



Magnum International Holdings Limited

萬能國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 305)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “SGM”) of Magnum International Holdings Limited (the “Company”) will be held at 11:00 a.m. on Friday, 24 June 2005 at Oceana Room, Lobby Floor, Hong Kong Gold Coast Hotel, No. 1 Castle Peak Road, Castle Peak Bay, Kowloon, Hong Kong for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions numbered 1, 2 and 4 as ordinary resolutions and 3 as a special resolution as indicated:

ORDINARY RESOLUTIONS

1. “**THAT,**

- (a) the Subscription Agreement (as defined in the Company’s circular to shareholders dated 20 May 2005 (the “Circular”) of which this notice of SGM forms a part) (a copy of which has been produced to this meeting marked document “A” and signed by the Chairman of the meeting for identification purposes) entered into on 8th April 2005 between the Company, Unichina Enterprises Limited and Magnum Corporation Berhad and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and that any one director of the Company be and is hereby authorised, with full power, to do all things and sign or execute all documents on behalf of the Company which may in his opinion be necessary or desirable for the purpose of giving effect to the Subscription Agreement or any matters relating thereto; and
- (b) the issue of the Convertible Bond (as defined in the Circular) (a copy of which has been produced to this meeting marked document “B” and signed by the Chairman of the meeting for identification purposes) upon and subject to the terms and conditions contained therein be and is hereby approved and confirmed, and that any two directors of the Company or any one director and the secretary of the Company, be and are hereby authorised to execute a bond certificate (or certificates) representing the Convertible Bond and affix the common seal of the Company thereto for and on behalf of the Company, and any one director of the Company (in any case where the common seal of the Company is required to be affixed, then any two directors or any one director and the secretary, of the Company) be authorised, with full power, to do all things and sign or execute all documents on behalf of the Company which may in his (or their) opinion be necessary or desirable in connection with the issue of the Convertible Bond, the bond certificates or any matters relating thereto and the directors of the Company be and are authorised to allot, issue and deal with additional shares in the capital of the Company which may fall to be allotted and issued upon conversion rights attached to the Convertible Bond.”

2. “**THAT,** the Compromise Deed (as defined in the Company’s circular to shareholders dated 20 May 2005 (the “**Circular**”) of which this notice of SGM forms a part) (a copy of which has been produced to this meeting marked document “C” and signed by the Chairman of the meeting for identification purposes) entered into on 8th April 2005 between the Company, Magnum (Guernsey) Limited and Unichina Enterprises Limited and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified, and specifically that each of the following documents that are scheduled to the Compromise Deed relating to the repayment of the Shareholder’s Loan (as defined in the Circular) be and is hereby approved:

- (i) the Secured Promissory Note;
- (ii) the Unsecured Promissory Note;
- (iii) the Subordination Deed;
- (iv) the Share Mortgages; and
- (v) the Property Charges,

each as defined in the Circular (a separate copy of each of which has been produced to this meeting marked documents “D”, “E”, “F”, “G” and “H” respectively, and signed by the Chairman of the meeting for identification purposes) (together with the Compromise Deed, the “**Compromise Documents**”) and that any two directors of the Company or any one director and the secretary of the Company, be and are hereby authorised to execute each of the Secured Promissory Note, the Unsecured Promissory Note and the Subordination Deed, and to affix the common seal of the Company thereto for and on behalf of the Company and any one director of the Company (in any case where the common seal of the Company is required to be affixed, then any two directors or any one director and the secretary, of the Company) be authorised, with full power, to do all things and sign or execute all documents on behalf of the Company which may in his (or their) opinion be necessary or desirable in connection with the Compromise Documents or any one of them, or any matters relating thereto.”

SPECIAL RESOLUTION

3. “**THAT**, conditional on (i) the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the shares of HK\$0.001 each in the capital of the Company following the Capital Reduction (as defined below) becoming effective; and (ii) compliance with Section 46 of the Companies Act 1981 of Bermuda, with effect from 10:00 a.m. (Hong Kong time) on the date of the S&P Completion (as defined in the Company’s circular to shareholders dated 20 May 2005 of which this notice of SGM forms a part), or such other day and at such time as the board of directors of the Company may determine:
- (a) the issued share capital of the Company be reduced from approximately HK\$61,502,418 to HK\$615,024 by cancelling paid up capital to the extent of HK\$0.099 on each share of HK\$0.10 in issue in the capital of the Company on the date of this resolution (“**Capital Reduction**”) so that each issued share shall be treated as one fully paid up share of HK\$0.001 in the capital of the Company (“**Share**”) and any liability of the holders of such Shares to make any further contribution to the capital of the Company on each such Share shall be treated as satisfied;
 - (b) subject to and forthwith upon the Capital Reduction taking effect, each authorised but unissued share of HK\$0.10 in the capital of the Company be subdivided into 100 shares of HK\$0.001 each;
 - (c) subject to and forthwith upon the Capital Reduction taking effect, the credit arising from the cancellation of paid up capital be transferred to the contributed surplus account of the Company where it will be utilised in accordance with the bye-laws of the Company and all applicable laws including, but not limited to, applied towards setting off the accumulated losses of the Company; and
 - (d) any one of the directors of the Company be and is hereby authorised generally to do all such acts, deeds and things as he shall, in his absolute discretion, deem appropriate to effect and implement any of the foregoing.”

ORDINARY RESOLUTION

4. “**THAT**, subject to and conditional upon the Capital Reduction (as defined in the resolution numbered 3 as set out in the notice convening this meeting) becoming effective, the authorised share capital of the Company be increased from HK\$100,000,000 to HK\$1,000,000,000 by the creation of an additional 900,000,000,000 new shares of HK\$0.001 each and that such new shares shall rank pari passu in all respects with the existing shares in issue in the capital of the Company.”

By order of the Board of
Magnum International Holdings Limited
Ooi Sin Heng
Director

Hong Kong, 20 May 2005

As at the date of this announcement, the executive Directors are Mr Lim Teong Leong, Mr Tam Cheok Wing, Mr Ooi Sin Heng and Mr Chan Hon Ming; and the independent non-executive Directors are Mr Wong Ming Shiang, Mr Lim Eng Ho and Mr Soo Tho Him Yip.

Notes:

1. The Register of Members will be closed from Tuesday, 21 June 2005 to Friday, 24 June 2005 (both days inclusive) during which no transfer of Shares of the Company will be registered.
2. Every member entitled to attend and vote at the SGM is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
3. A form of proxy for use in connection with the SGM is also published on the website of the Stock Exchange (www.hkex.com.hk)
4. In order to be valid, a form of proxy together with any 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 registrars, Tengis Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the SGM.
5. According to Rule 2.9 and Note 4 to Rule 25 of the Hong Kong Code on Takeovers and Mergers (the “Takeovers Code”), the vote in relation to the resolution numbered 2 shall be taken by way of a poll. According to Rule 13.39(4) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”), the vote in relation to the ordinary resolutions numbered 1 and 2 shall be taken by way of a poll. In addition, the vote in relation to the ordinary resolution numbered 4 and special resolution numbered 3 shall be taken by way of a poll. The Company shall announce the results of the poll in the manner prescribed under Rule 2.9 of the Takeovers Code and Rule 13.39(5) of the Listing Rules.

*Please also refer to the published version of this announcement in the (**The Standard**)*