

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the members of Shenyin Wanguo (H.K.) Limited (the “Company”) will be held at the Dragon Room, The Hong Kong Bankers Club at 43rd Floor, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong, on Friday, 21 May 2004 at 9:00 a.m. for the following purposes:

1. To receive and consider the Audited Consolidated Financial Statements and the Reports of Directors and Auditors for the year ended 31 December 2003;
2. To declare a final dividend;
3. To re-elect Directors and authorise the Board of Directors to fix their remuneration;
4. To re-appoint Auditors and authorise the Board of Directors to fix their remuneration;
5. As special business to consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT:

- (a) subject to sub-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 or otherwise deal with additional shares or securities convertible into shares, or options, warrants or similar rights to subscribe for any shares, and to make or grant offers, agreements and options which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in sub-paragraph (a) of this Resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options 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) by the Directors of the Company pursuant to the approval in sub-paragraph (a) of this Resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);

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- (ii) the exercise of rights of subscription or conversions attaching to any warrants issued by the Company or any securities which are convertible into shares;
- (iii) any option scheme or similar arrangements for the time being adopted for the grant or issue to officers and/or employees of the Company and/or its subsidiaries of shares or rights to acquire shares of the Company; or
- (iv) any scrip dividend scheme or similar arrangements providing for the allotment of shares of the Company in lieu of the whole or a part of a dividend on such shares in accordance with the Articles of Association of the Company;

shall not exceed 20 per cent of the aggregate nominal value of the share capital of the Company in issue at the date of the passing of this Resolution, and this 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 of the Company or any applicable law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders 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 or the requirements of any recognised regulatory body or any stock exchange in any territory applicable to the Company).”

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6. As special business to consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT:

- (a) subject to sub-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 repurchase shares of HK\$0.50 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the securities of the Company may be listed and is recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, 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 shares of the Company to be repurchased by the Company pursuant to the approval in sub-paragraph (a) above shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as 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 of the Company or any applicable law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.”

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7. As special business to consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT** conditional upon the passing of Ordinary Resolutions 5 and 6, the general mandate granted to the Directors of the Company to exercise the power of the Company to allot, issue and deal with shares pursuant to Ordinary Resolution 5 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 the share capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution 6 set out in the notice convening this Meeting, provided that such amount shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this Ordinary Resolution.”

8. As special business to consider and, if thought fit, pass with or without amendments, the following resolution as a Special Resolution:

“**THAT** the Articles of Association of the Company be and are hereby amended in the following respects:

- (a) by adding the following definitions in Article 2:

“associate”, in relation to any Director, has the meaning ascribed to it under the Listing Rules;

“Hong Kong Stock Exchange” means The Stock Exchange of Hong Kong Limited;

“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;

- (b) by deleting the existing definition of “writing” or “printing” in Article 2 and substituting therefor the following definition:

“writing” or “printing” shall include printing, lithograph, xerography, photography or other modes of representing or reproducing words in a permanent visible form or, to the extent permitted by and in accordance with the Companies Ordinance and other applicable laws, rules and regulations, any visible substitute for writing (including a communication sent by electronic transmission in any form through any medium), or modes of representing or reproducing words partly in one visible form and partly in another visible form.

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(c) by deleting the words “Securities and Futures (Clearing Houses) Ordinance (Chapter 420 of the Laws of Hong Kong)” in Article 92(B) and replacing them with the words “Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)”.

(d) by adding the following Article 92(C) immediately after Article 92(B)

“92(C) Where any member, under the Listing Rules, is required to abstain from voting on any particular resolution or is 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.”

(e) by adding the following sentence at the end of Article 96(A):

“A Director who has appointed a person (including another Director) to be his alternate Director shall not be vicariously liable for any tort committed by the alternate Director.”

(f) by deleting the existing Article 103(A)(ii) and substituting therefor the following:—

“103(A)(ii) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employment with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately, and in such case each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment, or unless either he or any of his associates has any material interest in such resolution. For the avoidance of doubt, where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of only one Director to office or employment with the Company or any company in which the Company is interested, such Director shall not be entitled to vote and be counted in the quorum in respect of such resolution(s).”

(g) by adding the words “or any of his associates” immediately after the words “any Director” in the 6th and 8th line and immediately after the word “he” in the 14th and last line of Article 103(B)(i).

(h) by adding the words “or the interest of any of his associates” immediately after the words “his interest” in the 14th and 17th line of Article 103(B)(i).

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- (i) by deleting the words “he is to his knowledge” in the 3rd and 4th line of Article 103(B)(ii) and replacing with the words “to his knowledge he or any of his associates is”.
- (j) by adding the words “or any of his associates” immediately after the words “the Director” in the 2nd line and immediately after the word “him” in the 4th and 5th line of Article 103(B)(ii)(a).
- (k) by deleting the word “himself” in the 6th line of Article 103(B)(ii)(b) and replacing it with “or any of his associates”.
- (l) by adding the words “or any of his associates” immediately after the words “the Director” in the 5th line of Article 103(B)(ii)(c).
- (m) by adding the words “or any of his associates” immediately after the word “he” in the 2nd line and the words “, whether directly or indirectly,” immediately after the word “only” in the 3rd line of Article 103(B)(ii)(d).
- (n) by adding the words “or any of his associates” immediately after the word “Director” in the 3rd line of Article 103(B)(ii)(e) and deleting the proviso appearing in the 6th to 14th line of Article 103(B)(ii)(e) and substituting therefor the words “provided that he and any of his associates together are not beneficially interested in 5% or more of the issued shares of any class of such company or of the voting rights thereof or of any third company through which such interest is derived”.
- (o) by adding the words “or any of his associates” immediately after the word “Director” in the 5th line of Article 103(B)(ii)(f) and by replacing “.” at the end of Article 103(B)(ii)(f) by “; and/or”.
- (p) by adding the following Article 103(B)(ii)(g) immediately after Article 103(B)(ii)(f):
 - “(g) any contract for the purchase or maintenance for any Director or Directors of insurance against liability.”
- (q) by adding the words “or of any of his associates” immediately after the words “meeting”) in the 3rd line and immediately before the word “concerned” in the 11th line of Article 103(B)(iii).

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- (r) by deleting the words “at least seven days before the date of the general meeting” in the 7th and 8th line of Article 108 and substituting therefor the words “during a period of not less than seven days commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than seven days prior to the date appointed for the meeting”.
- (s) by deleting the word “special” in the 1st line of Article 110 and replacing it with the word “ordinary”.
- (t) by deleting the existing Article 166(A) and (B) and substituting therefor the following:
 - “166. (A) The Directors shall, from time to time, in accordance with the Companies Ordinance, cause to be prepared and to be laid before the general meeting the relevant financial documents required by the Companies Ordinance. The Directors may also cause to be prepared a summary financial report if they think fit, which may be provided to members any/or debenture holders instead of the relevant financial documents in circumstances permitted by Hong Kong Stock Exchange.
 - (B) Subject to paragraph (C) below, a copy of the relevant financial documents or the summary financial report shall, not less than 21 days before the meeting, be delivered or sent by post to the registered address of every member and debenture holder of the Company, or in the case of a joint holding to the member or debenture holder (as the case may be) whose name stands first in the appropriate register in respect of the joint holding. No accidental non-compliance with the provisions of this Article shall invalidate the proceedings at the meeting.
 - (C) Where a member or debenture holder of the Company has, in accordance with the Companies Ordinance and any rules prescribed by Hong Kong Stock Exchange from time to time, consented to treat the publication of the relevant financial documents and/or the summary financial report on the Company’s computer network as discharging the Company’s obligation under the Companies Ordinance to send a copy of the relevant financial documents and/or the summary financial report, then subject to compliance with the publication and notification requirement of the Companies Ordinance and any rules prescribed by Hong Kong Stock Exchange from time to time, publication by the Company on the Company’s computer network of the relevant financial documents and/or the summary financial report at least 21 days before the date of the meeting shall, in relation to each such member or debenture holder of the Company, be deemed to discharge the Company’s obligations under paragraph (B) above.

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- (D) For the purpose of this Article, “relevant financial documents” and “summary financial report” shall have the meaning ascribed to them in the Companies Ordinance.”
- (u) by deleting the existing Article 170(A) and substituting therefor the following:—
- “170. (A) Any notice or document to be given or issued under these Articles shall be in writing, except that any such notice or document to be given or issued by or on behalf of the Company under these Articles (including any “corporate communication” within the meaning ascribed thereto in the Listing Rules) shall be in writing which may or may not be in a transitory form and may be recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form (including an electronic communication and publication on a computer network) whether having physical substance or not may be served or delivered by the Company by any of the following means subject to and to such extent permitted by and in accordance with the Companies Ordinance, the Listing Rules and any applicable laws, rules and regulations:
- (i) personally;
 - (ii) by sending it through the post in a properly prepaid letter, envelope or wrapper addressed to a member at his registered address as appearing in the register or in the case of another entitled person (as defined in the Companies Ordinance), to such address as he may provide;
 - (iii) by delivering or leaving it at such address as aforesaid;
 - (iv) by advertisement in an English language newspaper and a Chinese language newspaper in Hong Kong in accordance with the Listing Rules;
 - (v) by transmitting it as an electronic communication to the entitled person at such electronic address as he may have provided; or
 - (vi) by publishing it on a computer network.”

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- (v) by deleting the existing Article 171 and substituting therefor the following:

“171. Every member of and holder of debentures of the Company or a person who is entitled to receive notice from the Company under the provisions of the Companies Ordinance or these Articles shall register with the Company an address either in Hong Kong or elsewhere and/or an electronic address to which notices can be served upon him and if any such person shall fail to do so, notice may be served on such person by sending the same in any of the manners mentioned to his last known registered address or electronic address, or if there is none, a notice displayed in the registered office of the Company shall be deemed to be well served on him at the time when it is first so displayed.”

- (w) by deleting the existing Article 172 and substituting therefor the following:

“172. Any notice or document (including any “corporate communication” within the meaning ascribed thereto in the Listing Rules) given or issued by or on behalf of the Company:

- (i) if sent by post, shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office (airmail if posted from Hong Kong to an address outside Hong Kong) and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or document was so properly prepaid, addressed and put into such post office shall be conclusive evidence thereof;
- (ii) if not sent by post but delivered or left at a registered address by the Company, shall be deemed to have been served on the day it was so delivered or left;
- (iii) if published by way of a newspaper advertisement, shall be deemed to have been served on the date on which it is advertised in one English language newspaper and one Chinese language newspaper in Hong Kong;
- (iv) if sent as an electronic communication, shall be deemed to have been served at the time when the notice or document is transmitted electronically provided that no notification that the electronic communication has not reached its recipient has been received by the sender, except that any failure in transmission beyond the sender’s control shall not invalidate the effectiveness of the notice or document being served; and

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- (v) if published on the Company's computer network, shall be deemed to have been served on the day on which the notice or document is published on the Company's computer network to which the entitled person may have access.
- (x) by deleting the words "through the post in a prepaid letter, envelope or wrapper" in the 4th line of Article 173 and substituting therefor the words "in such manner as provided in Article 170(A)".
- (y) by adding the words "electronic address or" immediately after the words "at the" in the 7th line of Article 173.
- (z) by adding the words "(including electronic address)" immediately after the word "address" in the 4th line of Article 174.
- (aa) by deleting the words "by post to, or left at the registered address of any member" in the 1st and 2nd line of Article 175 and substituting therefor the words "in such manner as provided in Article 170(A)".
- (bb) by adding the words "or made electronically" immediately after the word "printed" in the 2nd line of Article 176.
- (cc) by deleting the word "paragraph (c) of the proviso to Section 165" in the 4th and 5th line of Article 181(A) and substituting therefor the words "Section 165(2)".
- (dd) by adding the words "or related company (within the meaning ascribed thereto in Section 165(5) of the Companies Ordinance)" after the word "Company" in the 10th line of Article 181(A).
- (ee) by adding the following as a new Article 181(C):
 - "181(C) The Company may purchase and maintain for any Director, Secretary, officer and auditor of the Company:
 - (i) insurance against any liability to the Company, a related company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for fraud) of which he may be guilty in relation to the Company or a related company; and

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- (ii) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or a related company.

For the purpose of this Article 181(C), "related company" means any company that is the Company's subsidiary or holding company or a subsidiary of that holding company."

By order of the Board

Yip Sin Ho

Company Secretary

Hong Kong, 28 April 2004

Notes:

1. The register of members of the Company will be closed from Monday, 17 May 2004 to Friday, 21 May 2004, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Registrars, Tengis Limited, at G/F, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 14 May 2004.
2. A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and on a poll, vote on his behalf and such proxy need not be a member of the Company.
3. 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 notorially certified copy of the power of attorney or authority, must be deposited at the registered office of the Company not later than 48 hours before the time appointed for holding the meeting (or the adjourned meeting as the case may be).
4. Concerning Ordinary Resolutions 5 to 7, the directors wish to state that they have no immediate plans to issue any new shares of the Company or repurchase any existing shares of the Company.
5. An explanatory statement as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in connection with the proposed repurchase mandate under Ordinary Resolution 6 above will be despatched to members together with 2003 Annual Report of the Company.
6. The Articles of Association of the Company are written in English. There is no official Chinese translation in respect thereof. Therefore, the Chinese version of Resolution 8 above on amendments of the Articles of Association is purely a translation only. Should there be any discrepancies, the English version shall prevail.