



Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Company will be held at 20th Floor, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong on Friday, 21st May, 2004 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the directors' report and auditors' report for the year ended 31st December, 2003.
2. To declare a final dividend.
3. To re-elect retiring directors as directors of the Company and to authorise the board of directors to fix the remuneration of the directors.
4. To re-appoint auditors and to authorise the board of directors to fix their remuneration.
5. To consider and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions:

A. **"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 purchase on the Stock Exchange or any other stock exchange on which securities (including ordinary shares of HK\$0.10 each (the "Shares")) in the capital of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, and that the exercise by the directors of all powers of the Company to purchase such securities, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of securities of the Company which may be purchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10 per cent of the aggregate nominal amount of the Shares in the share capital of the Company in issue at the date of passing of 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 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 of Association or the Bye-laws of the Company or any applicable law to be held; and



- (iii) the revocation or variation of authority given under this Resolution by an ordinary resolution of the shareholders in general meeting.”

B. **“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 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 the Shares in the 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 (1) a Rights Issue (as hereinafter defined); (2) an issue of Shares as scrip dividends pursuant to the Articles of Association or the Bye-laws of the Company; (3) an issue of Shares by the exercise of options granted under the share option scheme of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the Shares in the share capital of the Company in issue at the date of passing of 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 of Association or the Bye-laws of the Company or any applicable law to be held; and
- (iii) the revocation or variation of authority given under this Resolution by an ordinary resolution of the shareholders in general meeting; and



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“Rights Issue” means an offer of Shares open for a period fixed by the directors of the Company to the holders of Shares of the Company on the register on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusion 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 recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

C. **“THAT:**

conditional upon the resolution set out in paragraph A of item 5 in the notice convening this meeting being passed, the aggregate nominal amount of Shares in the capital of the Company which are purchased by the Company under the authority granted to the directors of the Company by such resolution (up to a maximum of 10 per cent of the aggregate nominal amount of the Shares in the share capital of the Company in issue at the date of passing of this Resolution) shall be added to the aggregate nominal amount of Shares in the capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the resolution set out in paragraph B of item 5 in the notice convening this meeting.”

6. To consider and, if though fit, pass the following resolution as a special resolution:

“THAT the Articles of Association of the Company be and are hereby amended as follows:

- (a) by adding the following new definition immediately after the definition of “these Articles” in Article 2:

““associate” shall have the meaning attributed to it in the rules of the Exchange;”;

- (b) by deleting the definition of “recognised clearing house” in Article 2 in its entirety (except the margin note thereof) and substituting therefor the following new definition:

““recognised clearing house” shall have the meaning ascribed thereto in the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong) or a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted with the permission of the Company on a stock exchange in such jurisdiction’;



- (c) by re-numbering sub-paragraph (b) of Article 89 as sub-paragraph (c) and adding the following new sub-paragraph (b) of Article 89 immediately before that:

'(b) Where any member is, under the rules of the 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.'

- (d) by inserting the words "be deemed to have been duly authorised without further evidence of the fact and" between "shall" and "be" in ninth line in sub-paragraph (b) of Article 96;

- (e) by deleting sub-paragraph (c) of Article 107 in its entirety (except the margin note thereof) and substituting therefor the following new sub-paragraph:

'(c) A Director shall not be entitled to vote on (nor shall be counted in the quorum in relation thereto) any resolution of the Board approving any contract or arrangement or any other proposal whatsoever in which he or any of his associates has any material interest, and if he shall do so his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters, namely:

- (i) the giving of any security or indemnity either:
 - (aa) to the Director or his associate(s) in respect of money lent or obligations incurred by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;
 - (bb) 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 and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal 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;



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- (iii) any proposal 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 shareholder or in which the Director or his associate(s) is/are beneficially interested in the shares of that company, provided that, he together with any of his associates are not in aggregate beneficially interested in five per cent. or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associate(s) is/are derived) or of the voting rights;
 - (iv) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries including:
 - (aa) the adoption, modification or operation of any employees' share scheme or any share incentive scheme or share option scheme under which he or his associates may benefit; or
 - (bb) the adoption, modification or operation of a pension or provident fund or retirement, death or disability benefits scheme which relates both to Directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
 - (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 of other securities of the Company.;
- (f) by deleting sub-paragraph (e) of Article 107 in its entirety (except the margin note thereof) and substituting therefor the following new sub-paragraph:
- '(e) If any question shall arise at any meeting of the Board as to the materiality of a Director's interest or that of his associate(s) or the significance of a contract, arrangement or transaction or proposed contract, arrangement or transaction or as to the entitlement of any Director to vote or form part of a quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the Chairman of the meeting (or, where question relates to the interest of the Chairman or that of his associate(s) to the other Directors at the meeting) and his ruling (or, as appropriate, the ruling of the other Directors) in relation to any other Director (or, as appropriate, the Chairman) shall be final and conclusive except in a case where the nature or extent of the interests of the Director and/or his associate(s) concerned (or, as appropriate, the Chairman and/or his associate(s) as known to such Director (or, as appropriate, the Chairman) has not been fairly disclosed to the Board.';



- (g) by deleting sub-paragraph (f) of Article 107 in its entirety; and
- (h) by deleting Article 120 in its entirety (except the margin note thereof) and substituting therefor the following new Article:

'120. No person other than a retiring Director shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless there has been given to the Secretary notice in writing by a member of the Company (not being the person to be proposed), entitled to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected and the minimum length of the period, during which such notice(s) are given, shall be at least 7 days and that the period for lodgement of such notice(s) shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting.'

By order of the Board of
Midas International Holdings Limited
LEE Wai Ching, Winky
Company Secretary

Hong Kong, 19th April, 2004

Notes:

- (1) Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote in his stead. 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 thereof must be deposited at the head office and principal place of business of the Company at 1st Floor, 100 Texaco Road, Tsuen Wan, New Territories, Hong Kong, not less than 48 hours before the time appointed for holding of the meeting.
- (3) The register of members of the Company will be closed from 18th May, 2004 (Tuesday) to 20th May, 2004 (Thursday), both days inclusive, during which period no transfer of Shares will be effected. All transfers, accompanied by the relevant share certificates, must be lodged for registration with the Company's share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716 Hopewell Centre, 183 Queen's Road East, Hong Kong, by no later than 4:00 p.m. on 17th May, 2004 (Monday).
- (4) An explanatory statement containing further details regarding the resolutions set out in items 5 and 6 will be sent to shareholders together with the annual report for the year ended 31st December, 2003.