

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Goldbond Group Holdings Limited (the “Company”) will be held at Queensway and Victoria Room, Level 3, JW Marriott Hotel, Pacific Place, 88 Queensway, Hong Kong on 29 August 2003 at 3:00 p.m. for the following purposes:

1. To receive and approve the Reports of the Directors and the Auditors together with the Audited Financial Statements for the year ended 31 March 2003;
2. To re-elect directors of the Company (“Directors”) and to authorise the Directors to fix their remuneration;
3. To re-appoint KPMG as the Auditors and to authorise the Directors to fix their remuneration;

And as special business, to consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary and/or special resolutions respectively:

ORDINARY RESOLUTIONS

4. “**THAT:**

- (a) subject to paragraph (c) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares in the capital of the Company, and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power, subject to and in accordance with all applicable laws of Hong Kong and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time (“Listing Rules”), be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or to be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to or in consequence of (i) a Rights Issue (as hereafter defined); (ii) an issue of shares of the Company upon the exercise of conversion rights under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; (iii) the exercise of any option under the share option scheme of the Company or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company; (iv) an issue of shares of the Company as scrip dividends or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company pursuant to the Articles of Association of the Company from time to time shall not exceed the aggregate of:
 - (1) 20% of the aggregate nominal amount of the ordinary share capital of the Company in issue at the date of passing of this Resolution; and
 - (2) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10% of the aggregate nominal amount of the ordinary share capital of the Company in issue at the date of passing of this Resolution),

and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly; and

- (d) for the purpose of this Resolution,

“Relevant Period” means the period from the date of passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) to be held; or
- (iii) the date upon which the authority set out in this Resolution is revoked, varied or renewed by way of ordinary resolution of the shareholders in general meeting; and

“Right Issue” means an offer of shares open for a period fixed by the Directors to holders of shares whose names appear on the register of members on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions of obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

5. **“THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Listing Rules as amended from time to time, and all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of share capital to be repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the aggregate nominal amount of the shares of the Company in issue at the date of passing of this Resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose 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 Articles of Association of the Company or the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) to be held; or
 - (iii) the date upon which the authority set out in this Resolution is revoked, varied or renewed by way of ordinary resolution of the shareholders in general meeting.”

6. **“THAT** subject to the passing of Resolutions 4 above, the general mandate granted to the Directors to allot, issue and deal with unissued shares pursuant to Resolution 4 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 5, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this Resolution 6.”

7. **“THAT** the share option scheme adopted by the Company at its annual general meeting on 18 September 2002 be and are amended as follows:

Clause 4.4(g)

Existing provision:

“such other terms and conditions of the Offer as may be imposed by the Directors as are not inconsistent with this Scheme; and”

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Proposed amendments:

By adding “including (without limitation) in the event that the Eligible Participant is a body corporate, that any material change of the management and/or shareholding of the Eligible Person shall constitute a failure to meet the continuing eligibility criteria of this Scheme” immediately after the words “this Scheme;” and the clause as amended shall be:

“such other terms and conditions of the Offer as may be imposed by the Directors as are not inconsistent with this Scheme, including (without limitation) in the event that the Eligible Participant is a body corporate, that any material change of the management and/or shareholding of the Eligible Person shall constitute a failure to meet the continuing eligibility criteria of this Scheme; and”

Clause 4.4 (i)

Proposed amendments:

By adding a new clause 4.4(i) immediately after clause 4.4(h):

“the manner of payment of the Subscription Price for the Shares upon and in consequence of the exercise of the Option;”

Clause 4.7

Proposed amendments:

By adding “and shall lapse automatically” at the end of clause 4.7 and the clause as amended shall be:

“Upon an Offer being accepted by an Eligible Participant in whole or in part in accordance with paragraph 4.5 or 4.6, an Option in respect of the number of Shares in respect of which the Offer was so accepted will be deemed to have been granted by the Company to such Eligible Participant on the date of such acceptance. To the extent that the Offer is not accepted within the time specified in the Offer in the manner indicated in paragraph 4.5 or 4.6, it will be deemed to have been irrevocably declined and shall lapse automatically.”

Clause 6.4(a)

Proposed amendments:

By adding “, failing which the Option shall lapse” at the end of Clause 6.4(a) and the clause as amended shall be:

“if the Grantee is an Eligible Employee and in the event of his ceasing to be an Eligible Employee by reason of his death, ill-health or retirement in accordance with his contract of employment before exercising the Option in full, his Personal Representative(s) or, as appropriate, the Grantee may exercise the Option (to the extent not already exercised) in whole or in part in accordance with the provisions of paragraph 6.2 within a period of twelve (12) months following the date of cessation of employment which date shall be the last date on which the Grantee was at work with the Company or the relevant Subsidiary or the Invested Entity whether salary is paid in lieu of notice or not, or such longer period as the Directors may determine or if any of the events referred to in paragraph 6.4(c) or 6.4(d) occur during such period, exercise the Option pursuant to paragraph 6.4(c) or 6.4(d) respectively, failing which the Option shall lapse;”

Clause 6.4(d)

Existing clause:

“in the event of an effective resolution being proposed for the voluntary winding-up of the Company during the Option Period, the Grantee may, subject to the provisions of all applicable laws, by notice in writing to the Company at any time prior to the date on which such resolution is passed, exercise his Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of paragraph 6.3 and shall accordingly be entitled, in respect of the Shares falling to be allotted and issued upon the exercise of his Option, to participate in the distribution of the assets of the Company available in liquidation *pari passu* with the holders of the Shares in issue on the day prior to the date of such resolution.”

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Proposed amendments:

By replacing “at any time” with “not later than four (4) Business Days” and the clause as amended shall be:

“in the event of an effective resolution being proposed for the voluntary winding-up of the Company during the Option Period, the Grantee may, subject to the provisions of all applicable laws, by notice in writing to the Company not later than four (4) Business Days prior to the date on which such resolution is passed, exercise his Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of paragraph 6.3 and shall accordingly be entitled, in respect of the Shares falling to be allotted and issued upon the exercise of his Option, to participate in the distribution of the assets of the Company available in liquidation *pari passu* with the holders of the Shares in issue on the day prior to the date of such resolution.”

Clause 6.4(e)

Proposed amendments:

By adding a new clause 6.4(e) immediately after clause 6.4(d):

“if the Grantee (not being an Eligible Employee) ceases to be a Director of any member of the Group or any Invested Entity, a supplier, a customer, a person providing research, development or other support, a shareholder of any member of the Group or any Invested Entity, an adviser of, a consultant of or a contractor to any member of the Group, or a joint venture partner or business alliance that co-operate with any member of the Group or any Invested Entity, for any reason other than his death (in the case the Grantee being an individual), the Option (to the extent not already exercised), shall be exercised within three (3) months following the date of such cessation, failing which the Option shall lapse;”

Clause 6.4(f)

Proposed amendments:

By adding a new clause 6.4(f) immediately after the new clause 6.4(e):

“in the event an effective resolution being proposed for a compromise or arrangement between the Company and the shareholders or creditors in connection with a scheme for the reconstruction or amalgamation of the Company, the Grantee may, subject to the provisions of all applicable laws, by notice in writing to the Company at a time not later than four (4) Business Days prior to the date on which such resolution is passed, exercise his Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with paragraph 6.3 and the Company shall as soon as possible allot and issue such number of Shares credited as fully paid to the Grantee which falls to be issued on such exercise and registered the Grantee as the holder thereof.”

Clause 7.1(c)

Existing clause:

“in respect of a Grantee who is an Eligible Employee, the date on which the Grantee ceases to be an Eligible Employee by reason of a termination of his employment on the grounds that he has been guilty of persistent or serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Grantee or the Group into disrepute);”

Proposed amendments:

By adding “or appears either to be unable to pay or to have no reasonable prospect of being able to pay debts when they are due” immediately after “in respect of a Grantee who is an Eligible Employee, the date on which the Grantee ceases to be an Eligible Employee by reason of a termination of his employment on the grounds that he has been guilty of persistent or serious misconduct,” and the clause as amended shall be:

“in respect of a Grantee who is an Eligible Employee, the date on which the Grantee ceases to be an Eligible Employee by reason of a termination of his employment on the grounds that he has been guilty of

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persistent or serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay debts when they are due or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Grantee or the Group into disrepute);”

Clause 7.1(d)

Existing clause:

“in respect of a Grantee other than an Eligible Employee, the date on which the Directors shall at their absolute discretion determine that (i) the Grantee or his associate has committed any breach of any contract entered into between the Grantee or his associate on the one part and the Group on the other part or that the Grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; and (ii) the Option shall lapse; and”

Proposed amendments:

By substituting the existing clause 7.1(d) with the following new clause 7.1(d) and the new clause 7.1(d) shall be:

“in respect of a Grantee other than an Eligible Employee, the date on which the Grantee or his associate has committed any breach of any contract entered into between the Grantee or his associate on the one part and the Group on the other part or that the Grantee appears either to be unable to pay or to have no reasonable prospect of being able to pay debts when they are due or that the Grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or the Grantee or his associate is subject to any outstanding unsatisfied judgement, order or award; or a petition for bankruptcy or a bankruptcy order has been presented or made against any director of the Grantee in any jurisdiction; and the Option shall lapse; and”

Clause 7.1(f)

Proposed amendments:

By adding a new clause 7.1(f) immediately after clause 7.1(e):

“the date on which the Directors consider that the Grantee fails to meet the continuing eligibility criteria as required, if the Directors have the right to cancel the Options.””

SPECIAL RESOLUTION

8. **“THAT** the Articles of Association of the Company be and are amended as follows:

Article 1 Interpretation

Proposed amendments:

By adding the definition of “SFO” to the Interpretation under Article 1 and the definition shall be:

“the Securities and Futures Ordinance (Cap. 571 of Laws of Hong Kong), as amended from time to time, and every other act of the legislature of Hong Kong for the time being in force applying to or affecting the Company, its memorandum of association and/or the Articles”

Proposed amendments:

By adding the definition of “recognised clearing house” to the Interpretation under Article 1 and the definition shall be:

“a recognised clearing house within the meaning of Schedule 1 of the SFO or a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted with the permission of the Company on a stock exchange in such jurisdiction”

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Article 9

Existing provision:

“Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not except as ordered by Court of competent jurisdiction or as by statute required be bound to recognise any equitable or other claims to or interest in such share on the part of any other person.”

Proposed amendments:

By replacing “ill” with “in” and the article as amended shall be:

“Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not except as ordered by Court of competent jurisdiction or as by statute required be bound to recognise any equitable or other claims to or interest in such share on the part of any other person.”

Article 23 Transfer and Transmission of Shares

Existing provision:

“Subject to such of the restrictions of these Presents as may be applicable, any Member may transfer all or any of his fully-paid shares by an instrument of transfer in the usual common form or in any other form which the Directors may approve.”

Proposed amendments:

By adding “Such transfer may be under hand or, if the transfer or transferee is a recognised clearing house or its nominee(s), under hand or by machine imprinted signature or by such other manner of execution as the Directors may approve from time to time.” immediately right after “the Directors may approve.” and the article as amended shall be:

“Subject to such of the restrictions of these Presents as may be applicable, any Member may transfer all or any of his fully-paid shares by an instrument of transfer in the usual common form or in any other form which the Directors may approve. Such transfer may be under hand or, if the transfer or transferee is a recognised clearing house or its nominee(s), under hand or by machine imprinted signature or by such other manner of execution as the Directors may approve from time to time.”

Article 26 Transfer and Transmission of Shares

Existing provision:

“The Directors may decline to register any transfer of share not being fully paid shares to a person of whom they do not approve, any may also decline to register any transfer of shares on which the Company has a lien.”

Proposed amendments:

By adding “If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company send to the transferor and the transferee notice of the refusal.” and the article as amended shall be:

“The Directors may decline to register any transfer of share not being fully paid shares to a person of whom they do not approve, any may also decline to register any transfer of shares on which the Company has a lien. If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company send to the transferor and the transferee notice of the refusal.”

Article 35A Disfranchisement of Shares

Proposed amendments:

By deleting the Article sets out below:

“Where a notification is served by the Company under section 18 of the Securities (Disclosure of Interests) Ordinance 1988 on a person who is or was interested in shares of the Company and that person fails to

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give the Company any information required by the notification within the time specified in it, the Directors may direct that such shares be subject to the following restrictions:

- (a) any transfer of those shares or, in the case of unissued shares, any transfer of the right to be issued with them, and any issue of such shares is void;
- (b) no voting rights are exercisable in respect of the shares after a period of 42 days has elapsed since the service of the notification;
- (c) no further shares shall be issued in right of them or in pursuance of any offer made to their holder; and
- (d) except in a liquidation, no payment shall be made of any sums due from the Company on the shares, whether in respect of capital or otherwise."

Article 35B

Proposed amendments:

By renumbering the existing Article 35B as Article 35A.

Article 80A

Proposed amendments:

By adding a new Article 80A immediately after Article 80:

"Where a member of the Company is a recognised clearing house or its nominee, it may authorise such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any general meeting of the Company or any meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation or proxy form shall specify the number and class of shares in respect of which each such person is so authorised. The person so authorised shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) which he represents as that clearing house (or its nominee(s)) would be entitled to exercise as if such person were an individual member of the Company including the right to vote individually on a show of hands."

Article 107(b) Proceedings of Directors

Existing provision:

"Directors may participate in any meeting of the Board by means of a conference telephone or other coirununication equipment through which all persons participating in the meeting can communicate with each other and such participation shall constitute presence at a meeting as if those participating were present in person provided that a memorandum of the meeting and the resolutions passed thereat is signed by each of the participating Directors in manner set out in Article 115 and deposited with the Secretary within two (2) weeks of the date of the meeting."

Proposed amendments:

By replacing the word "coirununication" with the word "communication" and the article as amended shall be:

"Directors may participate in any meeting of the Board by means of a conference telephone or other communication equipment through which all persons participating in the meeting can communicate with each other and such participation shall constitute presence at a meeting as if those participating were present in person provided that a memorandum of the meeting and the resolutions passed thereat is signed by each of the participating Directors in manner set out in Article 115 and deposited with the Secretary within two (2) weeks of the date of the meeting."

Article 121(e) Disqualification of Directors

Existing provision:

"If he becomes prohibited from being a Director by reason of any order made under Section 223 or 275 of the Ordinance."

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Proposed amendments:

By replacing “Section 223 or 275” with “Part IVA” and the article as amended shall be:

“If he becomes prohibited from being a Director by reason of any order made under Part IVA of the Ordinance”

Article 131 Accounts

Existing provision:

“The book of account shall be kept at the Registered Office or at such other place or places as the Directors think fit, and shall always be open to the inspection of the Director. inspection.”

Proposed amendments:

By deleting the word “inspection” immediately after “the Director.”.

Article 133 Accounts

Existing provision:

“A copy of every balance sheet and profit and loss account, including every document required by law to be annexed thereto, which is to be laid before the Company in General Meeting, together with a copy of the Auditors’ report, shall be sent to each person entitled thereto in accordance with the requirements with the Companies Ordinance, and copies shall also be sent in appropriate numbers to The Stock Exchange of Hong Kong Limited in accordance with the terms of any listing agreement for the time being binding on the Company or with the continuing obligations binding on the Company or with the continuing obligations binding on the Company by virtue of any listing.”

Proposed amendments:

By adding “either (i)” immediately after “A copy of” and adding the phrase “or (ii) the summary of the financial report” immediately after “the Auditors’ report” and replace “Companies Ordinance” with “Ordinance” and the article as amended shall be:

“A copy of either (i) every balance sheet and profit and loss account, including every document required by law to be annexed thereto, which is to be laid before the Company in General Meeting, together with a copy of the Auditors’ report or (ii) the summary of the financial report, shall be sent to each person entitled thereto in accordance with the requirements with the Ordinance, and copies shall also be sent in appropriate numbers to The Stock Exchange of Hong Kong Limited in accordance with the terms of any listing agreement for the time being binding on the Company or with the continuing obligations binding on the Company or with the continuing obligations binding on the Company by virtue of any listing.”

9. To transact any other ordinary business.

By Order of the Board
Goldbond Group Holdings Limited
Chan Lai Yin, Tommy
Company Secretary

Hong Kong, 28 July 2003

Notes:

1. Any member 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, vote on his behalf. A proxy need not be a member of the Company.
2. In order to be valid, the proxy form, together with any power of attorney or any authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the Company’s Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the meeting or any adjournment thereof.
3. With reference to Resolution 5 above, the explanatory statement containing the information relating to the repurchase of shares, as required by the Listing Rules, will be despatched to shareholders of the Company.