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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Bossini International Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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BOSSINI INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Stock code: 592

**PROPOSED BONUS ISSUE OF SHARES,
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES
AND PROPOSED AMENDMENTS TO THE BYE-LAWS**

A notice convening the Annual General Meeting to be held at Tang Room I, 3rd Floor, Sheraton Hong Kong Hotel and Towers, 20 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Monday, 30 August 2004 at 10:00 a.m. is set out on pages 14 to 21 of this circular. A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed. Whether or not you intend to attend and vote at the Annual General Meeting in person, please complete the form of proxy in accordance with the instructions set out therein and return it to the Company's principal place of business in Hong Kong at 6th Floor, Hong Kong Spinners Industrial Building, Phase 1 & 2, 601-603 Tai Nan West Street, Kowloon, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting (as the case may be) should you so wish.

29 July 2004

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RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

DEFINITIONS

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

“AGM Notice”	the notice of the Annual General Meeting set out on pages 14 to 21 in this circular;
“Annual General Meeting”	the annual general meeting of the Company to be held at Tang Room I, 3rd Floor, Sheraton Hong Kong Hotel and Towers, 20 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Monday, 30 August 2004 at 10:00 a.m. for the purposes of considering the businesses set out in the AGM Notice and, if thought fit, passing the resolutions set out therein, or any adjourned meeting (as the case may be);
“associate(s)”	has the same meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Bonus Issue”	the proposed issue of Bonus Shares to Qualifying Shareholders on the basis of one Bonus Share for every one existing Share held on the Record Date upon and subject to the terms and conditions set out in this circular;
“Bonus Share(s)”	new Share(s) to be allotted, issued and distributed pursuant to the Bonus Issue;
“Branch Share Registrars”	Computershare Hong Kong Investor Services Limited of Shops 1712-6, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, being the Hong Kong branch share registrars of the Company;
“Bye-laws”	the bye-laws of the Company;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“Company”	Bossini International Holdings Limited, an exempted company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange;
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;

DEFINITIONS

“General Mandate”	the general mandate to allot, issue and deal with new Shares not exceeding 20% of the aggregate of (i) the nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof; and (ii) the nominal amount of the share capital of the Company which may be issued pursuant to the Bonus Issue;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	27 July 2004, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Overseas Shareholder(s)”	the holder(s) of the Shares whose addresses as shown on the Register of Members at the close of business on the Record Date are in places outside Hong Kong;
“Qualifying Shareholder(s)”	the Shareholder(s), other than Overseas Shareholder(s), whose names appear on the Register of Members on the Record Date;
“Record Date”	30 August 2004, being the record date by reference to which entitlements to the Bonus Issue will be determined;
“Register of Members”	the principal or branch register of members of the Company maintained in Bermuda or Hong Kong respectively;
“Repurchase Mandate”	the authority to repurchase fully paid up Shares of up to 10% of the aggregate of (i) the nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof; and (ii) the nominal amount of the share capital of the Company which may be issued pursuant to the Bonus Issue;
“Shareholder(s)”	the holder(s) of the Share(s);

DEFINITIONS

“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Share Option Scheme”	the share option scheme adopted by the Company on 27 November 2003;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers; and
“%”	per cent.

EXPECTED TIMETABLE

2004

Last day of trading in Shares cum entitlements to the Bonus Issue	.....	Wednesday, 18 August
First day of trading in Shares ex entitlements to the Bonus Issue	.....	Thursday, 19 August
Latest time for lodging transfer forms of Shares to qualify for entitlements to the Bonus Issue	.....	4:00 p.m. on Friday, 20 August
Closure of Register of Members (both days inclusive)		
From	.....	Monday, 23 August
To	.....	Monday, 30 August
Latest time for lodging forms of proxy for the Annual General Meeting	.....	10:00 a.m. on Saturday, 28 August
Record Date for entitlements to the Bonus Issue	.....	Monday, 30 August
Date and time of the Annual General Meeting	.....	10:00 a.m. on Monday, 30 August
Register of Members reopens	.....	Tuesday, 31 August
Despatch of share certificates for Bonus Shares	.....	Tuesday, 14 September
First day of trading in Bonus Shares on the Stock Exchange	.....	Thursday, 16 September

LETTER FROM THE BOARD

bossini

BOSSINI INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Stock code: 592

Executive Directors:

Mr. Law Ka Sing (*Chairman*)
Ms. Chau Wai Man, Pansy
Mr. Orr Kuen Fung, Simon
Mr. Fung Ping Chuen
Mr. Fu Shing Kwan, Dickie
Ms. Chan So Kuen

Independent non-executive Directors:

Mr. Cheung Sik Ho, David
Mrs. Leung Wong Wing Yue, Winnie

*Principal place of business
in Hong Kong:*

6th Floor, Hong Kong Spinners
Industrial Building
Phase 1 & 2
601-603 Tai Nan West Street
Kowloon
Hong Kong

Registered office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

29 July 2004

To the Shareholders

Dear Sir/Madam,

**PROPOSED BONUS ISSUE OF SHARES,
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES
AND PROPOSED AMENDMENTS TO THE BYE-LAWS**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding certain ordinary and special resolutions to be proposed at the Annual General Meeting to enable you to make an informed decision on whether to vote for or against these resolutions.

At the Annual General Meeting, resolutions, amongst others, will be proposed for seeking Shareholders' approval to (i) the Bonus Issue; (ii) the granting of the Repurchase Mandate to the Directors; (iii) the granting of the General Mandate to the Directors; and (iv) the proposed amendments to the Bye-laws to align with the amended Listing Rules which has become effective on 31 March 2004.

LETTER FROM THE BOARD

2. BONUS ISSUE

It was announced on 29 June 2004 in conjunction with the announcement of the Group's consolidated results for the year ended 31 March 2004 that the Bonus Issue would be proposed to the Qualifying Shareholders whose names appear on the Register of Members on the Record Date. Subject to the fulfillment of the conditions set out below, the Bonus Issue will be made on the basis of one Bonus Share, credited as fully paid, for every one existing Share then held. The Bonus Shares will rank pari passu in all respects with the existing Shares, save and except that holders of the Bonus Shares will not be entitled to the Bonus Issue and the final dividend for the financial year ended 31 March 2004.

As at the Latest Practicable Date, the Company had outstanding share options under the Share Option Scheme entitling holders thereof to subscribe for an aggregate of 39,000,000 Shares. Pursuant to the terms of all the outstanding share options granted under the Share Option Scheme, the outstanding share options cannot be exercised before 2 December 2004. Based on 771,461,697 Shares in issue as at the Latest Practicable Date and on the assumptions that no new Shares are allotted or issued and no existing Shares are repurchased prior to the Record Date, the total number of Bonus Shares to be issued will be 771,461,697. It is proposed that the Directors be authorised to capitalise an amount of not less than HK\$68,229,061 standing to the credit of the share premium account and an amount of not less than HK\$8,917,109 standing to the credit of the contributed surplus account of the Company and to apply such amounts in paying up in full the Bonus Shares.

An ordinary resolution will be proposed at the Annual General Meeting to approve the Bonus Issue. The full text of the resolution in respect of the Bonus Issue is set out in resolution no. 6 in the AGM notice.

(A) Conditions of the Bonus Issue

The Bonus Issue is conditional upon the following:

- (i) the passing of the ordinary resolution to approve the Bonus Issue at the Annual General Meeting; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Bonus Shares.

(B) Adjustments in respect of outstanding share options

As at the Latest Practicable Date, outstanding share options for the subscription of 39,000,000 Shares have been granted by the Company under the Share Option Scheme. The exercise price of all such share options is HK\$0.35 per Share.

In accordance with the rules of the Share Option Scheme, holders of the outstanding share options will be entitled to adjustments to the number of Shares subject to the share options granted and/or the subscription price in the event that any alteration in the capital structure of the Company occurs.

LETTER FROM THE BOARD

(C) Closure of Register of Members

The Register of Members will be closed from Monday, 23 August 2004 to Monday, 30 August 2004 (both days inclusive). During this period, no transfer of Shares will be effected. In order to qualify for the Bonus Issue, all transfer forms of Shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrars not later than 4:00 p.m. on Friday, 20 August 2004.

(D) Listing and Dealings

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Bonus Shares. No part of the share capital of the Company is listed on or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

Upon the Bonus Issue becoming unconditional, it is expected that certificates for the Bonus Shares will be despatched by ordinary post to the Qualifying Shareholders at their own risk on or before Tuesday, 14 September 2004. In the case of joint holders of Shares, certificates for the Bonus Shares will be despatched by ordinary post to the address of the first-named Shareholder on the Register of Members.

Application will be made to HKSCC for admission of the Bonus Shares into CCASS. Subject to the granting of the listing of, and permission to deal in, the Bonus Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Bonus Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Dealings in the Bonus Shares on the Stock Exchange are expected to commence on Thursday, 16 September 2004 and will be subject to stamp duty in Hong Kong.

(E) Reasons for the Bonus Issue

The Bonus Issue will allow Shareholders to participate in the business growth of the Company. In addition, it will provide the Company with a wider capital base and therefore increase the marketability of the Shares.

(F) Overseas Shareholders

No Bonus Shares will be issued to Overseas Shareholders as the offering of the Bonus Shares by the Company to such Overseas Shareholders may contravene relevant laws and/or regulations in their countries of residence.

LETTER FROM THE BOARD

However, arrangements will be made for the Bonus Shares which would otherwise have been issued to Overseas Shareholders to be sold in the market as soon as possible after dealings in the Bonus Shares commence, if a premium (net of expenses) can be obtained. Any net proceeds of such sale, after deduction of expenses, will be distributed in Hong Kong dollar to Overseas Shareholders pro rata to their respective shareholdings and remittances thereof will be posted to them at their own risk as soon as possible, unless individual amount falling to be distributed to any Overseas Shareholder is less than HK\$100, in which case such amount will be retained for the benefit of the Company.

3. REPURCHASE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to grant the Repurchase Mandate to the Directors. The authority to be given under the Repurchase Mandate is restricted to the repurchase of Shares on the Stock Exchange in accordance with the Listing Rules.

In accordance with the Listing Rules, an explanatory statement of the Repurchase Mandate is set out in Appendix I of this circular in order to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting for granting the Repurchase Mandate to the Directors.

The full text of the resolution in respect of the Repurchase Mandate is set out in resolution no. 7 in the AGM Notice.

4. GENERAL MANDATE

At the Annual General Meeting, an ordinary resolution will also be proposed to grant the General Mandate to the Directors. The general mandate granted to the Directors at the last annual general meeting of the Company held on 29 August 2003 will lapse at the conclusion of the Annual General Meeting. The General Mandate will give the Directors the flexibility and discretion to issue new Shares. In addition, an ordinary resolution will be proposed to extend the General Mandate by adding to it the number of such Shares repurchased under the Repurchase Mandate.

The full texts of the resolutions in respect of the General Mandate and the extension of the General Mandate are set out in resolutions nos. 8 and 9 in the AGM Notice, respectively.

5. PROPOSED AMENDMENTS TO THE BYE-LAWS

The Stock Exchange has revised the Listing Rules and the amended Listing Rules became effective on 31 March 2004. The Directors therefore proposes to make corresponding amendments to the Bye-laws for complying with the amended Listing Rules.

A summary of the proposed amendments to the Bye-laws is set out in Appendix II of this circular.

The full text of the proposed amendments to the Bye-laws is set out in resolution no. 10 in the AGM Notice.

LETTER FROM THE BOARD

6. ANNUAL GENERAL MEETING

A form of proxy for use by Shareholders at the Annual General Meeting is enclosed with this circular. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the form of proxy in accordance with the instructions set out therein and return it to the Company's principal place of business in Hong Kong at 6th Floor, Hong Kong Spinners Industrial Building, Phase 1 & 2, 601-603 Tai Nan West Street, Kowloon, Hong Kong as soon as possible but in any event, not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting (as the case may be) should you so wish.

Details of the Directors who are proposed to be re-elected at the Annual General Meeting are set out on page 59 of the annual report of the Company for the year ended 31 March 2004 which is despatched to Shareholders together with this circular.

Pursuant to bye-law 70 of the Bye-laws, a resolution put to the vote of a general meeting of Shareholders 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 or on the withdrawal of any other demand for a poll) demanded:

- (i) by the chairman of the meeting; or
- (ii) by at least three Shareholders present in person or by duly authorised corporate 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 by duly authorised corporate 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 by duly authorised corporate 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.

7. RECOMMENDATION

The Directors consider that (i) the Bonus Issue; (ii) the proposed granting of the Repurchase Mandate and General Mandate to the Directors and the extension of the General Mandate; and (iii) the proposed amendments to the Bye-laws are in the best interests of the Company and Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of the ordinary and special resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of
Bossini International Holdings Limited
Law Ka Sing
Chairman

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE
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This Appendix serves as an explanatory statement required by Rule 10.06(1)(b) of the Listing Rules to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting for granting the Repurchase Mandate to the Directors.

SHAREHOLDERS' APPROVAL

All proposed repurchases of shares on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by specific approval.

REASONS FOR SHARE REPURCHASE

The Directors believe that it is in the best interests of the Company and Shareholders for the Directors to continue to have general authority from the Shareholders to enable the Company to repurchase Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Shareholders are assured that such repurchases of Shares will only be made when the Directors believe that they are appropriate and will benefit the Company and Shareholders as a whole.

SHARE CAPITAL

As at the Latest Practicable Date, the Company had 771,461,697 Shares in issue and outstanding share options under the Share Option Scheme entitling holders thereof to subscribe for an aggregate of 39,000,000 Shares. Pursuant to the terms of all the outstanding share options granted under the Share Option Scheme, the outstanding share options cannot be exercised before 2 December 2004.

Subject to the passing of the proposed ordinary resolution approving to grant the Repurchase Mandate to the Directors and on the assumptions that no new Shares are allotted or issued (excluding the Bonus Shares to be issued pursuant to the Bonus Issue), no existing Shares are repurchased by the Company prior to the Annual General Meeting and the ordinary resolution to be proposed for the Bonus Issue is approved at the Annual General Meeting by Shareholders, the exercise of the Repurchase Mandate in full would enable the Company to repurchase a maximum of 154,292,339 Shares.

FUNDING OF REPURCHASE

Repurchases must be funded out of funds legally available for such purpose in accordance with the Company's memorandum of association and Bye-laws and the laws of Bermuda. Bermuda laws provide that the amount of capital repaid related to a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the funds that would otherwise be available for distribution or dividend or the proceeds of a fresh issue of shares made for the purpose.

The exercise of the Repurchase Mandate in full might have a material adverse impact on the working capital and/or gearing level of the Company as compared with the position disclosed in

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

the Company's annual report for the year ended 31 March 2004. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or gearing level of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

DISCLOSURE OF INTERESTS

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates has any present intention, in the event that the Repurchase Mandate is approved by Shareholders, to sell any Share to the Company.

No connected person has notified the Company that he/she has a present intention to sell any Share to the Company nor has undertaken not to sell any of the Shares held by him/her to the Company, in the event that the Repurchase Mandate is approved by Shareholders.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that they will exercise the Repurchase Mandate in accordance with the Listing Rules, the regulations set out in the Company's memorandum of association and Bye-laws and the applicable laws of Bermuda.

EFFECT OF THE 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 purposes of the Takeovers Code. Accordingly, a shareholder, or 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, save as Mr. Law Ka Sing, no Shareholder was interested in more than 10% of the issued share capital of the Company. 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, the Company may not repurchase Shares which would result in the amount of Shares held by the public being reduced to less than 25%.

In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, and assuming that no new Shares are allotted or issued (excluding the Bonus Shares to be issued pursuant to the Bonus Issue) and the Bonus Issue is approved by Shareholders, the shareholding of Mr. Law would be increased to approximately 78.72% of the issued share capital of the Company. The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in a public shareholding of less than such prescribed percentage.

In the event that the Directors exercise the Repurchase Mandate in full to repurchase Shares in accordance with the terms of the ordinary resolution to be proposed at the Annual General Meeting and assuming no further Shares is issued by the Company, the increase in the percentage of the shareholding of Mr. Law Ka Sing in the Company will not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE
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SHARE REPURCHASES BY THE COMPANY

The Company did not repurchase any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

SHARE PRICES

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

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2003		
July	0.2600	0.1800
August	0.3250	0.2450
September	0.5100	0.3000
October	0.3300	0.2700
November	0.3400	0.2650
December	0.3750	0.3100
2004		
January	0.6600	0.3250
February	1.2900	0.5400
March	1.6000	1.1800
April	1.4500	1.1500
May	1.1700	0.7600
June	1.7400	1.0900

This appendix summarises the proposed amendments to the Bye-laws for the purpose of incorporating the changes introduced by the revised Listing Rules which became effective on 31 March 2004.

Bye-law 1(A) – Interpretation

New definitions of “associate(s)” and “Listing Rules” will be introduced to bring the Bye-laws up to date with the Listing Rules.

Bye-law 76(B) – Voting restrictions of Shareholders under Listing Rules

Bye-law 76(B) will be added so that where any Shareholder is subject to voting restrictions under the Listing Rules, any votes cast by or on behalf of such shareholder in contravention of such restriction shall not be counted.

Bye-laws 98(H), 98(I), 98(J) and 98(K) – Interests of Director’s associates

Bye-laws 98(H), 98(I), 98(J) and 98(K) will be amended to provide that Directors shall abstain from voting at the Board meeting on any matter in which any of their associates has a material interest and shall not be counted towards the quorum of the relevant Board meeting.

Bye-law 103 – Appointment of Directors

Bye-law 103 will be amended to specify the minimum lodgement period for lodgement by Shareholders of the notice to nominate a director, which shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days before the date of such meeting.

NOTICE OF ANNUAL GENERAL MEETING

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BOSSINI INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Stock code: 592

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Bossini International Holdings Limited (the “Company”) will be held at Tang Room I, 3rd Floor, Sheraton Hong Kong Hotel and Towers, 20 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Monday, 30 August 2004 at 10:00 a.m. for the following purposes:

As Ordinary Business

1. To receive and consider the audited financial statements and the reports of the directors and auditors of the Company and its subsidiaries for the year ended 31 March 2004.
2. To declare a final dividend for the year ended 31 March 2004.
3. To re-elect retiring directors of the Company and to authorise the board of directors of the Company to fix the remuneration of the directors.
4. To re-appoint auditors and to authorise the board of directors of the Company to fix their remuneration.

As Special Business

To consider and, if thought fit, to pass with or without amendments, each of the following resolutions as ordinary resolution of the Company:

ORDINARY RESOLUTIONS

5. **“THAT** the maximum number of directors of the Company be fixed at twelve.”
6. **“THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Bonus Shares (as defined in paragraph (a) of this resolution):
 - (a) upon the recommendation of the directors of the Company (the **“Directors”**), an amount of not less than HK\$68,229,061 standing to the credit of the share premium account of the Company and an amount of not less than HK\$8,917,109 standing to the credit of the contributed surplus account of the Company, be capitalised and the Directors be and are hereby authorised to apply such amounts in paying up in full at par 771,461,697 new shares of HK\$0.10 each in the capital of the Company (**“Bonus Shares”**) to be allotted, issued and distributed, credited as fully paid, to the members of the Company whose names appear on the principal or branch register of members of the Company in Bermuda or

NOTICE OF ANNUAL GENERAL MEETING

Hong Kong respectively (collectively referred to as the “**Register of Members**”) as at the close of business on 30 August 2004 (“**Record Date**”), other than those members whose addresses as shown on the Register of Members on the Record Date are outside Hong Kong (“**Overseas Shareholders**”), on the basis of one Bonus Share for every one existing share of HK\$0.10 each in the capital of the Company then held by them respectively;

- (b) arrangements shall be made for the Bonus Shares which would otherwise have been issued to Overseas Shareholders to be sold in the market as soon as possible after dealings in the Bonus Shares commence, if a premium (net of expenses) can be obtained and the net proceeds of such sales, after deduction of expenses, shall be distributed in Hong Kong dollar to Overseas Shareholders on a pro rata basis and be sent to them, at their own risk, as soon as possible unless individual amount falling to be distributed to any Overseas Shareholder is less than HK\$100, in which case such amount shall be retained for the benefit of the Company;
- (c) the Bonus Shares to be issued pursuant to this resolution shall, subject to the memorandum of association and bye-laws of the Company, rank pari passu in all respects with the existing issued shares of HK\$0.10 each in the capital of the Company, except that they will not be eligible for the bonus issue of shares mentioned in this resolution and the final dividend for the year ended 31 March 2004; and
- (d) the Directors be and are hereby authorised to do all acts and things as may be necessary and expedient in connection with the allotment, issue and distribution of the Bonus Shares, including but not limited to determining the amounts to be capitalised out of the share premium account and/or the contributed surplus account of the Company and the number of unissued shares to be allotted, issued and distributed as Bonus Shares in the manner referred to in paragraph (a) of this resolution and making any arrangement for the sale of the Bonus Shares as referred to in paragraph (b) of this resolution.”

7. “**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) of this resolution) of all the powers of the Company to repurchase shares of HK\$0.01 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in accordance with all applicable laws and regulations and requirements of the Stock Exchange, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares to be repurchased during the Relevant Period pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the aggregate of (1) the nominal amount of the share capital of the Company in issue on the date of passing of this resolution; and

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(2) the nominal amount of the share capital of the Company which may be issued pursuant to the issue of the Bonus Shares (as defined in resolution no. 6 as set out in the notice convening the meeting of which this resolution forms part) 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 the bye-laws of the Company or any applicable law to be held; or
 - (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”

8. **“THAT:**

- (a) subject to paragraphs (b) and (c) of this resolution, the granting of an unconditional general mandate to the directors of the Company during the Relevant Period (as defined in paragraph (d) of this resolution) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the unconditional general mandate under paragraph (a) of this resolution shall not extend the Relevant Period save the directors of the Company may during the Relevant Period make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) during the Relevant Period 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 or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the general mandate in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this resolution) or (ii) 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 bye-laws of the Company or (iii) any share option scheme of the Company or (iv) the exercise of any rights of subscription or conversion under any existing warrants, bonds, debentures, notes and other securities issued by the Company which carry rights to subscribe for or are convertible into shares

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of the Company, shall not exceed 20% of the aggregate of (1) the nominal amount of the share capital of the Company in issue on the date of passing of this resolution; and (2) the nominal amount of the share capital of the Company which may be issued pursuant to the issue of the Bonus Shares (as defined in resolution no. 6 as set out in the notice convening the meeting of which this resolution forms part) 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 the bye-laws of the Company or any applicable law to be held; or
 - (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares of the Company or issue of options, warrants, or other securities giving the right to subscribe for shares of the Company, open for a period fixed by the directors of the Company to holders of shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company (or, where appropriate, such other securities), (subject to all cases 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).”

9. “**THAT** conditional upon the passing of resolutions nos. 7 and 8 as set out in the notice convening the meeting of which this resolution forms part, the general mandate referred to in resolution no. 8 as set out in the notice convening the meeting of which this resolution forms part be and is hereby extended by the addition to the aggregate nominal amount of share capital which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of shares in the capital of the Company purchased by the Company since the granting of the said general mandate 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 aggregate of (1) the nominal amount of the share capital of the Company in issue on the date of passing of this resolution; and (2) the nominal amount of the share capital of the Company which may be issued pursuant to the issue of the Bonus Shares (as defined in resolution no. 6 as set out in the notice convening the meeting of which this resolution forms part).”

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To consider and, if thought fit, to pass the following resolution as a special resolution of the Company:

SPECIAL RESOLUTION

10. “THAT the bye-laws of the Company be and are hereby amended by:
- (a) deleting the existing definition of “associates” in bye-law 1(A) and substituting therefor the following new definition of “associate(s)”:

““associate(s)” in relation to any Director, shall have the meaning as defined in the Listing Rules;”;
 - (b) adding the following new definition in bye-law 1(A) immediately after the definition of “Hong Kong”:

““Listing Rules” shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time);”;
 - (c) renumbering the existing bye-law 76 as bye-law 76(A) and adding the following as bye-law 76(B) immediately thereafter:

“(B) Where any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.”;
 - (d) deleting the existing bye-law 98(H) and substituting therefor the following new bye-law 98(H):

“(H) A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or proposal in which he or any of his associate(s) has/have a material interest, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for that resolution), but this prohibition shall not apply to any of the following matters namely:

 - (i) the giving of any security or indemnity either:
 - (a) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

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- (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iii) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associate(s) are not in aggregate beneficially interested in five (5) per cent. or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associate(s) is derived) or of the voting rights;
- (iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or
 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, their respective associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

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For the purpose of Bye-Law 98(H), “subsidiary” or “subsidiaries” shall have the meaning ascribed to it under the Listing Rules.”;

- (e) deleting the existing bye-law 98(I) and substituting therefor the following new bye-law 98(I):

“(I) A company shall be deemed to be a company in which a Director and/or any of his associate(s) owns five (5) per cent. or more of the issued shares of any class of the equity share capital of such company or of the voting rights of any class of shares of such company if and so long as (but only if and so long as) he and/or his associate(s) is/are (either directly or indirectly) the holder of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company (or of any third company through which his/their interest is derived) or of the voting rights of any class of shares available to shareholders of the company. For the purpose of this paragraph, there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder.”;

- (f) deleting the existing bye-law 98(J) and substituting therefor the following new bye-law 98(J):

“(J) Where a company in which a Director and/or any of his associate(s) holds five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights of any class of shares available to shareholders of the company is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.”;

- (g) deleting the existing bye-law 98(K) and substituting therefor the following new bye-law 98(K):

“(K) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the Chairman) or his associate(s) or as to the entitlement of any Director (other than such Chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the Chairman and his ruling in relation to such other Director or his associate(s) shall be final and conclusive except in a case where the nature or extent of the interest of the Director or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the Chairman or his associate(s) such question

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shall be decided by a resolution of the Board (for which purpose such Chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such Chairman or his associate(s) as known to such Chairman has not been fairly disclosed to the Board.”; and

- (h) deleting the existing bye-law 103 and substituting therefor the following new bye-law 103:

“103. No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office. The period for lodgment of the notice required under this Bye-Law shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven (7) days prior to the date of such meeting, provided that such period shall be at least seven (7) days.”

and **THAT** any director of the Company be and is hereby authorised to take such further actions as he/she may in his/her sole and absolute discretion thinks fit for and on behalf of the Company to implement the aforesaid amendments to the existing bye-laws of the Company.”

By Order of the Board
Law Ka Sing
Chairman

Hong Kong, 29 July 2004

Notes:

1. The register of members of the Company will be closed from Monday, 23 August 2004 to Monday, 30 August 2004 (both days inclusive). During this period, no transfer of shares will be registered. In order to qualify for the proposed final dividend and entitlements to the Bonus Issue, all transfer forms of Shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited of Shops 1712-6, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:00 p.m. on Friday, 20 August 2004.
2. A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote on his behalf. A member who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
3. To be valid, the instrument appointing a 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 at the Company’s principal place of business in Hong Kong at 6th Floor, Hong Kong Spinners Industrial Building, Phase 1 & 2, 601-603 Tai Nan West Street, Kowloon, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting (as the case may be).