

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of shareholders of Lung Kee (Bermuda) Holdings Limited (the “Company”) will be held at Peacock Room, 1st Floor, Mandarin Oriental Hotel, 5 Connaught Road Central, Hong Kong on Monday, 3rd May, 2004 at 3:30 p.m. for the following purposes:

As ordinary business

1. To receive and consider the audited financial statements of the Company and the reports of the directors and auditors of the Company for the year ended 31st December, 2003.
2. To approve and declare a final dividend of the Company for the year ended 31st December, 2003.
3. To determine the maximum number of directors of the Company for the time being be 15.
4. To re-elect and appoint directors of the Company.
5. To authorise the board of directors of the Company to fix the remuneration of directors of the Company.
6. To authorise the directors of the Company to appoint any person as a director of the Company either to fill a casual vacancy on the board of directors of the Company or as an addition to the existing board of directors of the Company so long as the number of directors of the Company so appointed shall not exceed 15 or such other maximum number as may be determined from time to time by members of the Company in general meeting at their discretion.
7. To re-appoint auditors of the Company and authorise the board of directors of the Company to fix their remuneration.

As special business

8. To consider and, if thought fit, pass, with or without modifications, the following resolution as an Ordinary Resolution.

“THAT the authorised share capital of the Company be increased from HK\$60,000,000 to HK\$100,000,000 by the creation of an additional 400,000,000 shares of HK\$0.10 each ranking pari passu in all respects with the existing shares of the Company.”

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9. To consider and, if thought fit, pass, with or without modifications, the following resolution as an Ordinary Resolution.

“THAT conditionally upon the following conditions being fulfilled:

- the passing of the relevant ordinary resolution to approve the Bonus Issue at the Annual General Meeting;
 - the passing of the relevant ordinary resolution to increase the authorised share capital at the Annual General Meeting;
 - the granting by the Bermuda Monetary Authority of the relevant permissions in respect of the Bonus Issue (if required);
 - the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in such shares to be issued by the Company pursuant to this resolution; and
 - the Singapore Exchange Securities Trading Limited granting listings of, and permission to deal in such shares to be issued by the Company pursuant to this resolution:
- (A) subject to the approval of Resolution No. 8, upon the recommendation of the directors of the Company, such part of the amount standing to the credit of the share premium account of the Company as would be required to be applied in paying up in full at par shares of HK\$0.10 each in the capital of the Company, such shares to be allotted and distributed (subject as referred to in paragraph (C) of this Resolution) credited as fully paid among the persons who were registered as holders of the existing issued shares in the capital of the Company on 3rd May, 2004 in the proportion of one new share for every four existing shares held, be capitalised and applied in such manner and the directors of the Company be and they are hereby authorised to allot and issue such shares;
- (B) such shares shall not rank for the final dividend for the year ended 31st December, 2003 but shall, subject to the Memorandum of Association and Bye-laws of the Company, rank pari passu in all other respects with the existing issued shares of HK\$0.10 each in the capital of the Company.

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- (C) no fractional shares shall be allotted and distributed as aforesaid, but shares representing fractional entitlements shall be aggregated and issued to a nominee to be named by the directors of the Company and such shares shall at such time as the nominee thinks fit be sold and the net proceeds shall be retained for the benefit of the Company; and
 - (D) the directors of the Company be authorised to do all acts and things as may be necessary and expedient in connection with the bonus issue of new shares referred to in paragraph (A) of this Resolution including but not limited to determining the amount to be capitalised out of the share premium account and the number of shares to be allotted and distributed in the manner referred to in paragraph (A) of this Resolution.”
10. To consider and, if thought fit, pass, with or without modifications, the following resolution as an Ordinary Resolution.

“THAT:

- (A) subject to paragraph (C) of this Resolution, 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 of HK\$0.10 each in the capital of the Company (“Shares”) and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) of this Resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such power 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) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of Shares upon the exercise of subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to the grantee as specified in such scheme or similar arrangement of Shares or rights to acquire the Shares; or (iii) an issue of Shares pursuant to any scrip dividends or similar arrangement providing for allotment of Shares in lieu of the whole or part of the dividend on Shares in accordance with the Bye-laws of the Company, shall not exceed 20% 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

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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 earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (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 the Companies Act 1981 of Bermuda or any other applicable law of Bermuda to be held; or
- (iii) the date on which the authority given under this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of Shares or issue of option, warrants or other securities giving the right to subscribe for Shares, open for a period fixed by the Directors the holders of Shares, or any class of Shares, whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their holdings of such Shares (or, where appropriate, such other securities) as at that date (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, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

11. To consider and, if thought fit, pass, with or without modifications, the following resolution as an Ordinary Resolution.

“THAT:

- (A) subject to paragraph (B) of this Resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company (“Shares”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other exchange on which the Shares may be listed and recognised by the Securities and Futures Commission 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 or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

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(B) the aggregate nominal amount of Shares 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 share capital of the Company in issue at the date of passing this Resolution, and the said approval shall be limited accordingly; and

(C) for the purpose of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company; or

(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 the Companies Act 1981 of Bermuda or any other applicable law of Bermuda to be held; or

(iii) the date on which the authority given under this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

12. To consider and, if thought fit, pass, with or without modifications, the following resolution as an Ordinary Resolution.

“THAT subject to the passing of Ordinary Resolutions Nos. 10 and 11 set out in the notice convening this meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company (“Shares”) pursuant to Ordinary Resolution No. 10 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 repurchased by the Company under the authority granted pursuant to Ordinary Resolution No. 11 set out in the notice convening this meeting, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing this Resolution.”

13. To consider and, if thought fit, pass, the following resolution as a Special Resolution.

“THAT the existing Bye-laws of the Company be and are hereby amended in the following manner:

(A) by deleting the words “Section 2 of the Securities and Futures (Clearing Houses) Ordinance (Chapter 420 of the Laws of Hong Kong)” in the definition of “Clearing House” in Bye-law 1 and substituting therefor the words “Section 37 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)”;

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- (B) (i) by adding in Bye-law 2.(e) after the words “visible form” the words “, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the Member’s election comply with all applicable Statutes, rules and regulations”;
- (ii) by deleting the full stop “.” at the end of Bye-law 2.(j) and substituting therefor a semi-colon “;”;
- (iii) by inserting the following new Bye-law 2.(k) immediately following Bye-law 2.(j):
- “references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not.”;
- (C) by inserting in Bye-law 44 after the words “any other newspapers in accordance with the requirements of any Designated Stock Exchange” the words “or by any means in such manner as may be accepted by the Designated Stock Exchange”;
- (D) by inserting in Bye-law 51 after the words “in the Newspapers” the words “or by any means in such manner as may be accepted by the Designated Stock Exchange”;
- (E) by inserting the following new Bye-law 77A immediately following Bye-law 77:
- “77A. Where the Company has knowledge that 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.”;
- (F) by deleting the words “not less than seven (7) days before the date appointed for the meeting” in Bye-law 88 and substituting therefor the words “during the period commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than 7 days prior to the date of such meeting”;

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(G) by deleting Bye-law 103.(1) in its entirety and substituting therefor the following:

“103.(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 associates (as defined by the rules, where applicable, of any Designated Stock Exchange) is, to the knowledge of such Director, materially interested, and if he shall do so his vote shall not be counted and he shall not be counted in the quorum of such resolution of the Board but this prohibition shall not apply to any of the following matters namely:

- (i) any contract or arrangement for the giving by the Company or any of its subsidiaries of any security or indemnity to the Director or his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) in respect of money lent by him or any of them or obligations incurred or undertaken by him or any of them at the request of or 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 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) (as defined by the rules, where applicable, of any Designated Stock Exchange) has/have 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 by a Director or his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) to subscribe for shares or debentures or other securities of the Company or any of its subsidiaries to be issued pursuant to any offer or invitation to the members or debenture holders or to the public which does not provide the Directors or their associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) any privilege not accorded to any other members or debenture holders or to the public;
- (iv) any contract, arrangement or proposal 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) (as defined by the rules, where applicable, of any Designated Stock Exchange) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

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- (v) any contract or arrangement in which the Director or his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company or any of its subsidiaries by virtue only of his/their interest in shares or debentures or other securities of the Company or any of its subsidiaries;
 - (vi) any contract, arrangement or proposal concerning any company in which the Director and/or his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder or in which the Director and/or his associate(s) (as defined by the rules, where applicable, of the Designated Stock Exchange) is/are beneficially interested in shares of that company provided that the Director and/or any of his associate(s) (as defined by the rules, where applicable, of the Designated Stock Exchange) is/are not 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 (or any third company through which his interest or that of his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange) is derived);
 - (vii) any proposal or arrangement for 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 benefit scheme which relates both to directors, his associates (as defined by the rules, where applicable, of any Designated Stock Exchange) and employees of the Company or of any of its subsidiaries and does not give any Director or his associate(s) (as defined by the rules, where applicable, of any Designated Stock Exchange), as such an privilege or advantage not accorded to the class of persons to which such scheme or fund relates; or
 - (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) (as defined by the rules, where applicable, of any Designated Stock Exchange) may benefit.”;
- (H) by inserting the words “and Bye-law 153A.” after the words “Subject to Section 88 of the Act” in Bye-law 153;

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- (I) by inserting the following new Bye-laws 153A. and 153B. immediately following Bye-law 153:

“153A. To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-law 153 shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, a summary financial statement derived from the Company’s annual accounts and the directors’ report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors’ report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to a summary financial statement, a complete printed copy of the Company’s annual financial statement and the directors’ report thereon.

153B. The requirement to send to a person referred to in Bye-law 153 the documents referred to in that article or a summary financial report in accordance with Bye-law 153A shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, the Company publishes copies of the documents referred to in Bye-law 153 and, if applicable, a summary financial report complying with Bye-law 153A, on the Company’s computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company’s obligation to send to him a copy of such documents.”;

- (J) by deleting Bye-law 160 in its entirety and substituting therefor the following:

“160. Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the rules of the Designated Stock Exchange), whether or not, to be given or issued under these Bye-laws from the Company to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission

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number or electronic number or address or website supplied by him 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 or may also be served by advertisement in appointed newspapers (as defined in the Act) or in the Newspapers or, to the extent permitted by the applicable laws, by placing it on the Company's website and giving to the Member a notice stating that the notice or other document is available there (a "notice of availability"). The notice of availability may be given to the Member by any of the means set out above. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.”;

(K) (i) by renumbering the existing Bye-laws 161.(b) and 161.(c) as new Bye-law 161.(c) and 161.(d) respectively;

(ii) by deleting the word “and” at the end of new Bye-law 161.(c);

(iii) by deleting the full stop “.” at the end of new Bye-law 161.(d) and substituting therefor the words “; and”;

(iv) by inserting the following new Bye-law 161.(b) immediately following Bye-law 161.(a):

“if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company's website is deemed given by the Company to a Member on the day following that on which a notice of availability is deemed served on the Member;”;

(v) by inserting the following new Bye-law 161.(e) immediately following new Bye-law 161.(d):

“may be given to a Member either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.” ”

By Order of the Board

Wai Lung Shing

Director and Company Secretary

Hong Kong, 26th March, 2004

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Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or if he holds two or more shares more proxies to attend and vote on his behalf. 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 notarially certified copy of that power of attorney or authority must be deposited at the head office and principal place of business of the Company at 2nd Floor, Cheung Kong Electronic Building, 4 Hing Yip Street, Kwun Tong, Kowloon, Hong Kong not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof.
3. Where there are joint holders of any share of the Company, any one of such joint holders may vote at the meeting, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the Register of Members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
4. The Register of Members of the Company will be closed from 28th April, 2004 to 3rd May, 2004, both days inclusive, during which period no share transfer will be effected.
5. In order to qualify for the proposed final dividends and bonus shares, all share certificates accompanied by the completed transfer forms either overleaf or separate or standard transfer form, must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited of 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on 27th April, 2004.
6. Singapore shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares in the Company as at 5:00 p.m. on 27th April, 2004 will be entitled to the proposed final dividends and bonus shares.