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If you are in any doubt about this circular or as to the action to be taken, you should consult your 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 **GOOD FELLOW GROUP LIMITED**, you should at once hand this circular with the enclosed form of proxy to the purchaser or 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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**GOOD FELLOW GROUP LIMITED****金威集團控股有限公司****(incorporated in Bermuda with limited liability)*

(Stock Code: 910)

**PROPOSALS RELATING TO REFRESHMENT OF
GENERAL MANDATE**

**Independent financial adviser to the Independent Board Committee
and Independent Shareholders**

ALTUS CAPITAL LIMITED

A notice convening the SGM to be held at Unit 708, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong on Monday, 14 March 2005 at 11:00 a.m. is set out on pages 18 to 20 of this circular. If you do not intend to attend and vote at the SGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Tengis Limited, at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjourned meeting should you so wish.

A letter from the Independent Board Committee to the Independent Shareholders is set out on page 9 of this circular and a letter of advice from Altus to the Independent Board Committee and Independent Shareholders is set out on pages 10 to 14 of this circular.

* For identification purposes only

7 February 2005

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DEFINITIONS

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

“Announcement”	the Company’s announcement dated 13 January 2005
“Associate”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of directors of the Company
“Bye-laws”	the Bye-laws of the Company
“Companies Act”	the Companies Act 1981 of Bermuda (as amended)
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	Good Fellow Group Limited, a limited liability company incorporated in Bermuda whose shares are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Existing Mandate”	the general and unconditional mandate granted to the Director to allot, issue and deal with 489,993,520 new Shares, being 20% of the issued share capital of the Company as at 30 November 2004, by a resolution of the shareholders at the annual general meeting held on 30 November 2004
“General Mandate”	the general and unconditional mandate to allot and issue new Shares as set out in resolutions in the notice of the SGM
“Golden Prince”	Golden Prince Group Limited, a company incorporated in the British Virgin Islands, the entire issued share capital of which is directly wholly owned by Mr. Ng Leung Ho, the chairman and executive director of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board comprising the independent non-executive directors of the Company

DEFINITIONS

“Independent Financial Advisor” or “Altus”	Altus Capital Limited, a licensed corporation to carry out type 1, 4, 6 and 9 regulated activities under the SFO and the independent financial adviser to the Independent Board Committee and Independent Shareholders in connection with the refreshment of the General Mandate
“Independent Shareholders”	Shareholders other than Golden Prince and Mr. Ng Leung Ho, being the chairman and executive director of the Company and the sole director and beneficial owner of Golden Prince
“Last Trading Date”	12 January 2005, being the last full trading day for the Shares before the date of the Announcement
“Latest Practicable Date”	4 February 2005, 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
“SGM”	a special general meeting of the Company to be convened to approve the refreshment of the General Mandate and the increase in authorised share capital
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme of the Company adopted on 23 November 2001
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Top-Up Subscription”	the subscription of 489,000,000 new Shares pursuant to the terms of the Top-Up Subscription Agreement, details of which are set out in the Announcement
“Top-Up Subscription Agreement”	the subscription agreement dated 13 January 2005 between Golden Prince and the Company in relation to the Top-Up Subscription
“Top-Up Subscription Price”	HK\$0.20 per Share
“Top-Up Subscription Shares”	a total of 489,000,000 new Shares to be subscribed for by Golden Prince pursuant to the Top-Up Subscription Agreement

DEFINITIONS

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

LETTER FROM THE BOARD



GOOD FELLOW GROUP LIMITED

金威集團控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 910)

Executive Directors:

Mr. Ng Leung Ho (*Chairman*)
Ms. Lee Ming Hin
Mr. Hu Xiaoming
Mr. Wang Weining

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-executive Director:

Mr. Ng Leung Tung

*Head office and principal place of
business in Hong Kong:*

Unit 1906
Nanyang Plaza
57 Hung To Road
Kwun Tong
Kowloon
Hong Kong

Independent Non-executive Directors:

Mr. Zou Zi Ping
Mr. Lo Cheung Kin
Mr. Zhu Jian Hong

7 February 2005

To the Shareholders

Dear Sir/Madam

PROPOSALS RELATING TO REFRESHMENT OF GENERAL MANDATE

INTRODUCTION

The purpose of this circular is to provide you with information on the proposals relating to the refreshment of the General Mandate of the Company. Altus has been appointed by the Company as independent financial adviser to advise the Independent Board Committee and the Independent Shareholders.

In accordance with Rule 13.36(4) of the Rules governing the Listing of Securities in the Stock Exchange of Hong Kong Ltd., any controlling Shareholders and their Associates or, where there are no controlling Shareholders, directors (excluding independent non-executive directors) and the chief executive of the issued and their respective associates shall abstain from voting in favour. As at the Latest Practicable Date, the Controlling Shareholders of the Company include Mr. Ng Leung Ho and Golden Prince. The

* For identification purposes only

LETTER FROM THE BOARD

parties required to abstain from voting at the SGM shall exclude Mr. Ng Leung Ho, being the chairman and executive director of the Company, and Golden Prince, the entire issued share capital of which is beneficially owned by Mr. Ng Leung Ho. Mr. Ng Leung Ho is beneficially interested in an aggregate of 1,048,146,000 Shares comprising corporate interest in 960,000,000 Shares held through Golden Prince and personal interest in 88,146,000 Shares, comprising 60,946,000 Shares and 27,200,000 underlying Shares in respect of options to acquire shares of the Company.

SHAREHOLDING STRUCTURE OF THE COMPANY

Name of Shareholders	No. of Shares held as at the Latest Practicable Date	%
Golden Prince (<i>Note</i>)	960,000,000	32.36
Mr. Ng Leung Ho (<i>Note</i>)	60,946,000	2.05
Public Other Shareholders	1,945,821,600	65.59
Total	2,966,767,600	100%

Notes: The entire issued share capital in Golden Prince is beneficially owned by Mr. Ng Leung Ho. Mr. Ng Leung Ho is beneficially interested in an aggregate of 1,048,146,000 Shares comprising corporate interest in 960,000,000 Shares held through Golden Prince and personal interest in 88,146,000 Shares, comprising 60,946,000 Shares and 27,200,000 underlying Shares in respect of options to acquire shares of the Company.

REFRESHMENT OF GENERAL MANDATE

Upon completion of the Top-Up Subscription on 27 January 2005, the Top-Up Subscription Shares have been allotted and issued pursuant to the Existing Mandate. The Existing Mandate has been almost fully utilised upon completion of the Top-Up Subscription. An ordinary resolution will be proposed to the Shareholder to approve the granting of the General Mandate to authorise the Directors to allot, issue and deal with new Shares not exceeding 20% of the issued share capital of the Company on the date of passing such resolution, which is proposed to be on 14 March 2005.

The Directors believe that the granting of the General Mandate to the Directors will increase the flexibility in raising capital for the Group for future business development beneficial to the Shareholders or general working capital purpose in order to strengthen the capital base of the Group. Accordingly, the Directors consider that the granting of the General Mandate is in the interests of the Company and its Shareholders as a whole despite the dilution effect of the utilisation of the General Mandate on the shareholding interests of the existing public Shareholders of the Company. As set out in the Announcement, the net proceeds from the Top Up Subscription of about HK\$95.3 million will be used for general working capital of the Group and/or any future possible acquisition. As at the Latest Practicable Date, the Company has initiated preliminary exploration on potential investment opportunities. However, such preliminary exploration has not proceed to the stage of business negotiation. Any possible acquisition to be undertaken by the Company may or may not proceed and no decision has been made on whether such

LETTER FROM THE BOARD

possible acquisition if undertaken will involve issue of new Shares under the General Mandate. An announcement will be made by the Company should there be any issue of Shares as and when appropriate in compliance with the Listing Rules.

As the refreshment of the General Mandate is prior to the next annual general meeting of the Company, the refreshment of the General Mandate is subject to the Independent Shareholders' approval in the SGM. There has not been any refreshment of general mandate since the last annual general meeting of the Company held on 30 November 2004.

FUND RAISING SINCE LAST GRANT OF GENERAL MANDATE

The fund raising completed subsequent to the grant on the Company's previous annual general meeting held on 30 November 2003 included the Top-Up Subscription with net proceeds involved of approximately HK\$95.3 million. Other than the foregoing, there has been no material fund raising exercise undertaken by the Company since last grant of general mandate.

As set out in the Announcement, the proceeds from the Top-Up Subscription will be used for general working capital of the Group and/or any future possible acquisition, which is yet to be identified. As at the Latest Practicable Date, there is no change in the intended use of proceeds as set out in the Announcement and the proceeds presently has been retained as general working capital of the Group.

SGM

At the SGM, ordinary resolutions will be proposed to seek the approval of (i) the Independent Shareholders to grant to the Directors the General Mandate to allot, issue and deal in Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company at the date of resolution; and (ii) the Shareholders for the increase in authorised share capital of the Company.

Pursuant to the Rule 13.36(4) of the Listing Rules, Golden Prince and Mr. Ng Leung Ho, being the chairman and executive director of the Company and the sole director and beneficial owner of Golden Prince, will be abstained from voting for the approval of the grant of the General Mandate at the SGM by poll.

The General Mandate will, if granted, remain effective until 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 to be held by the law or the Bye-Laws; and (iii) the revocation or variation by an ordinary resolution of the Shareholders in general meeting.

The notice of the SGM is set out on pages 18 to 20 of this circular. A form of proxy for use at the SGM is enclosed. If you do not intend to attend and vote at the SGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Tengis Limited, at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjourned meeting should you so wish.

LETTER FROM THE BOARD

PROCEDURES BY WHICH A POLL MAY BE DEMANDED

At any general meeting of the Company, resolutions put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands 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, in the case of a Shareholder being a corporation, by its duly authorised 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 authorised 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 authorised 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.

On a show of hands every Shareholder who is present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative), or by proxy shall (save as provided otherwise in the Bye-laws) have one vote, and on a poll every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy, shall have one vote for every share of which he is the holder which is fully paid or credited as fully paid (but so that no amount paid or credited as paid on a share in advance of calls or installments shall be treated for the purposes of the Bye-laws as paid on the Share). On a poll, a Shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all his votes in the same way.

GENERAL

The Group is principally engaged in design, manufacture and sale of quality men's and ladies' wear and apparel items, manufacture uniforms of government authorities, state enterprises and other corporate customers, and investments holding.

RECOMMENDATIONS

Altus has been appointed to advise the Independent Board Committee and the Independent Shareholders with regard to the refreshment of General Mandate and consider that the refreshment of General Mandate is fair and reasonable so far as the interests of the Independent Shareholders are concerned. Your attention is drawn to the text of the letter of advice from Altus containing its recommendation and the principal factors it has taken into account in arriving at its recommendation are set out on pages 10 to 14 of this circular.

LETTER FROM THE BOARD

The Independent Board Committee, having taken into account the advice of Altus, considers the terms of the General Mandate are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the resolution relating to the refreshment of General Mandate. The full text of the letter from the Independent Board Committee is set out on page 9 of this circular.

The Board is of the opinion that the proposed resolutions in relation to the refreshment of General Mandate and the increase in authorised share capital is in the best interests of the Company and the Shareholders as a whole, and so recommends Shareholders to vote in favour of the resolutions to be proposed at the SGM.

By order of the Board
Good Fellow Group Limited
Ng Leung Ho
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



GOOD FELLOW GROUP LIMITED

金威集團控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 910)

7 February 2005

To the Independent Shareholders

Dear Sir/Madam

We have been appointed as the Independent Board Committee to advise Independent Shareholders in connection with the grant of the General Mandate, details of which are set out in the letter from the Board contained in the circular to the Shareholders dated 7 February 2005 (the “Circular”), of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein unless the context otherwise requires.

Having considered the advice of Altus in relation thereto as set out on pages 10 to 14 of the Circular, we are of the view that the grant of the General Mandate is in the interests of the Company and its Shareholders as a whole and the terms of the General Mandate are fair and reasonable so far as the Independent Shareholders are concerned.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the SGM to approve the grant of the General Mandate.

Yours faithfully

Lo Cheung Kin

*Independent non-executive
Director*

Zou Zi Ping

*Independent non-executive
Director*

Zhu Jian Hong

*Independent non-executive
Director*

* For identification purposes only

LETTER FROM ALTUS

The following is the text of a letter of advice to the Independent Board Committee and the Independent Shareholders received from Altus in respect of refreshment of General Mandate which has been prepared for the purpose of inclusion in this circular:

ALTUS CAPITAL LIMITED

8/F Hong Kong Diamond Exchange Building
8 Duddell Street, Central
Hong Kong

*To the Independent Board Committee
and the Independent Shareholders*

7 February 2005

Dear Sir or Madam,

PROPOSALS RELATING TO REFRESHMENT OF GENERAL MANDATE

INTRODUCTION

We refer to the circular dated 7 February 2005 (the “Circular”) issued by the Company to its Shareholders of which this letter forms part and to our appointment as independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the refreshment of General Mandate, details of which are set out in the letter from the Board (the “Letter”) contained in the Circular. Capitalised terms used in this letter shall have the same meanings ascribed to them in the Circular of which this letter forms part unless the context otherwise requires.

In accordance with the Rule 13.36(4)(a) of the Listing Rules, the General Mandate requires the approval of the Independent Shareholders at which the controlling Shareholder and its/his associate or where there is no controlling Shareholders, Directors (excluding independent non-executive Directors) and chief executive of the Company and their respective associate shall abstain from voting in favour at the SGM. As at the Latest Practicable Date, the controlling Shareholder, Golden Prince, which is beneficially owned by Mr. Ng Leung Ho, is interested in 960,000,000 Shares, representing 32.36% of the total issued share capital of the Company. Therefore, Golden Prince and its associates shall abstain from voting in favour at the SGM. Voting of the Independent Shareholders at the SGM shall be taken by poll according to Rule 13.39(4)(b) of the Listing Rules.

The Independent Board Committee, comprising the independent non-executive Directors, namely, Mr. Lo Chung Kin, Mr. Zhou Zi Ping and Mr. Zhu Jian Hong, has been appointed to advise the Independent Shareholders in relation to the General Mandate. We have been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the General Mandate, so far as the interests of the Independent Shareholders are concerned and whether it is in the best interests of the Company and the Shareholders as a whole.

BASIS OF OUR OPINION

In formulating our opinion, we have relied to a considerable extent on the information, statements, opinions and representations supplied to us by the Company and the Directors and we have assumed that all such information, statements, opinions and representations contained or referred to in the Circular

LETTER FROM ALTUS

were true, accurate and complete at the time they were made and remain true as at the date of the Circular, and we have relied on the same. We have also assumed that all statements of belief, opinion and intention of the Directors as set out in the Letter contained in the Circular were reasonably made after due and careful inquiry. We have also sought and obtained confirmation from the Company that no material facts have been omitted from the information provided and referred to in the Circular. We have also discussed with the management of the Group regarding the prospects of the businesses of the Group.

The Directors confirm that they have provided us with all currently available information and documents under present circumstances to enable us to reach an informed view regarding the General Mandate and they understand our reliance on the accuracy of the information contained in the Circular which provided us a reasonable basis of forming our opinion. We have no reason to suspect that any material facts or information (which is known to the Company) has been omitted or withheld from the information supplied or opinions expressed in the Circular nor to doubt the truth and accuracy of the information and fact, or the reasonableness of the opinions expressed by the Company and the Directors which have been provided to us. We have not, however, carried out any independent verification on the information provided to us by the Directors, nor have we conducted an independent in-depth investigation into the business and affairs of the Group.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion on the refreshment of General Mandate, we have considered the following principal factors and reasons:

Background of and reasons for the refreshment of General Mandate

The Group is principally engaged in design, manufacture and sale of quality men's and ladies' wear and apparel items, manufacture uniforms for government authorities, state enterprise and other corporate customers, and investment holding.

At the annual general meeting of the Company held on 30 November 2004, the Shareholders approved, among other things, an ordinary resolution to approve the grant of general mandate to the Directors (the "Existing General Mandate"). As at the date of the passing of that resolution, there were a total of 2,449,967,600 Shares in issue and thus the Directors were authorised to issue and allot 20% of which, being 489,993,520 Shares under the Existing General Mandate.

On 13 January 2005, the Company completed the placing of an aggregate 489,000,000 Shares pursuant to the placing agreement entered into by the Company and Kingston Securities Limited dated 13 January 2005, representing approximately 19.96% of the total of 2,449,967,600 Shares in issue on that date and about 16.64% of the Company's issued share capital of 2,938,967,600 Shares as enlarged by the placing, and thus the Existing General Mandate is almost fully utilised (detailed of which are disclosed in the announcement of the Company dated 13 January 2005). The shareholdings of existing Shareholders were diluted by 16.64%. Therefore, 993,520 Shares, representing approximately 0.04% of the then issued share capital of the Company, could still be allotted and issued under the Existing General Mandate.

In order to increase the flexibility for the Group to raise capital for future business development, the Directors proposed to seek approval from the Independent Shareholders at the SGM in respect of the

LETTER FROM ALTUS

General Mandate, in which the Directors shall be granted to allot and issue not exceeding 20% of the issued share capital of the Company. The General Mandate will be in force when it is approved by the Independent Shareholders at the SGM.

Future prospects

As set out in the Letter, as at the Latest Practicable Date, the Company has initiated preliminary exploration on potential investment opportunities. However, such preliminary exploration has not proceeded to the stage of business negotiation. Any possible acquisition to be undertaken by the Company may or may not proceed and no decision has been made on whether such possible acquisition if undertaken will involve issue of new Shares under the General Mandate.

The Directors are of the view that equity financing exercise, through issue of Shares or derivatives of Shares, is a method to reduce or maintain the gearing and will certainly reduce the financial risk of the Group, which should be beneficial to the Shareholders as a whole. Through the refreshment of General Mandate, the Group is allowed to select the most appropriate method to finance the Group's future expansion.

The Directors also consider that the granting of the General Mandate could enhance the financing flexibility of the Company to raise capital, if and when required, through placing of Shares for further development of the Group. In addition, the Directors consider that if investment opportunities arise, investment decisions may have to be made within a short period of time. The General Mandate would provide the Group with the maximum flexibility as allowed under the Listing Rules to allot and issue new Shares to raise capital through placing of new Shares as consideration for funding such potential acquisitions in the future as and when such opportunity arise.

We agree to the Directors and consider that issuing new Shares is one possible method to finance such further investments and the granting of the General Mandate will help maintain the financing flexibility of the Company for future business development.

Next annual general meeting

As stated in the above, the previous annual general meeting was held on 30 November 2004. In accordance with the Bye-laws of the Company, the Company is required to hold an annual general meeting for each year. Accordingly, the next annual general meeting of the Company of which the general mandate for issuing new Shares can be refreshed could be anticipated around November 2005. Given such long period of time, during which the Company may not otherwise be able to issue new Shares under a general mandate, the Board considers that the proposed refreshment of General Mandate is desirable.

Other financing alternatives

Other than raising fund by way of issuing equity capital, in appropriate circumstances, the Directors will also consider other financing methods, such as debt financing or internal resources to fund its future business development, depending on the then financial position of the Group. As advised by the Directors,

LETTER FROM ALTUS

the General Mandate provides another alternative to the Directors to finance the Group's current and future potential businesses and the Directors will use the method which serves the best interests of the Group. We consider it is a sensible consideration to make reference to the then financial position of the Group and the prevailing market condition in order to decide on a financing method for the future development of the Group.

POTENTIAL DILUTION TO SHAREHOLDING OF THE INDEPENDENT SHAREHOLDERS

The table set out below illustrating the shareholding structures of the Company at the Latest Practicable Date, for informative purpose, the respective shareholding structures of the Company upon full utilisation of the General Mandate:

	Issued Shares as at the Latest Practicable Date		Issued Shares with full utilization of the General Mandate	
	<i>(No. of Shares)</i>	<i>%</i>	<i>(No. of Shares)</i>	<i>%</i>
Golden Prince <i>(Note)</i>	960,000,000	32.36	960,000,000	26.97
Mr. Ng Leung Ho <i>(Note)</i>	60,946,000	2.05	60,946,000	1.71
Public shareholders	1,945,821,600	65.59	1,945,821,600	54.65
Shares issued under the General Mandate	—	—	593,353,520	16.67
Total	<u>2,966,767,600</u>	<u>100</u>	<u>3,560,121,120</u>	<u>100</u>

Note: The entire issued share capital in Golden Prince is beneficially owned by Mr. Ng Leung Ho. Mr. Ng Leung Ho is beneficially interested in an aggregate of 1,048,146,000 Shares comprising corporate interest in 960,000,000 Shares held through Golden Prince and personal interest in 88,146,000 Shares, comprising 60,946,000 Shares and 27,200,000 underlying Shares in respect of options to acquire Shares

Shareholders should note that the Existing General Mandate will be revoked upon approval at the SGM of the General Mandate which will remain effective until the earliest of (i) the conclusion of the Company's next annual general meeting; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the law or the Bye-laws; and (iii) the revocation or variation by an ordinary resolution of the Shareholders in general meeting. Such duration is in compliance with Rule 13.36 (3) of the Listing Rules.

Upon full utilisation of the General Mandate, 593,353,520 Shares will be issued, representing approximately 20% and approximately 16.67% of the existing issued share capital as at the Latest Practicable Date and the enlarged issued share capital (increased by the General Mandate) of the Company respectively.

Shareholders should note that the aggregate shareholding of the existing public Shareholders will decrease from approximately 65.59% to approximately 54.65% upon full utilisation of the General Mandate. Having considered that the General Mandate will increase the amount of capital which may be raised under the General Mandate and provides more options of financing to the Group for its further business

LETTER FROM ALTUS

development as well as in exploring other future investment opportunities for its organic growth, and the fact that the shareholding of all the Shareholders will be diluted to the same extent upon any utilisation of the General Mandate, we are of the view that such dilution or potential dilution to shareholding of the Independent Shareholders is fair and reasonable.

TERMS OF THE GENERAL MANDATE

Pursuant to the Listing Rules, the Company will be required to seek prior consent of Shareholders for any allotment, issue or grant of Shares or securities convertible into Shares or other rights to subscribe for Shares or such convertible securities, unless such allotment, issue or grant falls under the circumstances provided under Rule 13.36(2) of the Listing Rules, including certain rights issue and open offer (subject to other Listing Rules requirements on the offering size and structure). Pursuant to Rule 13.36(2)(b) of the Listing Rules, an ordinary resolution will be proposed at the SGM to obtain approval from the Shareholders to refresh the General Mandate so that the Directors will be entitled to exercise the powers of the Company to allot and issue Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the SGM. The approval of the General Mandate by the Shareholders is unconditional.

CONCLUSION

Having considered the above principal factors and reasons concerning the General Mandate, in particular: (1) that the Existing General Mandate has been substantially used; (2) the Directors' view of the Group's future prospect and development; (3) the time of the next annual general meeting; and (4) financing methods available to the Group, we are of the view that the General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and it is in the interests of the Company and the Shareholders as a whole. We have advised the Independent Board Committee accordingly and would recommend to the independent Shareholders to vote in favour of the resolution to approve the General Mandate at the SGM.

Yours faithfully,
For and on behalf of
Altus Capital Limited
Kevin Chan
Executive Director

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. 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.

(a) Share Capital

The authorised and issued share capital of the Company were summarised as follows:

HK\$

Authorised:

5,000,000,000 Shares of HK\$0.10 each	500,000,000
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Issued and fully paid, or credited as fully paid:

2,966,767,600 Shares of HK\$0.10 each	296,676,760
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(b) Share Options

Details of the share options granted under the Share Option Scheme and remain outstanding as at the Latest Practicable Date are as follows:

Category of Grantee	Number of Shares	Exercise Period	Exercise Price Per Share
Mr. Ng Leung Ho	7,200,000 <i>(note)</i>	1 May 1999 to 24 October 2008	HK\$0.10
	20,000,000	10 January 2005 to 9 January 2015	HK\$0.24
Other Directors			
Ms. Lee Ming Hin	20,000,000	10 January 2005 to 9 January 2015	HK\$0.24
Mr. Hu Xiaoming	20,000,000	10 January 2005 to 9 January 2015	HK\$0.24
Mr. Wang Weining	20,000,000	10 January 2005 to 9 January 2015	HK\$0.24
Mr. Ng Leung Tung	20,000,000	10 January 2005 to 9 January 2015	HK\$0.24
Management and staff employee	117,000,000	10 January 2005 to 9 January 2015	HK\$0.24

Note: These share options, exercisable at HK\$0.10 per Share, were granted pursuant to a previously existed share option scheme adopted by the Company, which was terminated on 23 November 2001.

The exercise in full of the outstanding share options will result in the issue and allotment of 224,200,000 new Shares in the Company, all of which shall rank *pari passu* in all aspects, including all rights as to dividend, voting and interests in capital, among themselves and with all other Shares in issue on the date of issue.

No part of the share capital of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares to be listed or dealt in on any other stock exchange.

Save for the foregoing, as at the Latest Practicable Date, there are no outstanding convertible debts, options or warrants of the Company.

3. EXPERT

Altus is a licensed corporation under the SFO.

Altus has given and has not withdrawn its written consent to the issue of this circular with the inclusion therein of and references to its name and/or letter in the form and context in which they respectively appear.

As at the Latest Practicable Date, Altus, its directors, employees and associates: (i) do not have any shareholding interest in any member of the Group or any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and (ii) are not interested in, either directly or indirectly, any assets which have been, since the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group or which are proposed to be acquired or disposed of by or leased to any member of the Group.

4. MISCELLANEOUS

As at the Latest Practicable Date:

- (a) None of the Directors has any existing or proposed service contract with any member of the Group which does not expire or is not terminable by the Group within one year without payment of compensation (other than statutory compensation).
- (b) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (c) The head office and the principal place of business of the Company in Hong Kong is situated at Unit 1906, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong.
- (d) The principal share registrar and transfer office of the Company is The Bank of Bermuda Limited at Bank of Bermuda Building, 6 Front Street, Hamilton HM 11, Bermuda.

- (e) The Hong Kong branch share registrar and transfer office of the Company is Tengis Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong.
- (f) The registered office of IFA is 8th Floor, Hong Kong Diamond Exchange Building, 8 Duddell Street, Central, Hong Kong.
- (g) The qualified accountant and company secretary of the Company is Mr. Lam J Fung Edward, who is a member of Hong Kong Institute of Certified Public Accountants and the Chartered Association of Certified Accountants.
- (h) The English version of this circular shall prevail over its Chinese in case of any inconsistency.

NOTICE OF SPECIAL GENERAL MEETING



GOOD FELLOW GROUP LIMITED

金威集團控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 910)

NOTICE IS HEREBY GIVEN that a special general meeting (the “SGM”) of the shareholders of Good Fellow Group Limited (the “Company”) will be held at Unit 708, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong on 14 March 2005 at 11:00 a.m. to consider and, if thought fit, pass the following resolution, with or without amendments:

ORDINARY RESOLUTIONS

“THAT:

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on 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 additional shares of HK\$0.10 each in the capital of the Company, or securities convertible into shares of the Company, or options, warrants, or similar rights to subscribe for any shares of the Company, and to make or grant offers, agreements and options which would or might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements 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 in force from time to time; or (iv) any issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares 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 the passing of

* For identification purposes only

NOTICE OF SPECIAL GENERAL MEETING

this resolution; and the authority pursuant to this resolution shall be limited accordingly; and

- (d) for the purposes 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 the bye-laws of the Company, the Companies Act or any other applicable law of Bermuda to be held; and
- (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 of the Company whose name appear on the register of members of the Company on a fixed record date in proportion to their then holdings of shares (subject to such exclusion 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, 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 outside Hong Kong or any recognized regulatory body or any stock exchange outside Hong Kong).”

By order of the Board
Good Fellow Group Limited
Ng Leung Ho
Chairman

Hong Kong, 7 February 2005

NOTICE OF SPECIAL GENERAL MEETING

As at the date of this announcement, the executive Directors are Mr. Ng Leung Ho, Ms. Lee Ming Hin, Mr. Hu Xiaoming and Mr. Wang Weining, the non-executive Director is Mr. Ng Leung Tung and independent non-executive Directors are Mr. Lo Chung Kin, Mr. Zhou Zi Ping and Mr. Zhu Jian Hong.

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place
of business in Hong Kong:*

Unit 1906
Nanyang Plaza
57 Hung To Road
Kwun Tong
Kowloon
Hong Kong.

Notes:

1. Any member of the Company entitled to attend and vote at the meeting convened by the above notice shall be entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. A form of proxy for use at the meeting is enclosed. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong at Tengis Limited of G/F, 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 meeting or any adjournment thereof.
3. Completion and deposit of the form of proxy will not preclude a member of the Company from attending and voting in person at the meeting convened or any adjourned meeting and in such event, the form of proxy will be deemed to be revoked.
4. Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the meeting, the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the name stands first on the register of members of the Company in respect of the joint holding.