

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the members of Heng Fung Holdings Limited (the "Company") will be held at Monaco Room, B1, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Tuesday, August 27, 2002 at 9:30 a.m. for the following purposes:-

ORDINARY BUSINESS

1. To receive and adopt the audited consolidated financial statements of the Company and the Reports of the Directors and the Auditors for the year ended March 31, 2002.
2. To consider the re-election of the retiring Directors and to authorize the Board of Directors to fix the Directors' remuneration.
3. To consider the re-appointment of Deloitte Touche Tohmatsu as Auditors of the Company and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

4. As special business, to consider and, if thought fit, pass the following resolution as an Ordinary Resolution:-

THAT:

- (i) subject to paragraph (iii) below, pursuant to Section 57B of the Companies Ordinance, 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 (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) shall authorize the Directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debenture convertible into shares of the Company) which might require the exercise of such powers to allot, issue and deal with additional shares in the capital of the Company after the end of the Relevant Period;

股東週年大會通告

茲通告恒鋒集團有限公司(「本公司」)謹訂於二零零二年八月二十七日星期二上午九時三十分假座香港銅鑼灣怡和街88號富豪香港酒店低座1樓蒙納歌廳舉行股東週年大會,以處理下列事項:-

普通事項

1. 省覽本公司截至二零零二年三月三十一日止年度之經審核綜合財務報表、董事會與核數師報告書。
2. 考慮重選退任董事及授權董事會釐定董事酬金。
3. 考慮重新委聘德勤•關黃陳方會計師行為本公司之核數師及授權董事會釐定其酬金。

特別事項

4. 作為特別事項,考慮及酌情通過下列決議案為一項普通決議案:-

動議:

- (i) 在第(iii)段規限下及根據公司條例第57B,一般及無條件批准本公司董事於有關期間(定義見下文)內行使本公司所有權力,配發、發行及處理本公司股本中之額外股份,並作出或授予將須或須行使該等權力之建議、協議及認股權(包括可兌換為本公司股份之認股權證、債券及公司債券);
- (ii) 第(i)段之批准須授權董事於有關期間內作出或授予將須或須於有關期間結束後行使上述權力以配發、發行及處理本公司股本中之額外股份之建議、協議及認股權(包括可兌換為本公司股份之認股權證、債券及公司債券);

- (iii) 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 (i), otherwise than pursuant to (a) a Rights Issue; (b) an issue of shares of the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company; or (c) an issue of shares of the Company as scrip dividends pursuant to the articles of association of the Company from time to time; or (d) an issue of shares of the Company under any option scheme or similar arrangement for the grant or issue to employees of the Company and/or any of its subsidiaries of shares of the Company, or rights to acquire shares 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, and the said approval shall be limited accordingly;
- (iv) for the purpose of this resolution:–
- “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:–
- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of Hong Kong or the Company’s Articles of Association to be held; or
- (c) the authority set out in this resolution being revoked or varied by way of ordinary resolution 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 whose names appear 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 any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange).
- (iii) 董事根據第(i)段之批准而配發或有條件或無條件同意配發之股本面值總額(無論為根據認股權或其他原因而配發者),不得超過本公司於本決議案獲通過當日已發行股本面值總額百分之二十,上述批准亦須受此數額限制,惟根據(a)配售新股;(b)根據本公司任何認股權證可兌換為本公司股份之任何證券之條款行使認購權或換股權而發行本公司股份;或(c)根據本公司不時之組織章程細則發行本公司股份進行以股代息計劃;或(d)根據任何購股權計劃或向本公司及/或其任何附屬公司之僱員授出或發行本公司股份或授出可購買本公司股份之權利之類似安排而發行本公司股份者除外;
- (iv) 就本決議案而言:–
- 「有關期間」指本決議案獲通過當日起至下列三者中較早之日期止之期間:–
- (a) 本公司下屆股東週年大會結束時;
- (b) 任何適用香港法例或本公司之組織章程細則規定本公司下屆股東週年大會須舉行之期限屆滿;或
- (c) 本決議案所作出之授權經由股東大會通過普通決議案而撤銷或修訂之日。
- 「配售新股」指於董事指定之期限內,向於指定紀錄日期名列股東名冊之本公司股份持有人按彼等當日之持股比例提呈發售股份之建議(惟董事可就零碎股權或在考慮本公司適用之任何地區法例或任何認可監管機關或任何證券交易所之規定所產生之限制或責任後而酌情作出彼等認為必要或權宜取消此等權利之決定或其他安排)。

NOTICE OF ANNUAL GENERAL MEETING – continued

- (v) the authority conferred by this resolution shall be in substitution for all previous authorities granted to the Directors of the Company, except that it shall be without prejudice to and shall not affect the exercise of the power of the Directors of the Company pursuant to such authorities to allot additional shares of the Company up to and in accordance with the approval therein contained prior to the date of this resolution.

By order of the Board
Chan Suk King, Zoe
Company Secretary

Hong Kong, July 26, 2002

Notes:

1. A member entitled to attend and vote at the above Meeting may appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. 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 a notary certified copy thereof, must be deposited at the registered office of the Company in any event not less than 48 hours before the time appointed for holding the Meeting. Completion and return of a form of proxy will not preclude you from attending and voting in person if you are subsequently able to be present.

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- (v) 本決議案所賦予之授權將取代原先授予董事之所有授權，惟其不得妨礙或影響董事根據該等授權行使權力，配發最多達於本決議案日期前當中批准所載之本公司額外股份數目。

承董事會命
公司秘書
陳淑琼

香港，二零零二年七月二十六日

附註：

1. 有權出席上述大會及於會上投票之股東可委任一名或以上之代表代其出席及舉手投票。受委任代表毋須為本公司股東。
2. 代表委任表格連同經簽署之授權書或其他授權文件（如有）或經公證人簽署證明之授權書或授權文件副本，無論如何最遲須於大會或任何續會指定舉行時間48小時前交回本公司之註冊辦事處，方為有效。填妥及交回代表委任表格後，閣下其後仍可親身出席大會，並於會上投票。