



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that an annual general meeting of Hop Hing Holdings Limited (the "Company") will be held at Units E & F, 2/F., Hop Hing Building, 9 Ping Tong Street East, Tong Yan San Tsuen, Yuen Long, New Territories on 25 June 2004 at 11:00 a.m. (or any adjournment thereof) for the following purposes:

1. to receive and consider the audited financial statements of the Company and the reports of the Directors and the Auditors thereon for the year ended 31 December 2003;
2. to re-elect retiring Directors;
3. to fix the remuneration for Directors;
4. to re-appoint Auditors and to authorise the Directors to fix their remuneration; and
5. as special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

A. **"THAT:**

- (i) subject to paragraph (iii) below, a general unconditional mandate be and is hereby approved and granted to the Directors of the Company to be exercised during the Relevant Period (as hereinafter defined) to allot, issue and deal with additional securities of the Company (the "**Securities**") and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares (the "**Shares**")) which would or might require the exercise of such power;
- (ii) the approval in paragraph (i) above shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into Shares) which would or might require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate nominal value of the Securities allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (i) above other than to (a) a Rights Issue (as hereinafter defined); (b) the exercise of any rights of subscription or conversion under any existing warrants, bonds and debentures and any securities of the Company which carry rights to subscribe for or are convertible into Shares; (c) an issue of Shares under any share option scheme or similar arrangement for the time being adopted for the Company and/or any of its subsidiaries and/or associated companies of shares or rights to acquire Shares of the Company; or (d) an issue of Shares as scrip dividends or similar arrangement providing for the allotment of Shares in lieu of the whole or part of dividends or similar arrangement providing for the allotment of Shares in accordance with the bye-laws of the Company from time to time, shall not exceed 20 per cent. of the aggregate of nominal amount of the share capital of the Company in issue as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

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- (iv) for the purpose of this Resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the date by 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
- (c) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their shareholding (subject to such exclusion 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”

B. **“THAT:**

- (i) subject to paragraph (ii) below, a general unconditional mandate be and is hereby approved and granted to the Directors to be exercised during the Relevant Period (as hereinafter defined) to repurchase Securities on the Stock Exchange, or any other stock exchange on which the Securities may be listed and recognised 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 the Listing Rules of the Stock Exchange or any other stock exchange as amended from time to time;
- (ii) the aggregate nominal value of the Securities to be repurchased by the Company pursuant to the approval in paragraph (i) above during the Relevant Period shall not exceed (a) 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of this Resolution; and (b) 10 per cent. of the warrants issued by the Company (the “Warrants”) to subscribe for Shares as at the date of this Resolution, and the said approval shall be limited accordingly; and



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(iii) for the purpose of this Resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the date by 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
- (c) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

C. “**THAT** conditional upon the passing of Resolutions No. 5A and 5B, the general unconditional mandate in Resolution No. 5A be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of securities repurchased by the Company under the authority granted pursuant to Resolution No. 5B set out in this notice, provided that such amount of securities so repurchased shall not exceed (i) 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution; and (ii) 10 per cent. of the Warrants issued by the Company to subscribe for Shares as at the date of passing this Resolution.”

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

“**THAT** amendments shall be made to the Bye-Laws of the Company in order to reflect the amended provisions of Appendix 3 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The details of the amendments are as follows:

(A) The following new definitions shall be inserted amongst those set out in Bye-Law 1 such that all definitions therein are arranged in alphabetical order:

“associates” shall have the meaning ascribed to it under The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited from time to time in force;

“Exchange Listing Rules” shall have the meaning ascribed to it under The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited from time to time in force;

(B) A new Bye-Law 58A as follows shall be inserted immediately after Bye-Law 58:

“58A. Where any Member is, under the Exchange Listing Rules, 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.”

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- (C) Bye-Law 79 shall be deleted in its entirety and replaced by the following:

"79. No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office. The period for lodgment of the above notices to the Company will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting, provided that the minimum length of period during which such notices may be given, will be at least 7 days."

- (D) Bye-Law 91(C) shall be amended by inserting the word "not" immediately after the word "shall" in the twelfth line of Bye-Law 91(C).

- (E) The following shall be added to the end of the last sentence of Bye-Law 91(D) immediately before ".":

"and except (in the case of an office or place of profit with any such other company as aforesaid) where the other company is a company in which the Director together with any of his associates in aggregate own 5 per cent or more of the issued shares of any class of the equity share capital of such company or of the voting rights attached to any class of shares of such company."

- (F) The following words shall be deleted from the third and fourth lines of Bye-Law 91(F):

", if his interest in such contract or arrangement or proposed contract or arrangement is material."

- (G) Bye-Law 91(G) shall be deleted in its entirety and replaced by the following:

"(G) A Director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the same board meeting, but this prohibition shall not apply and a director may vote (and be counted in the quorum) in respect of any resolution concerning any one or more of the following matters:

- (a) the giving to him or any of his associates of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;



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- (b) the giving to a third party of any guarantee, indemnity or security in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself or any of his associates has assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (c) where the Company or any of its subsidiaries is offering securities and the Director or any of his associates is or may be entitled to participate in the underwriting or sub-underwriting of such offer;
- (d) any contract in which he or any of his associates is interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his or their interest in shares or debentures or other securities of the Company;
- (e) any contract concerning any other company (not being a company in which the Director and any of his associates in aggregate own 5 per cent. or more) in which he or any of his associates is interested directly or indirectly as an officer or shareholder.

A company shall be deemed to be one in which a Director and any of his associates in aggregate own 5 per cent. or more if and so long as (but only if and so long as) they are (either directly or indirectly) the holder of or beneficially interested in 5 per cent. or more of any class of the equity share capital of that company (or of any third company through which the interest of the Director or that of his associates is derived) or of the voting rights available to members of that company. For the purpose of this paragraph there shall be disregarded any shares held by the Director or any of his associates as bare or custodian trustee and in which he and his associates have no beneficial interest, any shares comprised in a trust in which the interest of him and his associates is in reversion or remainder if and so long as some other person is entitled to receive the income of the trust and any shares comprised in an authorized unit trust scheme in which he or any of his associates is interested only as a unit holder.

Where a company in which a Director and any of his associates in aggregate own 5 per cent. or more is materially interested in a contract, he shall also be deemed to be materially interested in that contract;

- (f) any contract concerning the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, their associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director or any of his associates as such any privilege or advantage not accorded to the employees to which the fund or scheme relates;

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- (g) any contract for the benefit of employees of the Company or of any of its subsidiaries under which the Director or any of his associates benefits in a similar manner to the employees and which does not accord to any Director or any of his associates as such any privilege or advantage not accorded to the employees to whom the contract relates; and
 - (h) any contract for the purchase or maintenance for any Director or Directors of insurance against any liability.”
- (H) Bye-Law 91(H) shall be deleted in its entirety and replaced by the following:

“(H) If any question shall arise at any meeting of the Board as to the materiality of an interest of a Director (other than the chairman of the meeting) and any of his associates or as to the entitlement of any Director (other than the chairman of the meeting) to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be referred to the chairman of the meeting and his ruling in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the Director or any of his associates concerned, so far as known to him, has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting or any of his associates and is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be decided by a resolution of the Directors (for which purpose the chairman of the meeting shall not be counted in the quorum and shall not vote on the matter) and the resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman of the meeting or any of his associates, so far as known to him, has not been fairly disclosed to the Board.””

By Order of the Board

Wong Kwok Ying
Company Secretary

Hong Kong, 29 April 2004

*Head Office and
Principal Place of Business:*
Units E & F, 2nd Floor
Hop Hing Building
9 Ping Tong Street East
Tong Yan San Tsuen
Yuen Long, New Territories

Registered Office:
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda



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Notes:

1. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and in the event of a poll, vote on his behalf. A proxy need not be a Member of the Company.
2. To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or a notorially certified copy of that power of attorney or authority must be deposited at the Company's Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the holding of the meeting.
3. In relation to item 2 set out in this Notice regarding re-election of directors, Mr. Wong Yu Hong, Philp, Mr. Cheung Wing Yui, Edward and Ms. Hung Chiu Yee will retire at the meeting by rotation. They are eligible for re-election. The biographical details of the retiring directors are provided in the "Directors and Senior Executives" section in the 2003 Annual Report of the Company. Except as disclosed in the "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares" section of the Report of the Directors in the 2003 Annual Report, none of the retiring directors has any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). None of the retiring directors have signed any service contract with the Company and their emoluments will be reviewed annually taking into consideration prevailing market practice. Save as disclosed above, none of the retiring directors is related to any directors, senior management or substantial or controlling shareholders of the Company.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s), and for this purpose seniority will be determined by the order in which the names stand in the Register of Members of the Company in respect of the joint holding.
5. Concerning item 5A above, the Directors wish to state that approval is being sought from Members for a general mandate to be given to the Directors to allot additional securities of the Company in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to issue any securities of the Company up to 20 per cent of the existing issued share capital.
6. Concerning items 5B and 5C above, approval is being sought from Members for a general mandate to be given to the Directors to repurchase securities and to reissue securities as a result of such repurchase. In accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), a letter setting out the terms and conditions upon which such power will be exercised accompanies this notice.
7. Concerning item 6 above, approval is being sought from Members for amendment of the Bye-laws of the Company to reflect the amended provisions of Appendix 3 to the Listing Rules which came into effect on 31 March 2004.