
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult a 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 ITE (Holdings) Limited, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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ITE (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8092)

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

AND

RE-ELECTION OF DIRECTORS

AND

NOTICE OF ANNUAL GENERAL MEETING

A notice convening an annual general meeting of ITE (Holdings) Limited to be held at Tang Room, 3rd Floor, Sheraton Hong Kong Hotel, 20 Nathan Road, Kowloon, Hong Kong on Tuesday, 26 July 2005 at 10:30 a.m. is set out on pages 13 to 16 of this circular. If you are not able to attend the meeting in person, you are requested to complete and return the enclosed proxy form in accordance with the instructions printed thereon and deposit the same with Hong Kong Registrars Limited, the branch share registrar of ITE (Holdings) Limited in Hong Kong, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

This circular will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for 7 days from the date of its posting and on the website of the Company at www.hkite.com.

23 June 2005

CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Tang Room, 3rd Floor, Sheraton Hong Kong Hotel, 20 Nathan Road, Kowloon, Hong Kong on Tuesday, 26 July 2005 at 10:30 a.m., notice of which is set out on pages 13 to 16 of this circular
“Annual Report”	the annual report of the Company for the year ended 31 March 2005
“Company”	ITE (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“Director(s)”	director(s) of the Company
“GEM”	the Growth Enterprise Market operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general and unconditional mandate proposed to be granted to Directors to allot, issue and deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM, which is extended by the addition of the number of Shares purchased under the Repurchase Mandate
“Latest Practicable Date”	18 June 2005, being the latest practicable date prior to the printing of this circular for ascertaining certain information of this circular
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to Directors to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

LETTER FROM THE BOARD



ITE (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8092)

Directors:

Executive Directors:

Lau Hon Kwong, Vincent (*Chairman*)

George Roger Manho

Cheng Kwok Hung

Liu Hoi Wah

Independent non-executive Directors:

Lee Peng Fei, Allen

Kam Hau Choi, Anthony

Registered Office:

Century Yard

Cricket Square

Hutchins Drive

P.O. Box 2681 GT

George Town

Grand Cayman

British West Indies

Head Office and

Principal Place of Business:

Units 1717-20, Level 17, Tower I

Grand Century Place

193 Prince Edward Road West

Mongkok

Kowloon

Hong Kong

23 June 2005

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the AGM of the Company for the year ended 31 March 2005 to be held at Tang Room, 3rd Floor, Sheraton Hong Kong Hotel, 20 Nathan Road, Kowloon, Hong Kong at 10:30 a.m. on Tuesday, 26 July 2005, resolutions will be proposed to grant to the Directors general mandates to allot, issue and deal with new Shares and to repurchase Shares. Resolutions will also be proposed to re-elect the Directors in accordance with the articles of association of the Company. This circular contains the explanatory statement in compliance with the GEM Listing Rules and to give all the information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolutions.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

At the AGM, it will be proposed, by way of ordinary resolution, that the Directors of the Company be given a general and unconditional mandate to exercise all powers of the Company to allot, issue and deal with new Shares in the capital of the Company up to 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution. In addition, it is further proposed, by way of a separate ordinary resolution, that the Issue Mandate be extended by adding the number of Shares that may be purchased under the Repurchase Mandate.

GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, it will also be proposed, by way of ordinary resolution, that the Directors be given a general unconditional mandate to repurchase Shares not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing such resolution.

An explanatory statement containing all relevant information relating to the Repurchase Mandate and pursuant to the GEM Listing Rules, in particular Rule 13.08, is set out in Appendix I to this circular. The information in the explanatory statement is intended to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions relating to the Repurchase Mandate.

RE-ELECTION OF DIRECTORS

According to article 108A, at each annual general meeting one-third of the Directors for the time being (or if their number is not a multiple of the three, the number nearest to but not exceeding one-third) shall retire from office by rotation provided that no Director holding office as chairman and/or the managing director shall be subject to retirement by rotation or be taken into account in determining the number of Directors to retire. Article 108B further provides that a retiring Director shall be eligible for re-election and any Directors so to retire shall be subject to retirement by rotation who have been longest in office since their last re-election or appointment.

According to article 112, any Director so appointed as an additional to the existing board of Directors shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

In accordance with the Articles of Association of the Company, Dr. Lee Peng Fei, Allen and Mr. Kam Hau Choi, Anthony will retire from office and, be eligible to offer themselves for re-election at the AGM.

Details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

LETTER FROM THE BOARD

THE ANNUAL GENERAL MEETING

A notice of the AGM is set out on pages 13 to 16 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority, at the Company's branch share registrar of the Company in Hong Kong, Hong Kong Registrars Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and delivery of the form of proxy will not prevent you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

PROCEDURES FOR DEMANDING A POLL

Pursuant to Article 72 of the articles of association of the Company, a resolution put to the vote at any general meeting shall be decided on a 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:

- (i) by the chairman of the meeting; or
- (ii) by at least three Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorized representative) 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 any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorized 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 the Shares conferring that right.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

The circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this document is accurate and complete in all material aspects and not misleading; (ii) there are no other matters the omission of which would make any statement in this document misleading; and (iii) all opinions expressed in this document have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

RECOMMENDATION

The Directors consider that the general mandates and the re-election of Directors proposed are in the interest of the Company and so recommend you to vote in favour of the relevant resolutions at the forthcoming AGM.

By Order of the Board
ITE (Holdings) Limited
Lau Hon Kwong, Vincent
Chairman

This is an explanatory statement given to Shareholders of the Company relating to the Resolution 5 to be proposed at the AGM authorising the Repurchase Mandate. This explanatory statement contains all the information required pursuant to Rule 13.08 of the GEM Listing Rules which is set out as follows:

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 907,536,000 Shares.

Subject to the passing of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase Shares up to a maximum of 90,753,600 Shares representing not more than 10% of the share capital of the Company in issue as at the Latest Practicable Date, during the period from the date of passing of the resolution for the approval of the Repurchase Mandate up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any other applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

2. REASONS FOR REPURCHASE

Although the Directors have no present intention of repurchasing the Shares, they believe that it is in the best interest of the Company and its Shareholders for the Directors to have general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders.

3. FUNDING OF REPURCHASE

The Company is empowered by its memorandum and articles of association to repurchase its Shares. The Cayman Islands law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of shares made for such purpose. The amount of premium payable on redemption may only be paid out of either the profits that would otherwise be available for distribution by way of dividend or out of the share premium of the Company. Under the Cayman Islands law, the repurchased Shares will remain part of the authorised but unissued share capital.

In repurchasing any Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum and articles of association and the applicable laws and regulations of the Cayman Islands. The Company may not purchase securities on the GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

There might be an 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 for the year ended 31 March 2005) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve months before the Latest Practicable Date are as follows:

	Price Per Share	
	Highest HK\$	Lowest HK\$
2004		
June	—*	—*
July	—*	—*
August	—*	—*
September	—*	—*
October	—*	—*
November	—*	—*
December	0.044	0.020
2005		
January	0.035	0.030
February	0.045	0.029
March	0.045	0.045
April	0.050	0.042
May	0.040	0.040
June (up to the Latest Practicable Date)	—*	—*

* There was no trading of Shares during the month.

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules, the memorandum and articles of association of the Company and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, their associates (as defined in the GEM Listing Rules), have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if such resolution is approved by the Shareholders.

No connected persons (as defined in the GEM Listing Rules) of the Company has notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. TAKEOVERS CODE

If, as a result of a shares 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 (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the register of Shareholders maintained by the Company pursuant to Section 336 of the Securities and Futures Ordinance showed that the Company has been notified of the following interests, being 5% or more of the Company's issued share capital:

Name of Shareholders	Number of Shares held	Approximate percentage of existing shareholding	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Rax-Comm (BVI) Limited	456,250,348	50.27%	55.86%
George Roger Manho	118,142,254	13.02%	14.46%
Man Kai Shun	55,301,000	6.09%	6.77%

In the event that the Directors shall exercise in full the Repurchase Mandate, the total interests of the above Shareholders would be increased to approximately the respective percentages shown in the last column above and such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate to repurchase shares. If the Directors exercise the Repurchase Mandate (whether in whole or in part), they will not exercise it to the extent which would result in the number of Shares being held by the public falling below the relevant minimum prescribed percentage of the Company as required by the GEM Listing Rules, which is currently 25% of the entire issued share capital of the Company.

7. SHARE REPURCHASES MADE BY THE COMPANY

The Company had not purchased any Shares (whether on the Stock Exchange or otherwise) during the previous six months immediately preceding the Latest Practicable Date.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

The details of the Directors who will retire from office at the AGM and being eligible, will offer themselves for re-election at the AGM, are set out below:

**(1) Dr. Lee Peng Fei, Allen, CBE, BS, FHKIE, JP, aged 65,
an Independent Non-Executive Director**

Dr. Lee holds an honorary doctoral degree in engineering from the Hong Kong Polytechnic University and an honorary doctoral in laws from the Chinese University of Hong Kong. He was formerly a member of the Hong Kong Legislative Council from 1978 to 1997 and a senior member of the Hong Kong Legislative Council from 1988 to 1991. Dr. Lee was also a member of the Hong Kong Executive Council from 1985 to 1992. He was appointed as the Company's independent non-executive director in December 2000.

As at the Latest Practical Date, Dr. Lee has share options to subscribe for 1,760,000 shares of HK\$0.01 each in the capital of the Company. Save as disclosed above, Dr. Lee does not have any other interests in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Dr. Lee does not have any other relationships with any directors, senior management or substantial or controlling shareholders (as defined in the GEM Listing Rules) of the Company. Save as being an independent non-executive Director and a member of audit committee of the Company, Dr. Lee does not hold any other positions in the Company or any of its subsidiaries. Dr. Lee is also the director of other listed companies including AMS Public Transport Holdings Limited, Giordano International Limited, Interchina Holdings Company Limited, Playmates Holdings Limited, Sam Woo Holdings Limited and Wang On Group Limited. During the past three years, Dr. Lee was also the director of a listed company, Vertex Communications & Technology Group Limited, but resigned on 17 October 2002. Save as disclosed above, Dr. Lee has not held any other directorship in other listed companies in the past three years.

Dr. Lee has not entered into any service contract with the Company and he is not appointed for a specific term since he is subject to retirement by rotation and re-election in accordance with the articles of association of the Company. He is entitled to receive a director's fee of HK\$20,000 per month, which is determined based on the estimated time to be spent by him on the Company's matters. Save for the said salary, Dr. Lee is not entitled to any other emolument for holding his office as an independent non-executive director.

Save as disclosed above, Dr. Lee and the Company are not aware of any other matters that need to be brought to the attention of holders of securities of the Company, pursuant to the GEM Listing Rules.

**APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED
TO BE RE-ELECTED AT THE AGM**

**(2) Mr. Kam Hau Choi, Anthony, aged 38,
an Independent Non-Executive Director**

Mr. Kam is the proprietor of a Certified Public Accountant firm in Hong Kong. Mr. Kam holds a Bachelor of Laws degree from the University of Wolverhampton, the United Kingdom, and a Bachelor of Science degree from the University of Hong Kong. Mr. Kam is a fellow member of the Hong Kong Institute of Certified Public Accountants (“HKICPA”), a fellow member of Association of Chartered Certified Accountants (“ACCA”), an associate member of The Institute of Chartered Accountants in England & Wales and an affiliate member of the Hong Kong Securities Institute. Besides, Mr. Kam is also a member of Task Group in the HKICPA and a sub-committee member in the ACCA. Mr. Kam has over 16 years experience in auditing, accounting and tax matters, both in private and public companies. Mr. Kam was appointed as the Company’s independent non-executive director in September 2004. As at the Latest Practical Date, Mr. Kam did not have any interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Kam does not have any relationships with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders (as defined in the GEM Listing Rules) of the Company. Save as being independent non-executive director and a member of audit committee of the Company, Mr. Kam does not hold any positions in the Company or any of its subsidiaries and has not held any directorship in other listed companies in the past three years.

Mr. Kam has not entered into any service contract with the Company and he is not appointed for a specific term since he is subject to retirement by rotation and re-election in accordance with the articles of association of the Company. He is entitled to receive a director’s fee of HK\$50,000 per annum, which is determined based on the estimated time to be spent by him on the Company’s matters. Save for the said salary, Mr. Kam is not entitled to any other emolument for holding his office as an independent non-executive director.

Save as disclosed above, Mr. Kam and the Company are not aware of any other matters that need to be brought to the attention of holders of securities of the Company, pursuant to the GEM Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



ITE (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8092)

NOTICE IS HEREBY GIVEN THAT an annual general meeting of ITE (Holdings) Limited (the “Company”) will be held at Tang Room, 3rd Floor, Sheraton Hong Kong Hotel, 20 Nathan Road, Kowloon, Hong Kong on Tuesday, 26 July 2005 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 the auditors for the year ended 31 March 2005;
2. To re-elect retiring directors and authorise the board of directors to fix the remuneration of directors;
3. To re-appoint auditors and authorise the board of directors to fix their remuneration;
4. As special business, to consider and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions;

(A) “**THAT**

- (a) subject to paragraph (c) of this Resolution, and pursuant to the Rules Governing the Listing of Securities on The Growth Enterprise Market (“GEM Listing Rules”) of The Stock Exchange of Hong Kong Limited (“Stock Exchange”), 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 new shares in the capital of the Company and to make and grant offers, agreements and options (including but not limited to warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require shares to be allotted 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 to make and grant offers, agreements and options (including but not limited to warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require shares to be allotted after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to:
- (i) a Rights Issue (as hereinafter defined); or
 - (ii) an issue of shares upon the exercise of subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to the grantees as specified in such scheme or similar arrangement of shares or rights to acquire shares of the Company; or
 - (iii) any issue of shares pursuant to the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes and other securities of the Company which carry rights to subscribe for or are convertible into shares of the Company; or
 - (iv) an issue of shares pursuant to any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution:

“Relevant Period” means the period from the date of 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 any applicable law or the articles of association of the Company to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this Resolution.

“Rights Issue” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the directors of the Company to holders of shares in the Company on the register on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the directors of

NOTICE OF ANNUAL GENERAL MEETING

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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”

(B) **“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 powers of the Company to repurchase its shares on the Growth Enterprise Market (“GEM”) of the Stock Exchange or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the GEM Listing Rules of the Stock Exchange or 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 of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing 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 date of 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 general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this Resolution.”

NOTICE OF ANNUAL GENERAL MEETING

- (C) “**THAT**, subject to the passing of Resolution Nos. 4A and 4B, the general mandate granted to the directors of the Company to allot, issue and deal with new shares pursuant to Resolution 4A be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares repurchased by the Company under the authority granted pursuant to Resolution 4B provided that such extended amount shall not exceed 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.”

By order of the Board
ITE (Holdings) Limited
Lau Hon Kwong, Vincent
Chairman

Hong Kong, 23 June 2005

Registered Office:

Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681 GT
George Town
Grand Cayman
British West Indies

Head Office and Principal Place of Business:

Units 1717-20, Level 17, Tower I
Grand Century Place
193 Prince Edward Road West
Mongkok
Kowloon
Hong Kong

Notes:

- (a) Any member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote on his behalf in accordance with the articles of association of the Company. A proxy needs not to be a member of the Company.
- (b) To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited with the Company's registrar in Hong Kong, Hong Kong Registrars Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time for holding the meeting or at any adjournment thereof.
- (c) Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the meeting and in such event, the instrument appointing a proxy shall be deemed to be revoked once the registered shareholder attend at the meeting.
- (d) A circular containing further details regarding ordinary resolution no. 4B as required by the GEM Listing Rules of the Stock Exchange will be dispatched to the members of the Company together with the annual report for the financial year ended 31 March 2005.