

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the Members of Shanghai Ming Yuan Holdings Limited (the "Company") will be held at Island Ballroom Part A, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Hong Kong on Monday, 9th June, 2003 at 2:30 p.m. to transact the following business:

AS ORDINARY BUSINESS

- (1) To receive and consider the audited Financial Statements and Reports of the Directors and the Auditors of the Company for the year ended 31st December, 2002.
- (2) To elect Directors.
- (3) To reappoint Deloitte Touche Tohmatsu as Auditors of the Company for the ensuing year and authorize the Directors to fix their remuneration.

AS SPECIAL BUSINESS

- (4) To consider and, if thought fit, pass with or without amendments the following resolution as an Ordinary Resolution:

"THAT

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to purchase issued shares in the capital of the Company in accordance with the Companies Act 1981 of Bermuda or any other applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Hong Kong Code on Share Repurchases (as amended from time to time) be and is hereby generally and unconditionally approved;
- (b) the approval granted in paragraph (a) above shall be in addition to any other authorization given to the Directors of the Company and shall authorize the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its issued shares at such prices and on such other terms as determined by the Directors;
- (c) the aggregate amount of the issued shares to be purchased by the Company pursuant to the approval granted in paragraph (a) above shall not exceed ten per cent. of the aggregate nominal amount of the issued share capital of the Company at the date of passing this Resolution, and the said approval shall be limited accordingly; and

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(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 the Companies Act 1981 of Bermuda (as amended from time to time) or any other applicable laws to be held; and
- (iii) the date of any revocation or variation of the authority given under this Resolution by an ordinary resolution of the members of the Company in general meeting.”

(5) To consider and, if thought fit, pass with or without amendments the following resolution as an Ordinary Resolution:

“THAT

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as defined in paragraph (d) of Resolution no. 4 above) of all the powers of the Company to issue, allot and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval granted in paragraph (a) above shall be in addition to any other authorization given to the Directors of the Company and shall authorize the Directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers after the end of the relevant Period.
- (c) the aggregate nominal amount of the share capital to be issued, allotted and dealt with or agreed conditionally or unconditionally to be issued, allotted and dealt with (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to the following events, shall not exceed twenty per cent. of the aggregate nominal amount of the issued share capital of the Company at the date of passing this Resolution:
 - (i) a Right Issue (as defined in paragraph (d) below);
 - (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities including bonds and debentures which are convertible into shares of the Company;
 - (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the Directors, officers and employees of the Company and/or its subsidiaries of shares or rights to acquire shares in the Company; or

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- (iv) any scrip dividend or similar arrangement providing for the issue and 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 (as amended from time to time);

and the said approval shall be limited accordingly; and

- (d) for the purposes of this Resolution:

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to the holders of shares of the Company or any class thereof whose names appear on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject 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 recognized regulatory body or any stock exchange in, any relevant jurisdiction applicable to the Company”

- (6) To consider and, if thought fit, pass with or without amendments the following resolution as an Ordinary Resolution:

“**THAT** conditional on the passing of the Resolutions no. 4 and 5 set out above, the general and unconditional mandate granted to the Directors of the Company to exercise the powers of the Company to issue, allot and deal with additional shares in the Company and make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such power pursuant to the Resolution no. 5 set out above be and is hereby extended by the addition to the aggregate nominal amount of the share capital which may be issued, allotted and dealt with or agreed conditionally or unconditionally to be issued, allotted and dealt with by the Directors of the Company pursuant to such general and unconditional mandate of an amount representing the aggregate nominal amount of the issued shares in the capital of the Company purchased by the Company under the authority granted pursuant to resolution no. 4 set out above, provided that such amount of shares so purchased shall not exceed ten per cent. of the aggregate nominal amount of the issued share capital of the Company at the date of passing this Resolution.”

By the Order of the Board

Kenny Poon Kwong Wai
Company Secretary

Hong Kong, 29th April, 2003

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Notes:

- (1) A member entitled to attend and vote at the Annual General Meeting convened by the above notice ("Annual General Meeting") is entitled to appoint another person as his proxy to attend and, on a poll, vote instead of him. A member may appoint a proxy in respect of part only of his holding of shares. A proxy need not be a member of the Company.
- (2) A form of proxy for use at the meeting is enclosed.
- (3) To be valid, the form of proxy and the power or other authority, if any, under which is signed or a notarially certified copy of that power or authority must be deposited with the Company Secretary at Suite 2903, Tower II, Lippo Centre, 89 Queensway, Hong Kong not less than 48 hours before the time appointed for holding of the meeting or any adjourned meeting. Completion and return of a form of proxy will not preclude a member from attending and voting in person at the meeting or any adjourned meeting should he wish to do so, but the authority of the proxy will become invalid forthwith.
- (4) The principal Register and Hong Kong Branch Register of Members of the Company will be closed from Monday, 2nd June, 2003 to Friday, 6th June, 2003, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the attendance of the Annual General Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrars in Hong Kong, Central Registration Hong Kong Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Friday, 30th May, 2003.
- (5) With respect to Resolution no. 2 above, Mr. Yao Yuan, Mr. Chien Hoe Yong, Henry, Mr. Hu Jun, Mr. Lam Lee G., Mr. Yap Kah On, and Ms. Chiang Su Hui, Susie, the directors appointed by the Board after the conclusion of the 2002 Annual General Meeting, will retire from office as director at the Annual General Meeting pursuant to Bye-law 100 of the Company's Bye-laws and, being eligible, offer themselves for re-election.
- (6) With respect to Resolution no. 4 above, the Directors wish to state that they will exercise the powers conferred thereby to purchase the issued shares in the Company in circumstances which they deem appropriate for the benefits of the shareholders. A circular containing the information on the repurchase of shares, as required by the Listing Rules, will be dispatched to the members shortly together with the Annual Report for the year ended 31st December, 2002.
- (7) With respect to Resolution no. 5 above, approval is being sought from the members for a general mandate to be given to the Directors to allot and issue shares under the Listing Rules. The Directors have no immediate plans to issue any new shares of the Company.