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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 a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in New Capital International Investment Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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NEW CAPITAL INTERNATIONAL INVESTMENT LIMITED

新資本國際投資有限公司*

(incorporated in Cayman Islands with limited liability)

(Stock Code: 1062)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY AND CHANGE OF AUDITORS

A notice convening an extraordinary general meeting of New Capital International Investment Limited to be held at Jasmine Room, 27th Floor, The Park Lane Hotel, 310 Gloucester Road, Hong Kong on Monday, 18th September 2006 at 3:00 p.m. is set out on pages 6 to 9 of this circular. A form of proxy for use at the extraordinary general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk).

If you are not able to attend the extraordinary general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Share Registrar of the Company in Hong Kong, Standard Registrars Limited, at Level 25, Three Pacific Place, 1 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

24th August 2006

* For identification purposes only

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DEFINITIONS

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

“EGM”	an extraordinary general meeting of the Company to be held at Jasmine Room, 27th Floor, The Park Lane Hotel, 310 Gloucester Road, Hong Kong on Monday, 18th September 2006 at 3:00 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 6 to 9 of this circular, or any adjournment thereof;
“Board”	the board of Directors;
“Company”	New Capital International Investment Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“Current Articles of Association”	the current Articles of Association adopted by the Company on 4th November 2004;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Shareholder(s)”	holder(s) of Share(s);
“Shares”	ordinary shares of HK\$0.01 each in the capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

NEW CAPITAL INTERNATIONAL INVESTMENT LIMITED

新資本國際投資有限公司*

(incorporated in Cayman Islands with limited liability)

(Stock Code: 1062)

Executive Directors:

LIU Xiao Guang (*Chairman*)

CHENG Bing Ren

Lawrence H. WOOD

(also known as WU Yuk Shing or

HU Xu Cheng)

LIU Xue Min

Registered Office:

Century Yard

Cricket Square

Hutchins Drive

P.O. Box 2681 GT

George Town

Grand Cayman

British West Indies

Independent Non-executive Directors:

TO Chun Kei

KWONG Chun Wai, Michael

FUNG Tze Wa

Principal Place of Business:

35th Floor

One International Finance Centre

1 Harbour View Street

Central

Hong Kong

24th August 2006

To the shareholders

Dear Sir/Madam,

**PROPOSED AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF THE COMPANY
AND
CHANGE OF AUDITORS**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the EGM for (i) the amendments to the Current Articles of Association; (ii) Change of auditors of the Company.

2. PROPOSED AMENDMENTS TO THE CURRENT ARTICLES OF ASSOCIATION

On 1st March 2006, Appendix 3 of the Listing Rules (which sets out the provisions with which the articles of association or by-laws of a listed issuer must conform) was amended by allowing a listed issuer to remove its director by ordinary resolution instead of special resolution (provided that this does not violate the law applicable to the issuer). To bring the constitution of the Company in compliance with

* *For identification purposes only*

LETTER FROM THE BOARD

the amended provision of Appendix 3 of the Listing Rules and certain provision of Chapter 13 and The Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules (“CG Code”), the Directors propose to seek approval from the Shareholders at the EGM on the amendments of the Current Articles of Association. These amendments are summarized below:

- (i) For complying with Rule 13.39 of the Listing Rules and the code provision E.2 of the CG Code, Article 68 of the Current Articles of Association is proposed to be amended to provide that the voting figures on a poll shall be disclosed if such disclosure is required by the rules of the Stock Exchange.
- (ii) Articles 87(2) and (3) are proposed to be amended to provide that any Director appointed as an addition to the Board or to fill a casual vacancy shall be subject to re-election by Shareholders at the first general meeting after the appointment rather than at the next following annual general meeting after the appointment.
- (iii) For complying with paragraph 4(3) of Appendix 3 and paragraph 5(1) of Appendix 13 (Part B) of the Listing Rules, Article 87(5) of the Current Articles of Association is proposed to be amended to the effect that a Director may be removed by an ordinary resolution rather than a special resolution in a general meeting.
- (iv) Article 88 is proposed to be amended to provide that:
 - (a) every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years; and
 - (b) Directors holding office as the Chairman of the Board of the Managing Director are also subject to retirement by rotation.
- (v) Article 158 of the Current Articles of Association shall also be amended to conform with the Listing Rules that the annual audited accounts shall be sent to each person entitled thereto at the same time as the notice of annual general meeting.
- (vi) In order to increase the flexibility of the Company in appointing auditor, the Directors further propose to amend article 164 of the Current Articles of Association to the effect that any casual vacancy in the office of auditor may be filled by the Directors without the need to convene an extraordinary general meeting of the Shareholders and that the Directors may fix the remuneration of the auditor so appointed.
- (vii) Articles 43, 66 and 174 (2) be amended to improve the consistency of the relevant Articles.

The proposed amendments to the articles 43, 66, 174(2) and 164 are not because of the recent changes of the Listing Rules and are just for purpose improving the consistency.

LETTER FROM THE BOARD

To comply with the Listing Rules, an announcement of the Company on the above proposed amendments to the Current Articles of Association has been published in the newspapers. The proposed amendments to the Current Articles of Association are stated in the proposed special resolution no. 2 in the notice convening the EGM as set out on pages 6 to 8 of this circular. A copy of the Current Articles of Association will be available for inspection at the Company's principal place of business in Hong Kong at 35th Floor, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong during normal business hours from the date hereof up to and including the date of the EGM.

3. CHANGE OF AUDITORS

On 15th August 2006, the Company received a letter of resignation from Messrs. KPMG tendering their resignation as auditors of the Company and its subsidiaries with effect from 15th August 2006. The resignation was attributable to the fact that the Company and Messrs. KPMG could not reach a consensus on the audit fees of the Company and its subsidiaries for the financial year ending 31st December 2006. Pursuant to Professional Ethics Statement 1.207A "Change of Auditors of a Listed Issuer of The Stock Exchange of Hong Kong" issued by the Hong Kong Institute of Certified Public Accountants, Messrs. KPMG has issued a letter on 15th August 2006 to the audit committee of the Company and the Board which indicated that no matters in respect of the circumstances leading to their cessation as the Company's auditors that in their opinion need to be reported. The audit committee of the Company has confirmed that there is no disagreement between KPMG and the Board on anything unusual or unresolved regarding Messrs. KPMG's resignation.

Messrs. KPMG had indicated in the above-mentioned resignation letter that there were no circumstances connected with their resignation which they considered ought to be brought to the attention of the shareholders or creditors of the Company or its subsidiaries. Also, the Board was not aware of any matter that should be brought to the attention of the shareholders or creditors of the Company or its subsidiaries and there is no outstanding matter which remain unresolved between the Company and Messrs. KPMG and there is no dispute between the Company and Messrs. KPMG on its resignation. No outstanding audit work has been commenced by Messrs. KPMG before their resignation.

The Board has proposed to appoint Messrs. Deloitte Touche Tohmatsu as the new auditors of the Company and its subsidiaries to fill the vacancy left by the resignation of Messrs. KPMG. In accordance with the Articles of Association of the Company, such appointment of new auditors of the Company will require the approval of its shareholders at an extraordinary general meeting. Accordingly, the EGM will be held to approve the ordinary resolution set out below. On 15th August 2006, Messr. KPMG has issued a professional clearance letter to Messrs. Deloitte Touche Tohmatsu. The Company does not expect any change of scope in audit work and there is no substantial change in financial position of the Company.

4. EGM AND PROXY ARRANGEMENT

The notice of the EGM is set out on pages 6 to 9 of this circular. At the EGM, resolutions will be proposed to approve, inter alia, the amendments to the Current Articles of Association, and the change of Auditors.

LETTER FROM THE BOARD

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange (www.hkex.com.hk). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Share Registrar of the Company in Hong Kong, Standard Registrars Limited, at Level 25, Three Pacific Place, 1 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM if you so wish.

5. PROCEDURE BY WHICH THE SHAREHOLDERS MAY DEMAND A POLL AT A GENERAL MEETING PURSUANT TO THE CURRENT ARTICLES OF ASSOCIATION

The following paragraphs set out the procedure by which the Shareholders may demand a poll at a general meeting of the Company (including the EGM) pursuant to the Current Articles of Association.

According to article 66 of the Current Articles of Association, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (d) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy and holding Shares 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 Shares conferring that right.

6. RECOMMENDATION

The Directors consider that the proposed amendments to the Current Articles of Association and the change of auditors. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

Yours faithfully,
On behalf of the Board
Lawrence H. Wood
Director

NEW CAPITAL INTERNATIONAL INVESTMENT LIMITED

新資本國際投資有限公司*

(incorporated in Cayman Islands with limited liability)

(Stock Code: 1062)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that Extraordinary General Meeting of members of the Company will be held at Jasmine Room, 27th Floor, The Park Lane Hotel, 310 Gloucester Road, Hong Kong on Monday, 18th day of September, 2006 at 3:00 p.m. for the purpose of transacting the following business:

1. To consider the appointment of Messrs Deloitte Touche Tohmatsu as the auditors of the Company to fill the vacancy left by the resignation of Messrs KPMG, and to hold office with immediate effect until the conclusion of the next annual general meeting of the Company and to authorize the board of directors of the Company to fix their remuneration.
2. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“**THAT** the Articles of Association of the Company be and are hereby amended in the following manner:

- (a) By deleting the existing Article 43 (1) (a) in its entirety and substituting therefore the following new Article 43 (1) (a):

“(a) the name and address of each Member, the number and class of shares held by him and, in respect of any shares that are not fully paid, the amount paid or agreed to be considered as paid on such shares;”

- (b) Article 66

By inserting the words “voting by way of a poll is required by the rules of the Designated Stock Exchange or” immediately after the words “A resolution put to the vote of a meeting shall be decided on a show of hands unless” in line 11 of the existing article 66;

- (c) By deleting the existing Article 68 in its entirety and substituting therefore the following new Article 68:

“68 If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”;

* For identification purposes only

NOTICE OF THE EGM

- (d) By deleting the existing Article 87(2) in its entirety and substituting therefore a new Article 87(2) as follows:

“87(2) Subject to the Articles and the Law, the company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy on the Board, or as an addition to the existing Board. Any Director so appointed shall hold office only until the first general meeting of the Company after his appointment and shall be eligible for re-election at that meeting provided that any Director who so retires shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation at such meeting pursuant to Article 88.”;

- (e) By deleting the existing Article 87(3) in its entirety and substituting therefore a new Article 87(3) as follows:

“87(3) The Board shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director so appointed by the Board shall hold office only until the first general meeting of the company after his appointment shall then be eligible for re-election at that meeting provided that any Director who so retires shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation at such meeting pursuant to Article 88”; and

- (f) By deleting the existing Article 87(5) in its entirety and substituting therefore the following new Article 87(5):

“87(5) Subject to any provision to the contrary in these Articles, the Members may, at any general meeting convened and held in accordance with these Articles, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement).”;

- (g) By deleting the existing Article 88 in its entirety and substituting therefore a new Article 88 as follows:

“88 Unless and until the Company in a general meeting shall otherwise determine, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from office by rotation, provided that every Director (including those appointed for a specific term or holding office as Chairman of the Board or Managing Director of the Company) shall be subject to retirement by rotation at least once every three years or within such other period as the Designated Stock Exchange may from time to time prescribe

NOTICE OF THE EGM

or within such other period as the laws of such jurisdiction applicable to the Company. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election at the relevant annual general meeting.”;

(h) Article 158

By inserting the words “together with the notice of the general meeting” immediately after the words “at least twenty-one (21) days before the date of the general meeting” in line 6 of the existing Article 158;

(i) Article 164

By deleting the words “shall as soon as practicable convene an extraordinary general meeting to fill the vacancy” in lines 3 and 4 of the existing Article 164 and substituting therefore the words “may fill the vacancy and fix the remuneration of the Auditor so appointed”;

(j) Article 174 (2)

By changing the reference to Article 172 (1) in line 1 of the existing Article 174 (2) to Article 174 (1).”

3. To discuss any other business, if necessary.

By Order of the Board
Lawrence H Wood
Executive Director

Hong Kong, 24th August 2006.

Principal place of business:

35th Floor

One International Finance Centre

1 Harbour View Street

Central

Hong Kong

NOTICE OF THE EGM

Notes:

- (a) Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend instead of him and to vote on a poll. A proxy need not be a member of the Company. In order to be valid, proxy forms should be returned to the of the Company's Branch Share Registrar, Standard Registers Limited at Level 25, Three Pacific Place, 1 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding the Meeting.
- (b) The register of members will be closed from Monday, 11th September 2006 to Sunday, 17th September 2006 both days inclusive, during which period no transfer of shares or warrants will be effected. In order to qualify for attending the Extraordinary General Meeting, all transfers, accompanied by the relevant share or warrant certificates, must be lodged with the Company's Branch Share Registrar, Standard Registrars Limited, at Level 25, Three Pacific Place, 1 Queen's Road East, Hong Kong, no later than 4:00 pm on Friday, 8th September 2006.