

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Imperial Room III, Towers Wing, Mezzanine Floor, The Royal Pacific Hotel & Towers, China Hong Kong City, 33 Canton Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 27th May, 2004 at 9:30 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 approve and declare a final dividend for the year ended 31st December, 2003.
3. To re-elect retiring Directors and authorise the Board of Directors to fix their remuneration.
4. To re-appoint the Auditors and authorise the Board of Directors to fix their remuneration.

As special business

5. To consider and, if thought fit, to pass, with or without modifications, the following Resolutions as ordinary resolutions:

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 shares in the capital of the Company, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate nominal amount of shares 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 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 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 of the Company 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 would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;

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(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 would or might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate nominal amount of 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 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 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

(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 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 of the Company in general meeting; and

“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, 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 Resolutions numbered 5A and 5B set out in the notice convening this meeting being passed, the aggregate nominal amount of shares in the capital of the Company which is purchased by the Company under the authority granted to the Directors of the Company by Resolution numbered 5A (up to a maximum of 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of such 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 Resolution numbered 5B set out in the notice convening this meeting.”

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6. To consider and, if thought fit, to pass, with or without modifications, the following Resolutions as special resolutions.

SPECIAL RESOLUTIONS

“THAT the following definition be amended in alphabetical order in the Bye-law 1:

- (A) (a) by inserting the following new definition:

“associates” has the same meaning ascribed to it under the Listing Rules;

- (b) by deleting the words “Section 2 of the Securities and Futures (Clearing Houses) Ordinance of Hong Kong” in the definition of “clearing house” and replacing by “Section 37 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)”;

- (c) by inserting the following new definition:

“Listing rules” The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (as amended from time to time);

“THAT the following definition be amended in Bye-law 2:

- (B) (a) 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”;

- (b) by deleting the full stop “.” at the end of Bye-law 2(j) and substituting therefor a semi-colon “;”;

- (c) 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.”;

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

- (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 “any other newspaper 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”;

- (E) By inserting the words “a poll is required under the Listing Rules or” before the words “(before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:” in the second sentence in the first paragraph.

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- (F) 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";

- (G) 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";

- (H) 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 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) 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) 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) 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) any privilege not

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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) 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 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) 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) is/are beneficially interested in shares of that company

provided that the Director and/or any of his associate(s) 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) 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 and employees of the Company or of any of its subsidiaries and does not give any Director or his associate(s), 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) may benefit”;

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- (I) by inserting the words “and Bye-law 153A” after the words “Subject to Section 88 of the Act” in Bye-law 153;
- (J) 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.”;

- (K) 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 number or electronic

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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.";

- (L) (i) 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 or the website of the Designated Stock Exchange 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;" and

- (ii) by renumbering the existing Bye-law 161(b) as new Bye-law 161(c).

By Order of the Board
Lee Yiu Ming
Company Secretary

Hong Kong, 26th 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, 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 Room 1517, Tower 3, China Hong Kong City, 33 Canton Road, Tsimshatsui, Kowloon, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
- (3) The register of members of the Company will be closed from Monday, 24th May, 2004 to Thursday, 27th May, 2004, both days inclusive, during which period no transfers of shares will be registered. All transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Secretaries Limited at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 21st May, 2004.
- (4) An explanatory statement containing further details regarding the Resolutions set out in item 5 and 6 will be sent to the shareholders of the Company together with the annual report of the Company for the year ended 31st December, 2003.