GUANGDONG KELON ELECTRICAL HOLDINGS COMPANY LIMITED
廣東科龍電器股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0921)

FURTHER NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF DOMESTIC SHAREHOLDERS IN 2005

Guangdong Kelon Electrical Holdings Company Limited (the "Company") announced on 28 April 2005 that the 2004 Annual General Meeting, Second Extraordinary General Meeting of Holders of Domestic Shares in 2005 and Second Extraordinary General Meeting of Holders of Overseas-listed Foreign Shares in 2005 will be held on 28 June 2005. According to Article 8.10 of the Articles of Association of the Company, if the number of shareholders intending to attend the general meetings represent less than half of the total number of shares of the Company conferring rights to vote thereat, the Company has to notify shareholders of the relevant businesses to be transacted, date and venue of the meetings in the form of a public announcement. The Company hereby announces the relevant matters of the Second Extraordinary General Meeting of Holders of Domestic Shares in 2005 (the "2nd Domestic EGM") as follows:

(1) General information of the meeting

1. Date and time: 10:00, 28 June 2005, Tuesday
2. Venue: Conference Room in the head office of the Company in Shunde District, Foshan City, Guangdong Province, the PRC
3. Convenor: Board of Directors of the Company
4. Procedure: by poll

(2) Matters to be transacted

1. to consider and, if thought fit, pass the following resolution as a special resolution:

   To grant to the Board of Directors of the Company general mandate to repurchase H Shares of the Company using the internal resources of the Company.

   For details of the above resolution, please refer to *China Securities Daily* and *Securities Daily* published on 30 April 2005 and *Hong Kong Commercial Daily* and *China Daily* on 29 April 2005.

(3) Persons eligible for the meeting

1. Holders of the Company's domestic shares whose names appeared on the shareholders' register of the Company at the close of business of 27 May 2005 are eligible to attend by person or by their appointee(s), provided that they have returned the reply slip (please refer to annex 1 for details) for the meeting on or before 8 June 2005 (within the periods from 8:30 to 11:00 and 13:30 to 16:30);
2. Directors, supervisors and senior management of the Company; and
3. Professionals engaged by the Company.

(4) Registration for the 2nd Domestic EGM

1. Corporate shareholders shall have completed registration procedures in person, or by post or fax for non-local shareholders, by producing to the Secretariat for the Board of Directors of the Company copies of their business licences, shareholder's account cards, powers of attorney of the statutory representatives and identity cards of the attendees on or before 8 June 2005 (within the periods from 8:30 to 11:00 and 13:30 to 16:30);

2. Individual shareholders shall have completed registration procedures in person, or by post or fax for non-local shareholders, by producing to the Secretariat for the Board of Directors of the Company their identity cards and shareholder's account cards on or before 8 June 2005 (within the periods from 8:30 to 11:00 and 13:30 to 16:30); and

3. Proxies appointed by shareholders shall have completed registration procedures in person, or by post or fax for non-local shareholders, by producing to the Secretariat for the Board of Directors of the Company their identity cards, forms of proxy (see annex 2), shareholder's account cards and identity cards of the relevant shareholders on or before 8 June 2005 (within the periods from 8:30 to 11:00 and 13:30 to 16:30).

(5) Reminder

1. Shareholders attending the 2nd Domestic EGM shall be responsible for their transportation and accommodation costs.

(6) Contact Information

Address of the Secretariat for the Board of Directors of the Company:

Secretariat for the Board of Directors of Guangdong Kelon Electrical Holdings Company Limited
No. 8 Ronggang Road, Ronggui Street, Shunde District, Foshan City, Guangdong Province, the PRC
Tel: (0757) 28362570 28362148
Fax: (0757) 28361055
Postal code: 528303
Contact persons: Yu Wan Li, Li Lin

By Order of the Board of
Guangdong Kelon Electrical Holdings Company Limited
Gu Chu Jun
Chairman

As at the date of this notice, the Company's executive directors are Mr. Gu Chu Jun, Mr. Liu Cong Meng, Mr. Li Zhen Hua, Mr. Yan You Song, Mr. Zhang Hong and Mr. Fang Zhi Guo; and the independent non-executive directors are Mr. Chan Pei Cheong, Andy, Mr. Li Kung Man and Mr. Xu Xiao Lu.

Foshan City, Guangdong, the PRC, 9 June, 2005

ANNEX 1: REPLY SLIP

GUANGDONG KELON ELECTRICAL HOLDINGS COMPANY LIMITED
廣 東 科 龍 電 器 股 份 有 限 公 司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0921)

REPLY SLIP FOR THE SECOND EXTRAORDINARY GENERAL MEETING OF HOLDERS OF DOMESTIC SHARES IN 2005 OF GUANGDONG KELON ELECTRICAL HOLDINGS COMPANY LIMITED

Pursuant to the Articles of Association of the Company, the Company Law of the People's Republic of China and the relevant regulations, all shareholders of the Company intending to attend the Second Extraordinary General Meeting of Holders of Domestic Shares in 2005 of Guangdong Kelon Electrical Holdings Company Limited (the "Company") shall complete the following reply slip:

Name: ______________________ Shareholding: ______________________ Shares

ID card No.: ______________________ Tel.: ______________________

Address: ____

Date: ______________________ Signature: ______________________

Notes:

1. Domestic shareholders whose names appeared in the shareholders' register of the Company at the close of business of 27 may 2005, Friday.

2. Please complete this slip in BLOCK letters. Copies of this slip are acceptable.

3. Please attach a copy of your identity card.

4. Please attach a copy of document evidencing your shareholding.

5. This slip should be returned to the Company on or before 8 June 2005 in person, by post or by fax.

6. (1) For lodging in person or by post, please address to:

   Secretariat for the Board of Directors of Guangdong Kelon Electrical Holdings Company Limited
   No. 8 Ronggang Road, Ronggui Street, Shunde District, Foshan City, Guangdong Province, the PRC
   Postal code: 528303

   (2) For lodging by fax, please send to:

   Guangdong Kelon Electrical Holdings Company Limited
   Fax: 86-757-28361055

ANNEX 2: FORM OF PROXY

Mr./Ms. ______________________ is hereby delegated in full as the proxy to attend and vote on behalf of my company (me) at the Second Extraordinary General Meeting of Holders of Domestic Shares in 2005 of Guangdong Kelon Electrical Holdings Company Limited.

Signature (seal) of shareholder: ________________ ID card no. of shareholder: ________________

Shareholdings of shareholder: ________________ Shareholder's account no.: ________________

Signature of proxy:________________ ID card no. of proxy: ________________

Date: ________________________ 2005

"Please also refer to the published version of this announcement in China Daily"