect to item no. 2 in this notice, the Board of Directors of the Company proposed that the retiring directors, namely, Mr. Kenneth Hiu King Kon and Mr. Xiang Bing be re-elected as Directors of the Company at the above Meeting. Details of these Directors are set out in Appendix II of this document and the Annual Report 2004 of the Company.

As at the date hereof, the board of directors of the Company comprises of five Directors, of which two are Executive Directors, namely Mr. Dai Xiaoming and Mr. Kenneth Hiu King Kon; and three are independent Non-Executive Directors, namely Mr. Jesse Nai Chau Leung, Mr. Xiang Bing and Mr. Edward Shen.

Website: <http://www.danform.com.hk>

The two Directors proposed to be re-elected at the Annual General Meeting are set out as follows:

Mr. Kenneth Hiu King Kon, *Deputy Chief Executive*

Aged 43. Appointed as a Director in October, 1994. Mr. Kon graduated from Middlesex University in the United Kingdom with a Bachelor's Degree in Business Studies. He has been involved in the planning of many large-scale investment and development projects in the PRC and Hong Kong and has over eighteen years' experience in investment and management in manufacturing industries and property development. He also has extensive experience in securities trading, corporate finance, mergers and acquisitions and corporate restructuring. He is the Deputy Managing Director of Dan Form Group Limited, an associate of Dan Form International Limited. He is also the General Manager of Dan Form (Hong Kong) Limited, a wholly-owned subsidiary of the Company. Save as disclosed above, he does not have any relationships with any Directors, senior management or substantial or controlling Shareholders of the Company. He has not held any directorship in other listed public companies during the three years preceding the Latest Practicable Date or any position with the Company and any other members of the Group.

Mr. Kon does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no fixed or proposed length of service with the Company and he is subject to retirement by rotation and re-election in accordance with the provisions of the existing Articles of Association of the Company.

For the year ended 31st December, 2004, the Director's emoluments of Mr. Kon was HK\$2,221,236. For the year ending 31st December, 2005 Mr. Kenneth as a Deputy Chief Executive of the Company will be entitled to receive Director's emoluments of about HK\$2,220,000 having regard to his performance and duties, the Company's performance and the prevailing market conditions.

Mr. Xiang Bing, *Independent Non-Executive Director*

Aged 42. Appointed as a Director in May, 1995. Dr. Xiang graduated with a University Golden Medal from Xi'an Jiaotong University, the People's Republic of China, in 1983 and obtained his Ph.D. in Management from the University of Alberta, Canada in 1991. Dr. Xiang is currently the founding dean of Cheung Kong Graduate School of Business and a professor at Guanghua School of Management, Beijing University. Before joining the Beijing University, Dr. Xiang has visited the University of Columbia and the Chinese University of Hong Kong and has served as professor at the Hong Kong University of Science and Technology and the China Europe International Business School in Shanghai. Dr. Xiang is a well-known management expert, especially in finance, and he is very familiar with management theories and practice in the East and West. He has extensive experience in executive training and has conducted seminars for several leading executive programs. He has worked with many Chinese and multinational corporations on executive training, merger and acquisition strategies and managerial control systems. He has also been consulted by the China's government organizations responsible for formulating and implementing state enterprise reform in China.

Mr. Xiang has been a member of the Company's Audit Committee since 15th September, 1998.

Save as disclosed above, he does not have any relationships with any Directors, senior management or substantial or controlling Shareholders of the Company. He has not held any directorship in other listed public companies during the three years preceding the Latest Practicable Date or any position with the Company and any other members of the Group.

Mr. Xiang does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no fixed or proposed length of service with the Company and he is subject to retirement by rotation and re-election in accordance with the provisions of the existing Articles of Association of the Company.

For the year ended 31st December, 2004, the Director's fee of Mr. Xiang was HK\$220,000. For the year ending 31st December, 2005, Mr. Xiang as an independent Director of the Company will be entitled to receive Director's fee of HK\$220,000 which is determined with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market conditions.

The Board is not aware of any other matters relating to the re-election of Mr. Kenneth Hiu King Kon and Mr. Xiang Bing as Directors that need to be brought to the attention of Shareholders.

APPENDIX III TRADED PRICES OF SHARES DURING PRECEDING TWELVE MONTHS

During each of the twelve months preceding the Latest Practicable Date, the highest and lowest prices at which Shares have been traded on the Stock Exchange were as follows:

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2004		
April	0.400	0.280
May	0.330	0.250
June	0.300	0.255
July	0.290	0.250
August	0.340	0.250
September	0.395	0.300
October	0.360	0.290
November	0.420	0.320
December	0.390	0.350
2005		
January	0.380	0.320
February	0.660	0.370
March	0.560	0.490
April (up to the Latest Practicable Date)	0.520	0.430