

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the members of the Company will be held at Miramar Ball Room, Penthouse, Hotel Miramar, 118 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 7 May 2004 at 12:00 noon for the following purposes:

- (1) To receive and consider the audited accounts and reports of the Directors and Auditors for the year ended 31 December 2003.
- (2) To declare a final dividend.
- (3) To re-elect Directors.
- (4) To re-appoint KPMG as Auditors and to authorize the Directors to fix their remuneration.
- (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 (b) below, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to purchase its own securities subject to the conditions set out in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and is hereby approved generally and unconditionally;
- (b) the aggregate nominal amount of share capital which may be purchased by the Directors of the Company pursuant to the approval in paragraph (a) 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
- (c) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of the 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 Companies Ordinance (Chapter 32 of the Laws of Hong Kong) to be held; and

Notice of Annual General Meeting (Continued)

- iii) the date upon which the authority set out in this Resolution is revoked or varied by way of ordinary resolution in any general meeting of the Company."

- (6) To consider as special business and, if thought fit, pass the following resolution as a Special Resolution:

"THAT

the Articles of Association of the Company be hereby amended as follows:

- (a) Article 2

- i) By deleting the definition of "associate" and substituting therefor the following:

"associate", in relation to any Director, shall have the same meaning as defined in Chapter 1 of the Listing Rules;

- ii) By adding the words "for Administration" after the words "the Chief Secretary" appearing at the end of the definition of "newspaper";

- iii) By adding the following definitions:

"business day" shall mean any day on which The Stock Exchange of Hong Kong Limited is open for the business of dealing in securities;

"clearing house" shall mean a recognized clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);

"Director" shall mean a director of the Company;

"Listing Rules" shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time;

"officer" shall mean a director, manager or company secretary, as defined under the Companies Ordinance;

"subsidiary" shall have the same meaning as defined in Chapter 1 of the Listing Rules;

Notice of Annual General Meeting *(Continued)*

(b) Article 16

- i) By deleting the words “without payment”;
- ii) By deleting the words “within twenty-one days or within such shorter period as shall from time to time be prescribed by The Stock Exchange of Hong Kong Limited” and substituting therefor the words “within the relevant time limit as prescribed by the Companies Ordinance or as The Stock Exchange of Hong Kong Limited may from time to time determine, whichever is the shorter,”;
- iii) By deleting the words “HK\$2 (or such higher amount as may from time to time be permitted under the rules prescribed by The Stock Exchange of Hong Kong Limited)” and substituting therefor the words “such amount not higher than the relevant maximum amount as may be from time to time set out in the Listing Rules”; and
- iv) By adding the following sentence at the end of the Article:

“In this Article, “transfer” shall mean a transfer duly stamped and otherwise valid, and does not include such a transfer as the Company is for any reason entitled to refuse to register and does not register.”

(c) Articles 20 and 40(i)

By deleting the words “HK\$2 (or such higher amount as may from time to time be permitted under the rules prescribed by The Stock Exchange of Hong Kong Limited)” appearing in each of Articles 20 and 40(i) and substituting therefor the following words:

“such amount not higher than the relevant maximum amount as may be from time to time set out in the Listing Rules”.

(d) Article 43

By deleting the words “without charge” wherever they appear and substituting therefor the words “at a fee of such amount not higher than the relevant maximum amount as may be from time to time set out in the Listing Rules”.

Notice of Annual General Meeting *(Continued)*

- (e) By adding the following Article 84(C) immediately after Article 84(B):

“Where the Company has knowledge that any member is, under the Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.”

- (f) Article 91A

- i) By deleting the words “a recognized clearing house within the meaning of the Securities and Futures (Clearing Houses) Ordinance Chapter 420 of the Laws of Hong Kong” in the first sentence and substituting therefor the words “a clearing house”;
- ii) By deleting the words “recognized” before the words “clearing house (or its nominee)” appearing in the second sentence.

- (g) Article 95(C)

By adding the following sentence at the end of this Article:

“An alternate Director shall alone be responsible for his own acts and default and he shall not be deemed to be the agent of the director appointing him.”

- (h) Article 101(A)(vii)

By deleting the words “a special resolution” and substituting therefor the words “an ordinary resolution”.

- (i) Article 102(H)

By deleting Article 102(H) in its entirety and substituting therefor the following:

“(H) Save as otherwise provided by the Articles, a Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his associates is, to the knowledge of such

Notice of Annual General Meeting *(Continued)*

Director, materially interested, but this prohibition shall not apply to any of the following matters namely:

- i) any contract or arrangement for giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of them or obligations incurred or undertaken by him or any of them for the benefit of the Company or any of its subsidiaries;
- ii) any contract or arrangement for the giving by the Company or any of its subsidiaries of any security to a third party in respect of a debt or obligation of the Company or any of its subsidiaries which the Director or his associate(s) has himself/themselves guaranteed or secured in whole or in part;
- iii) any contract or arrangement by a Director or his associate(s) to subscribe for shares, debentures or other securities of the Company or any of its subsidiaries issued or to be issued pursuant to any offer or invitation to members or debenture holders of the Company or any class thereof or to the public or any section thereof and does not provide in respect of any Director or his associate(s) as such any privilege not accorded to any other members or debenture holders of the Company or any class thereof or to the public or any section thereof;
- iv) any contract or arrangement concerning an offer of the shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;
- vi) any contract or arrangement concerning any other company (not being a company in which the Director and any of his associate(s) are in aggregate beneficially interested in five (5) per cent or more of the issued shares or of the voting rights of any class of shares of such company (as defined in paragraph (I) of this Article)) in which the Director or his associate(s) is/are interested directly or indirectly whether as a shareholder or an officer;

Notice of Annual General Meeting *(Continued)*

- vii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors, his associate(s) and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such a privilege or advantage not accorded to the class of persons to which such scheme or fund relates;
- viii) any proposal concerning the adoption, modification or operation of any scheme involving the issue or grant of options over shares or other securities by the Company to, or for the benefit of the employees of the Company or its subsidiaries under which the Director or his associate(s) may benefit."

(j) Article 107

By deleting the words "at least seven days before the date of the general meeting" at the end of the Article and substituting therefor the words "no earlier than the day after the despatch of the notice of the meeting appointed for such election and no later than seven days prior to the date of such meeting".

(k) Article 109

By deleting the words "special resolution" and substituting therefor the words "an ordinary resolution".

(l) Article 131

By deleting Article 131 in its entirety and substituting therefor the following Article:

"Any decision that may be made or any action that may be taken by the Directors or a committee of Directors at a meeting may be passed as a resolution of the Directors or the committee of Directors if such resolution is consented to in writing or by telex, telegram, cable, facsimile, electronic mail or other written electronic communication by all the directors, except such as are absent from Hong Kong or temporarily unable to act through ill-health or disability, of the Company (or their respective alternates, where appropriate) or all the members of the committee of Directors, as the case may be, without the need for any notice. Such written consent may be contained in one document or in several documents. Any resolution so passed shall be as valid and effectual as if the resolution had been passed at a meeting of the Directors or of the committee of Directors respectively duly convened and held."

Notice of Annual General Meeting *(Continued)*

(m) Article 168

- i) By adding the following words immediately after the words “in writing”, appearing in this Article:

“or by cable, telex or facsimile transmission message or electronic communication”;

- ii) By adding the following words immediately after the words “registered address as aforesaid” appearing in this Article:

“or, as the case may be, at the discretion of the Company by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic mail address as may be supplied by the member to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly received by the member”; and

- iii) By adding the following words immediately after the words “in a Chinese language newspaper” appearing in this Article:

“or, to the extent permitted by the Listing Rules and any applicable laws of Hong Kong from time to time, by publishing it on the website of the Company and giving to the member a notice stating that the notice or other document is available there (“notice of availability”). The notice of availability may be given to the member by any of the means set out above.

(n) Article 170

- i) By renumbering existing Article 170 as 170 (A);

- ii) By adding the following Articles 170(B) to 170(E)

“(B) Any notice if served or delivered in person, shall be deemed to have been served or delivered at the time of personal service or delivery, and in proving such service or delivery, a certificate in writing signed by the Secretary or other person appointed by the Board that the notice was so served or delivered shall be conclusive evidence thereof.

Notice of Annual General Meeting *(Continued)*

- (C) Any notice sent by telex, facsimile transmission or electronic mail shall be deemed to have been duly served upon the shareholders on the same day as transmitted. In proving such service or delivery, a certificate in writing signed by the Secretary or other person appointed by the Board as to the fact and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof.
- (D) Any notice if served by advertisement in newspapers in accordance with Article 168 shall be deemed to have been served on the day on which such notice is first published.
- (E) Any notice if sent or transmitted as an electronic communication shall be deemed to have been served or delivered at the time of the relevant despatch or transmission. A notice or document published on the Company's website shall be deemed to have been served or delivered on the day following that on which a notice of availability is sent to the entitled person. In proving such service or delivery, a certificate in writing signed by the Secretary or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof."

(o) Article 171

By adding the following words immediately before the words "or (until such an address has been so supplied)" appearing in this Article:

"or, as the case may be, at the discretion of the Company by transmitting it to such address or transmitting it to any telex or facsimile transmission number or electronic mail address as may be supplied by the personal representative of the deceased member, or trustee of the bankrupted member to the Company".

(p) Article 173

By adding the following words immediately before the words "in pursuance of these presents" appearing in this Article:

"or sent by telex, facsimile transmission or electronic mail".

Notice of Annual General Meeting *(Continued)*

(q) Article 180(A)

By deleting the words “(including any such liability as is mentioned in paragraph (c) of the proviso to Section 165 of the Companies Ordinance)” appearing in this Article.”

By Order of the Board
Richard C.W. Law
Company Secretary

Hong Kong, 12 March 2004

Notes:

1. The register of members will be closed from Tuesday, 27 April 2004 to Thursday, 29 April 2004, both days inclusive during which period no transfer of shares will be registered. In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Registrars, Standard Registrars Limited at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:00 p.m. on Monday, 26 April 2004.
2. A member entitled to attend and vote at the meeting is entitled to appoint proxies to attend and, on a poll, vote for him. A proxy need not be a member of the Company. Proxy forms together with the power of attorney (if any) or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Company's Registrars, Standard Registrars Limited at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. In relation to agenda item (3) in the Notice regarding re-election of Directors, Mr. Li Ning, Mr. Wong Man Kong, Peter and Dr. Wu Shu Chih, Alex shall retire at the forthcoming Annual General Meeting by rotation pursuant to the Articles of Association of the Company and, being eligible, offer themselves for re-election. The biographical details and interests in the shares of the Company of the said directors to be re-elected at the Annual General Meeting are set out in the "Directors and Senior Management's Profile" and "Directors' Interests in Securities" in the 2003 Annual Report.
4. With respect to item (5) above, the Directors wish to state that they have no immediate plan to repurchase any existing shares of the Company.
5. As regards the special resolution of item (6) above, approval is being sought from the members to amend the Articles of Association of the Company in the light of enactment of the Securities and Futures Ordinance, the Companies (Amendment) Ordinance 2003 and the amended Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
6. An explanatory statement containing further details regarding items (5) and (6) above will be sent to members together with the 2003 Annual Report.