

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the Company will be held at Grand Room III, Grand Hyatt Hong Kong, 1 Harbour Road, Hong Kong on Thursday, 24th May, 2001 at 3:30 p.m. to transact the following ordinary business:—

- 1 To receive and consider the audited consolidated financial statements and the reports of the directors and auditors for the year ended 31st December, 2000.
- 2 To determine the maximum number of directors at no more than 15 and to authorise the directors of the Company to appoint additional directors up to such maximum number in addition to those in office at the close of the meeting.
- 3 To re-elect the retiring directors and authorise the board of directors to fix the remuneration of the directors.
- 4 To appoint auditors and authorise the board of directors to fix their remuneration.

and by way of special business to consider, and if thought fit, pass with or without amendments the following resolutions as Ordinary Resolutions:

- 5 **“THAT:—**
 - (a) a general mandate be and is hereby unconditionally given to the directors of the Company (“Directors”) to exercise during the Relevant Period (as hereinafter defined) all the powers of the Company to allot, issue and deal with unissued shares of the Company (“Shares”) or securities convertible into Shares or options, warrants or similar rights to subscribe for any Shares and to make or grant offers, agreements or options which would or might require the exercise of such powers either during or after the Relevant Period, in addition to any Shares which may be issued on a Rights Issue (as hereinafter defined) or under any option scheme or similar arrangement for the time being adopted for the grant or issue to the employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares or upon the exercise of the subscription rights under any warrants issued by the Company or any scrip dividend pursuant to the bye-laws of the Company from time to time, not exceeding twenty percent. of the aggregate nominal value of the share capital of the Company in issue as at the date of this Resolution; and

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(b) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier 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 law or the bye-laws of the Company to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders of the Company in general meeting.”

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (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 or obligations under the laws of any relevant jurisdiction, or of the requirements of any recognised regulatory body or any stock exchange applicable to the Company).”

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6 “**THAT** there be granted to the Directors an unconditional general mandate to repurchase Shares and warrants issued by the Company (“Warrants”) (which Shares and Warrants are together called “Securities”), and that the exercise by the Directors of all powers of the Company to purchase Securities subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved, subject to the following conditions:

- (a) such mandate shall not extend beyond the Relevant Period;
- (b) such mandate shall authorise the Directors to procure the Company to repurchase Securities at such price as the Directors may at their discretion determine;
- (c) the Shares to be repurchased by the Company pursuant to paragraph (a) of this Resolution during the Relevant Period shall be no more than ten percent. of the Shares in issue at the date of passing of this Resolution and the Warrants to be repurchased by the Company pursuant to paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the Warrants in issue at the date of this Resolution; and
- (d) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier 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 law or the bye-laws of the Company to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders of the Company in general meeting.”

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- 7 "THAT, subject to the availability of unissued share capital and conditional upon the passing of the Ordinary Resolutions nos. 5 and 6 as set out in the notice convening this meeting, the aggregate nominal amount of the Shares which are repurchased by the Company pursuant to and in accordance with Ordinary Resolution no. 6 set out in the notice convening this meeting shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with Ordinary Resolution no. 5 set out in the notice convening this meeting."

By Order of the Board
Albert T. da Rosa, Jr.
Secretary

Hong Kong, 20th April, 2001

Notes:

1. The register of members and the Hong Kong branch register of members will be closed from 21st May, 2001 to 24th May, 2001 (both days inclusive), during which period no transfers of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting of the Company to be held on Thursday, 24th May, 2001, all transfers accompanied by the relevant share certificates must be lodged with branch share registrar of the Company in Hong Kong, Tengis Limited, at 4th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong, not later than 4:00 p.m. on Friday, 18th May, 2001. Warranholders and Convertible Note holders, to be eligible to attend and vote at the Annual General Meeting of the Company to be held on Thursday, 24th May, 2001, have to exercise the right to convert to shares not later than 4:00 p.m. on Friday, 18th May, 2001.
2. A member who is a holder of two or more shares, and who is entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more than one proxy or a duly authorised corporate representative to attend and vote in his stead. A proxy need not be a member of the Company. Completion and return of the form of proxy will not preclude a member from attending the Annual General Meeting and voting in person. In such event, his form of proxy will be deemed to have been revoked.
3. A form of proxy for the Annual General Meeting is enclosed. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the principal place of business of the Company in Hong Kong at Rooms 3301-3304 China Resources Building, 26 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time for holding the Annual General Meeting or any adjournment .
4. With regard to items 5 and 7 above, the Directors wish to state that they have no immediate plans to issue any new shares of the Company by the exercise of such power.