

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 2001 annual general meeting of Kessel International Holdings Limited (the “Company”) will be held at Banquet Room 7, Ground Floor, City Garden Hotel, 9 City Garden Road, North Point, Hong Kong on Friday, September 21, 2001 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and of the auditors for the year ended March 31, 2001;
2. To re-elect a retiring director and to authorise the Board of Directors to fix their remuneration;
3. To re-appoint auditors and authorise the Directors to fix their remuneration;
4. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

**“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 purchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Executive Director of the Corporate Finance Division of the Securities & Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% 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

## NOTICE OF ANNUAL GENERAL MEETING

- (c) 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 the Bye-laws of the Company or any applicable laws to be held; or
  - (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution.”
5. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

**“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 which might require the exercise of such powers be and 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 which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to ( i ) a Rights Issue (as hereinafter defined ); (ii) the Share Option Scheme (as hereinafter defined) of the Company; or (iii) any scrip dividend or other 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 Bye-laws of the Company, shall not exceed 20% of the aggregate nominal amount of the shares of the Company in issue at the date of passing this Resolution; and

## NOTICE OF ANNUAL GENERAL MEETING

- (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 the Bye-laws of the Company or any applicable laws to be held; or
  - (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution.

“Rights Issue” means an offer of shares or offer or issue of warrants or options to subscribe for shares open for a period fixed by the Directors to holders of shares of the Company on the register of members 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 the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).

“Share Option Scheme” means a share option scheme or similar arrangement for the time being, as varied from time to time, adopted for the grant or issue to executive directors and employees of the Company and its subsidiaries of rights to acquire shares of the Company.”

5

6. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT** conditional upon the passing of Ordinary Resolution 4 and 5 as set out in the notice convening this meeting, the general mandate granted to the Directors to issue and disposal of additional shares in the capital of the Company pursuant to Ordinary Resolution 5 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the shares of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution 4 set out in the notice convening this meeting provided that such amount shall not exceed 10% of the aggregate nominal amount of the shares of the Company in issue on the date of passing this Resolution.”

By Order of the Board  
**Chui Kark Ming**  
*Company Secretary*

Hong Kong, August 17, 2001

## NOTICE OF ANNUAL GENERAL MEETING

*Notes:*

- (a) The register of members of the Company will be closed from Tuesday, September 18, 2001 to Friday, September 21, 2001, both days inclusive, during which period no transfer of shares will be registered. All transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrars, Secretaries Limited at 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong by no later than 4.00 p.m. on September 17, 2001.
- (b) Any member of the Company entitled to attend and vote at the Meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.
- (c) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (d) In order to be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be deposited with the Company's Hong Kong Branch Share Registrars, Secretaries Limited, at 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong not less than forty-eight hours before the time fixed for holding the Meeting or any adjourned meeting thereof.
- (e) A circular containing details repurchasing Resolutions 4 to 6 above will be sent to shareholders together with the 2001 Annual Report shortly.