



MAGICIAN INDUSTRIES (HOLDINGS) LIMITED

通達工業(集團)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 526)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (“**Meeting**”) of Magician Industries (Holdings) Limited (“**Company**”) will be held at 10:00 a.m. on Wednesday, 28 November 2007 at Flat A, 2/F, Yeung Yiu Chung (No. 6) Industrial Building, 19 Cheung Shun Street, Cheung Sha Wan, Kowloon, Hong Kong, for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT** subject to and conditional upon: (i) the passing of ordinary resolutions numbered 2 and 3 as set out in the notice convening this meeting; (ii) the Executive (as defined in the Circular (as defined below)) granting to the Underwriter (as defined in the Circular) and parties acting in concert with it the Whitewash Waiver (as defined in the Circular) and the satisfaction of any condition attached to the Whitewash Waiver imposed by the Executive; (iii) the Executive (as defined in the Circular (as defined below)) giving consent to the Special Deal (as defined in the Circular); (iv) the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Offer Shares (as defined below) (in fully-paid form); (v) the filing and registration of all documents relating to the Open Offer (as defined below), which are required by law to be filed or registered with the Registrar of Companies in Bermuda in accordance with the Companies Act 1981 (as consolidated and revised) of Bermuda and the Registrar of Companies in Hong Kong in accordance with the Companies Ordinance of Hong Kong, respectively; and (vi) the obligation of the Underwriter under the Underwriting Agreement (as defined in the Circular) becoming unconditional and not being terminated in accordance with the terms of that agreement:
 - (a) the Underwriting Agreement be and it is hereby confirmed, approved and ratified;
 - (b) the issue by way of open offer (“**Open Offer**”) of 434,366,720 shares of HK\$0.10 each in the share capital of the Company (“**Offer Shares**”) to the shareholders of the Company (“**Shareholders**”) whose names appear on the register of members of the Company at 4:00 p.m. on 28 November 2007 in the proportion of one Offer Share for every two existing shares of HK\$0.10 each of the Company then held at the subscription price of HK\$0.10 per Offer Share and otherwise on the terms and conditions set out in a circular dated 12 November 2007 (“**Circular**”, a copy of which has been produced to this meeting marked “A” and signed by the chairman of this meeting for the purpose of identification) be and is hereby approved;

* for identification purpose only

- (c) the directors of the Company (“**Directors**”) be and are hereby authorised to allot and issue the Offer Shares pursuant to or in connection with the Open Offer provided that in the case of Shareholders whose addresses as shown on the register of members of the Company on at 4:00 p.m. on 28 November 2007 are in any place outside Hong Kong and the Directors, based on the enquiry made by the Company, consider it necessary or expedient not to offer the Offer Shares to such Shareholders (“**Excluded Shareholders**”) on account of either legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Offer Shares shall not be issued to the Excluded Shareholders but shall form part of the Offer Shares underwritten by the Underwriter pursuant to the Underwriting Agreement;
- (d) the arrangement that the Offer Shares not validly applied for by the Shareholders (other than the Excluded Shareholders) are not available for application by the Shareholders in excess of their assured allotments be and is hereby approved;
- (e) the Directors be and are hereby authorised to make such other exclusions or other arrangements in relation to the Excluded Shareholders as they may deem necessary or expedient and generally to do such things or make such arrangements as they may think fit to effect the Open Offer; and
- (f) the Directors be and are hereby authorised to do all such acts and things, to sign and execute all such further documents and to take such steps as the Directors may in their absolute discretion consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Open Offer and the Underwriting Agreement or any of the transactions contemplated thereunder.”

2. “**THAT** subject to the Executive (as defined in the Circular (as defined below)) granting to the Underwriter (as defined in the Circular) and parties acting in concert with it the Whitewash Waiver (as defined in the Circular) and the satisfaction of any condition attached to the Whitewash Waiver imposed by the Executive, the waiver pursuant to Note 1 on dispensations from Rule 26 of the Hong Kong Code on Takeovers and Mergers (“**Takeovers Code**”) waiving any obligation on the part of the Underwriter and parties acting in concert with it to make a mandatory general offer to the holders of securities of the Company to acquire securities of the Company other than those already owned by the Underwriter and parties acting in concert with it which would otherwise arise under Rule 26.1 of the Takeovers Code as a result of the fulfillment of the Underwriter’s underwriting obligations under the Underwriting Agreement (as defined in the Circular), the principal terms of which are set out in a circular of the Company to its shareholders dated 12 November 2007 (“**Circular**”, a copy of which has been produced to this meeting marked “A” and signed by the chairman of this meeting for the purpose of identification) be and is hereby approved.”

3. “**THAT** subject to the Executive (as defined in the Circular (as defined below)) giving consent to the Special Deal (as defined in the Circular) and the satisfaction of any condition attached to such consent given by the Executive, the Special Deal on terms and conditions as set out in a circular of the Company to its shareholders dated 12 November 2007 (“**Circular**”, a copy of which has been produced to this meeting marked “A” and signed by the chairman of this meeting for the purpose of identification) be and is hereby approved.”

By order of the board of directors of
Magician Industries (Holdings) Limited
XU Jin
Chairman

Hong Kong, 12 November 2007

Head office and principal place of business in Hong Kong:

Flat A, 2nd Floor

Yeung Yiu Chung (No.6) Industrial Building

19 Cheung Shun Street

Cheung Sha Wan, Kowloon

Hong Kong

Notes:

1. Every shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of him. A proxy need not be a shareholder of the Company.
2. Where there are joint holders of any share, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
3. In order to be valid, the form of proxy together with any power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority, must be deposited with the Company at its principal office in Hong Kong at Flat A, 2/F, Yeung Yiu Chung (No. 6) Industrial Building, 19 Cheung Shun Street, Cheung Sha Wan, Kowloon, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude the shareholders of the Company from attending and voting in person at the Meeting should it/he/she so desire.

As at the date hereof, the board of directors of the Company comprises (a) Mr. Xu Jin (Chairman), being executive Director; (b) Mr. Lau Kin Hon being non-executive Director and (c) Mr. He Chengying, Mr. Chan Man Sum Ivan and Mr. Cheung Kiu Cho Vincent being independent non-executive Directors.