

Notice of Annual General Meeting



NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Charter Room III, Function Room Level, The Ritz-Carlton, Hong Kong, 3 Connaught Road Central, Hong Kong on Thursday, 22 August 2002 at 9:30 a.m. for the following purposes:

1. To receive and consider the Audited Financial Statements and the Reports of the Directors and Auditors for the year ended 31 March 2002.
2. To re-elect Directors and authorise the Directors to fix their remuneration.
3. To re-appoint Auditors and authorise the Directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

A. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional 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) above shall be in addition to any other authorisation given to the Directors of the Company and shall authorise the Directors of the Company 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 share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to a Rights Issue (as hereinafter defined) or the exercise of options under the share option scheme of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution as enlarged by the issue of not less than 661,836,693 shares of the Company pursuant to the proposed rights issue as approved at the Special General Meeting of the Company held on 22 August 2002 (“SGM”) and the said approval shall be limited accordingly; and

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(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 law to be held; or
- (iii) the revocation or variation of this Resolution 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 of the Company to holders of shares 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 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 recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

B. “THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares in the capital of the Company, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution as enlarged by the issue of not less than 661,836,693 shares of the Company pursuant to the proposed rights issue as approved at the SGM and the said approval shall be limited accordingly; and

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(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 law to be held; or
- (iii) the revocation or variation of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

C. **“THAT**, the general mandate granted to the Directors to allot shares pursuant to Resolution 4A of the Notice of this meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital which may be allotted or agreed to be allotted by the Directors pursuant to such general mandate an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 4B set out in the Notice of this meeting.”

By Order of the Board

Koon Wing Yee

President and Chief Executive Officer

Hong Kong, 23 July 2002



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Notes:

- (i) A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and, on poll, to vote instead of him. A proxy need not be a member of the Company.
- (ii) In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or notarially certified copy of that power or authority must be deposited at the registered office of the Company at Unit A, 7th Floor, Hong Kong Spinners Industrial Building, Phase 6, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon not less than 48 hours before the time for holding the meeting or adjourned meeting.
- (iii) The register of members will be closed from Monday, 19 August 2002 to Thursday, 22 August 2002, both days inclusive, during which period no transfer of shares will be effected, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Secretaries Limited, 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong not later than 4:00 p.m. on Friday, 16 August 2002.
- (iv) With respect to Resolution 4A above, approval is being sought from members as a general mandate in compliance with Section 57B of the Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in order to ensure flexibility in the event that it becomes desirable to issue any shares of the Company up to the limit stated in Resolution 4A. The Directors of the Company have no immediate plan to issue any new shares of the Company.
- (v) With respect to Resolution 4B and 4C above, approval is being sought from members for a general mandate to repurchase securities and to allot additional shares of the Company which have been repurchased by the Company pursuant to the exercise of the repurchase mandate. In accordance with the Listing Rules and the Hong Kong Code on Share Repurchases, an explanatory statement setting out the terms and conditions upon which such a power may be exercised will be sent to the shareholders together with the Annual Report.