

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Nurity International Group Limited (the "Company") will be held at Royal Room I & II, Majestic Hotel, 348 Nathan Road, Kowloon, Hong Kong on 10th June 2004 (Thursday) at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated accounts and the reports of the directors and of the auditors for the year ended 31st December 2003;
2. To re-elect those directors retiring by rotation pursuant to the Company's Articles of Association and to authorize the directors to fix their remuneration;
3. To re-appoint PricewaterhouseCoopers as auditors of the Company and to authorise the directors to fix their remuneration;
4. To consider as special business, and if thought fit, to pass the following resolution as an Ordinary Resolution:

Ordinary Resolution

"THAT:

- (A) subject to paragraph (C) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to issue, allot and dispose of additional shares in the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby approved generally and unconditionally;
- (B) the approval in paragraph (A) above shall be in addition to any other authorisation given to the directors of the Company and 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 power after the end of the Relevant Period;
- (C) the aggregate nominal amount of share capital issued, allotted and disposed of, or agreed conditionally or unconditionally to be issued, allotted and disposed of (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 or (ii) the share option scheme of the Company approved by The Stock Exchange of Hong Kong Limited, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

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;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required either by any applicable laws or by the Articles of Association of the Company to be held; and

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- (iii) the date upon which the authority set out in this Resolution is revoked or varied by way of an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to the holders of shares on the register on a fixed record date in proportion to their 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 any relevant jurisdiction or the requirements of any recognised regulatory body or any stock exchange, in any territory outside Hong Kong.”

- 5. To consider as special business, and if thought fit, to pass the following resolution as an Ordinary Resolution:

“THAT:

- (A) subject to paragraph (B) below, the exercise by the directors of the Company during the Relevant Period of all powers of the Company to repurchase issued shares in the capital of the Company, in accordance with all applicable laws and the requirements set out in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and is hereby approved generally and unconditionally;
- (B) the aggregate nominal amount of shares authorised to be repurchased or agreed conditionally or unconditionally to be repurchased by the directors of the Company pursuant to the approval in paragraph (A) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution, and the said approval shall be limited accordingly; and

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;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required either by any applicable laws or by the Articles of Association of the Company to be held; and
- (iii) the date upon which the authority set out in this Resolution is revoked or varied by way of an ordinary resolution of the shareholders in general meeting.”

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6. To consider as special business, and if thought fit, to pass the following resolution as an Ordinary Resolution:

"THAT conditional upon the passing of Ordinary Resolutions numbered 4 and 5 as set out in the Notice convening this meeting, the aggregate nominal amount of the number of shares in the capital of the Company that shall have been repurchased by the Company after the date thereof pursuant to and in accordance with the said Ordinary Resolution 5 shall be added to the aggregate nominal amount of share capital that may be issued, allotted and disposed of or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to the general mandate to allot and issue shares granted to the directors of the Company by the said Ordinary Resolution 4."

7. To consider as special business, and if thought fit, to pass the following resolution as a Special Resolution:

"THAT the existing articles of association of the Company be and are hereby amended in the following manner:

(a) Article 2

- (i) By inserting the following definition immediately before the definition of "capital";

"Associate", in relation to any Director, shall have the meaning as defined under Rule 1.01 of the Listing Rules;"

- (ii) By inserting the following definition immediately before the definition of "the Law";

"Hong Kong" shall mean the Hong Kong Special Administrative Region of the People's Republic of China;"

- (iii) By inserting the following definition immediately before the definition of "member";

"Listing Rules" shall mean the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited;"

- (iv) By deleting the existing definitions of "subsidiary" and "holding company" in their entirety and substituting therefor the following new definition:

subsidiary and holding company	"subsidiary" and "holding company" shall have the meanings attributed to such term in the Companies Ordinance (Cap.32), but interpreting the term "subsidiary" in accordance with the definition of "subsidiary" under the Listing Rules;
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(b) Article 69

- (i) By adding the words "a poll is taken as may from time to time be required under the Listing Rules or any other applicable laws, rules or regulations or" immediately after the word "unless" in the second sentence of the first paragraph of Article 69;

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- (ii) By adding the words “a poll is taken as may from time to time be required under the Listing Rules or any other applicable laws, rules or regulations or” immediately after the word “Unless” at the beginning of the second paragraph of Article 69.

(c) Article 70

By deleting the existing Article 70 in its entirety and substituting therefore the following new Article:

“70. If a poll is required or duly demanded it shall (subject as provided in Article 73) be taken in such manner (including the use of ballot or voting papers or tickets or scrutineers) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was required or demanded, as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was required or demanded. No notice need be given of a poll not taken immediately. The demand for a poll may be withdrawn with the consent of the chairman at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

(d) Article 72

By adding the words “requirement or” immediately before the word “demand” in the beginning of Article 72.

(e) Article 74

By renumbering the existing Article 74 as Article 74(A) and adding the following new Article:

“(B) Where any member is, under any applicable laws or the Listing Rules as modified from time to time, 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) Article 89

By deletion of the existing Article 89 in its entirety and substituting therefor the following new Article:

“89. No person, other than a retiring Director, shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting, unless notice in writing by some member (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 that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company provided that the minimum length of the period, during which such notices are given, shall be at least 7 days. The period for lodgment of such notices shall commence no earlier than the day after the despatch of notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting.”

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(g) Article 93

By renumbering the existing Article 93(B) as Article 93(C) and adding the following new Article as Article 93(B):

“(B) The Company shall obtain the prior approval of its members in general meeting (at which the relevant Director and his Associate(s) shall not vote on the matter) for any service contract to be granted by the Company or any of its subsidiaries to any Director or proposed Director of the Company or to any Director or proposed Director of any of its subsidiaries which:-

- (i) is for the duration that may exceed three years; or
- (ii) in order to entitle the Company to terminate the contract, expressly requires the Company to give a period of notice of more than one year or to pay compensation or make other payments equivalent to more than one year’s emoluments.”

(h) Article 113

- (i) By inserting the words “or his Associate(s)” immediately after the word “he” on the first sentence of Article 113(C);
- (ii) By deleting the word “is” on the first sentence of Article 113(C) and substituting therefor the word “is/are”;
- (iii) By deleting the existing Article 113(E) in its entirety and substituting therefor the following new Article:

“(E) A Director shall not vote (nor be counted in the quorum) on any resolution of the Directors approving any contract or arrangement or proposal in which he or any of his Associate(s) is to his knowledge materially interested, and if he shall do so his vote shall not be counted (nor is he counted in the quorum for that resolution), but this prohibition shall not apply to any of the following matters namely:-

- (i) the giving of any security or indemnity either:-
 - (a) to the Director or his Associate(s) in respect of money lent 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; or
 - (b) 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;

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- (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;
- (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 shares of that company, providing that the Director, and any of his Associates are, not in aggregate interested in 5% 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 associates is derived) or of the voting rights;
- (iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:–
 - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his Associate(s) may benefit; or
 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his Associates and employees of the issuer 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 or other securities of the Company."
- (iv) By deleting the existing Article 113(F) in its entirety and substituting therefor the following new Article:

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“(F) If any question shall arise at any meeting of the Directors as to the materiality of the interest of a Director (other than the chairman of the meeting) or his Associate(s) or as to the entitlement of any Director (other than the chairman of the meeting) or his Associate(s) to vote or form part of a quorum and such question is not resolved by his/their 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 and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned or his Associate(s) as known to such Director has not been fairly disclosed to the other Directors. If any question as aforesaid shall arise in respect of the chairman of the meeting or his Associate(s), such question shall be decided by a resolution of the Directors (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman or his Associate(s) as known to him has not been fairly disclosed to the other Directors.”

By order of the Board
Chan Yuen Bik, Jane
Company Secretary

Hong Kong, 23rd April 2004

Notes:

- i. A member entitled to attend and vote at the meeting convened is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- ii. 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 or authority shall be deposited at the head office and principal place of business of the Company, 12th Floor, Parkes Commercial Centre, 2-8 Parkes Street, Tsimshatsui, Kowloon, Hong Kong not less than forty-eight hours before the time for holding of the meeting or any adjournment thereof.
- iii. A circular containing details regarding resolutions no.5 to 7 will be sent to shareholders together with the 2003 Annual Report.
- iv. Pursuant to the Article 69 of the Company, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by (i) the chairman of the meeting; (ii) at least three members present in person or by proxy or representative for the time being entitled to vote at the meeting; (iii) any member or members present in person or by proxy or representative and representing not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or (iv) any member or members present in person or by proxy or representative and holding shares in the Company conferring a right to attend and vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.