

**NOTICE IS HEREBY GIVEN** that the annual general meeting of the Company will be held at 30th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong on Monday, 19th April 2004, at 9:30 a.m. for the following purposes:–

1. To receive and consider the audited financial statements and the reports of the Board and auditors for the year ended 31st December 2003.
2. To re-elect directors and to authorize the board of directors (“Board”) to fix their remuneration.
3. To consider and, if though fit, pass with or without amendments, the following resolutions as Ordinary Resolutions and Special Resolutions of the Company respectively:–

### **ORDINARY RESOLUTIONS**

- A. **“THAT** the re-appointment of Messrs. HLM & Co. as auditors of the Company until the next annual general meeting at a remuneration to be fixed by the Board be and are hereby approved.”
- B. **“THAT:–**
  - (a) subject to paragraph (b) below, the exercise by the Board during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on the Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and which is recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) or of 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 which the Company is authorized to repurchase pursuant to the approval in paragraph (a) above 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 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 Company is required by the Articles of Association of the Company (“Articles”) or any applicable law to be held; or
  - (iii) the date on which the authority given to the Board set out in the Resolution is revoked or varied by passing of an ordinary resolution of the shareholders of the Company in general meeting.”

C. **“THAT:–**

- (a) subject to paragraph (c) below, the exercise by the Board during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.02 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power, subject to and in accordance with the requirements of the Listing Rules as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Board during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or 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) and issued by the Board pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares as scrip dividends pursuant to the Articles from time to time; or (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted and approved by the shareholders of the Company for the grant or issue of shares or rights of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution and the said approval shall be limited accordingly; 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 the Articles or any applicable law to be held; or
  - (iii) the date on which the authority given to the Board set out in this Resolution is revoked or varied by passing of an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares in the Company, or an offer of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Board to the shareholders of the Company on the register of members on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Board 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 recognized regulatory body or any stock exchange in any territory outside Hong Kong applicable to the Company).”

- D. **“THAT** subject to the passing of Ordinary Resolutions B and C set out in the notice convening this meeting, the general mandate granted to the Board and for the time being in force to exercise the powers of the Company to allot, issue and deal with additional shares pursuant to Ordinary Resolution C 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 shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution B set out in the notice convening this meeting, provided that such amount of shares shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Resolution.”

## SPECIAL RESOLUTIONS

### E. "THAT:

Article 2 of the Articles of Association of the Company be amended by inserting the following new definition:

"associate" the meaning attributed to it in the rules of the Designated Stock Exchange;

Article 76 of the Articles of Association of the Company be re-numbered as Article 76(1);

A new Article 76(2) be added to the Articles of Association of the Company as follows:

"76(2) Where any Member is, under the rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted."

Article 89 of the Articles of Association of the Company be amended by deleting the words "not less than seven (7) days before the date appointed for the meeting there shall have been lodged at the Office or at the head office"; and by inserting at the end of Article 89 the following proviso:

"shall have been lodged at the head office or at Registration Office provided that the minimum length of the period during which such Notice(s) are given shall be at least seven (7) days and that the period for lodgment of such Notice(s) shall commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting."

Article 104 of the Articles of Association of the Company be deleted in its entirety and replaced by the following:

104. (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associate(s) is materially interested, but this prohibition shall not apply to any of the following matters namely:
- (i) any contract or arrangement for the giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associate(s) or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;
  - (ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
  - (iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in 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;
  - (iv) 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;
  - (v) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder other than a company in which the Director and/or his associate(s) is/are 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 (or any third company through which his interest or that of any of his associates is derived); or

- (vi) any proposal concerning the adoption, modification or operation of (a) a share option scheme under which a Director or his associate(s) may benefit or (b) a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his associates 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 any privilege or advantage not accorded to the employees to which such scheme or fund relates.
  
- (2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five (5) per cent or more if and so long as (but only if and so long as) he and/or his associate(s), (either directly or indirectly) is/are the holders of or beneficially interested in five (5) per cent or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his/their interest or that of any of his associate(s) is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and of any shares comprised in an authorized unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.
  
- (3) Where a company in which a Director and/or his associate(s) holds five (5) per cent or more is/are materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.
  
- (4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or his associate(s) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the

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Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.”

- F. “**THAT** in Article 87(1) of the Articles of Association of the Company the maximum number of Directors of the Company be amended to ten”.

By Order of the Board  
**TONG So Yuet**  
*Company Secretary*

Dated the 24th day of March 2004.

*Notes:*

1. Every member entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as his proxy to attend and vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Room 1901-5 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, not less than 48 hours before the time appointed for the holding of the Annual General Meeting, or adjourned meeting.
3. Where there are joint registered holders of any share, any one of such persons may vote at the meeting either personally or by proxy, in respect of such shares as if the were solely entitled thereto, but if more than one of such joint holders be present at the Annual General Meeting personally or by proxy, that the person whose name stands first in the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
4. An explanatory statement as required by the Listing Rules in connection with the proposed repurchase mandate under resolution B above will be dispatched to members together with the 2003 Annual Report of the Company.
5. A form of proxy for use in connection with the Annual General Meeting is enclosed.