

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the Members of the Company will be held at Room 2500, Dominion Centre, 43-59 Queen's Road East, Wanchai, Hong Kong on Monday, 23rd August 2004 at 12:00 noon for the following purposes:

1. To receive, consider and adopt the Audited Accounts and the Reports of the Directors and Auditors for the year ended 31st March 2004.
2. To declare a final dividend and a special dividend for the year ended 31st March 2004.
3. To re-elect Directors and fix the Directors' fees.
4. To re-appoint Messrs. PricewaterhouseCoopers as Auditors of the Company and authorize the Board to fix their remuneration.
5. As special business, to consider and, if thought fit, pass with or without modifications, the following resolutions as Ordinary Resolutions:

(A) **"THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares of HK\$0.65 each ("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 ("the Stock Exchange") ("the Listing Rules"), 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 paragraph (a) above shall not exceed 10% of the aggregate nominal amount of Shares of the Company in issue at the date of this resolution and the said approval shall be limited accordingly; and
- (c) for the purposes 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 Companies Ordinance to be held; and
 - (iii) 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."

- (B) **“THAT** the general mandate unconditionally given to the Directors to issue and dispose of additional shares not exceeding 20% of the existing issued share capital of the Company be and is hereby renewed until whichever is the earlier of:
- (a) the conclusion of the next Annual General Meeting of the Company;
 - (b) the expiration of the period within which the next Annual General Meeting of the Company is required by the Companies Ordinance 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 the Resolutions Nos. 5(A) and 5(B), the general mandate granted to the Directors to issue and dispose of additional shares pursuant to Resolution No. 5(B) 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 Resolution No. 5(A), provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing this resolution.”
6. As special business, to consider and, if thought fit, pass with or without modifications the following resolution as a Special Resolution:

“THAT the Articles of Association of the Company be and is hereby amended in the following manner:

- (A) Article 2
- (a) By deleting the definition of “associate” in its entirety and the marginal note thereof and substituting therefor the following definition and marginal note in Article 2:

associate.	“associate” in relation to any Director shall have the same meaning as ascribed to it under Rule 1.01 of the Listing Rules;
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 - (b) By adding the following new definition and marginal note immediately after the definition of “the Chairman” and the marginal note thereof in Article 2:

clearing house.	“clearing house” shall mean a “recognised clearing house” within the meaning of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) and any amendments thereto or re-enactments thereof for the time being in force;
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- (c) By adding the following new definition and marginal note immediately after the definition of “shareholders” or “members” and the marginal note thereof in Article 2:

special notice. “special notice” in relation to a resolution shall have the same meaning as ascribed to it under Section 116C of the Companies Ordinance;

- (d) By adding the following new definition and marginal note immediately before the definition of “summary financial report” and the marginal note thereof in Article 2:

subsidiary. “subsidiary” shall have the same meaning as ascribed to it under Rule 1.01 of the Listing Rules;

- (B) New paragraph (A) of Article 3

By re-lettering Article 3 as paragraph (B) of Article 3 and adding the following new paragraph (A) and marginal note immediately before paragraph (B) and the marginal note thereof of Article 3:

Capital structure. 3. (A) The authorised share capital of the Company is HK\$97,500,000.00 divided into 150,000,000 ordinary shares of HK\$0.65 each respectively having attached thereto the rights and subject to the restrictions hereinafter set out.

- (C) Article 6

By deleting in the 14th line of Article 6 the word “or” immediately after the words “Hong Kong Limited” and substituting therefor a comma “,”, and deleting in the 15th line the words “from time to time” immediately before the final full stop and substituting therefor the words “and any other relevant regulatory authorities from time to time (in particular, where the purchase is for redemption of a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price; and if purchases are by tender, tenders shall be available to all members alike)”, and deleting the final quotation mark in the 15th line.

- (D) Article 8

By adding at the end of Article 8 the words “provided that where the Company issues shares which do not carry voting rights, the words ‘non-voting’ shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, shall include the words ‘restricted voting’ or ‘limited voting’” immediately after the word “voting”.

(E) Article 16

By deleting in the 2nd and 3rd lines of Article 16 the words "without payment to receive within ten business days or such other period as specified by The Stock Exchange of Hong Kong Limited" and substituting therefor the words "to receive within such period of time as may be prescribed by the Companies Ordinance or the Listing Rules"; and deleting in the 10th line the words "after the first" immediately after the words "every certificate".

(F) Article 37

By deleting in the 2nd and 3rd lines of Article 37 the words "and may be under hand only" immediately after the word "accept".

(G) Article 38

By deleting Article 38 in its entirety and the marginal note thereof and substituting therefor the following Article and marginal note:

Execution of transfer. 38. The instrument of transfer of any share shall be executed by or on behalf of the transferor and by or on behalf of the transferee, and shall be executed with a manual signature or machine imprinted signature by or on behalf of the transferor or transferee provided that in the case of execution by machine imprinted signature by or on behalf of the transferor or transferee, the Company shall have previously been provided with a list of specimen signatures of the authorised signatories of such transferor or transferee and the Board shall be reasonably satisfied that such machine imprinted signature corresponds to one of those specimen signatures. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof. Nothing in these Articles shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.

(H) Article 74

(a) By adding the words "unless 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 before the word "unless" in the second line of the first paragraph of Article 74.

(b) By adding the words “a poll be so required or” immediately after the word “Unless” in the first line of the second paragraph of Article 74.

(c) By adding the words “required or” immediately before the word “demanded” at the end of the marginal note of Article 74.

(I) Article 75

By adding the words “required or” immediately before the word “demanded” in the first line, the 4th line and the 7th line of Article 75.

(J) Article 77

By adding the words “required or” immediately before the word “demanded” in the third line of Article 77.

(K) Article 80

By inserting in the 4th line of Article 80 the words “or representatives (as the case may be)” immediately after the word “representative”.

(L) New paragraph (C) of Article 84

By adding the following new paragraph (C) and marginal note immediately after paragraph (B) and the marginal note thereof of Article 84:

Voting in contravention (C) of the Listing Rules.	Where any member is, under the 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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(M) Article 88

By adding at the end of Article 88 the words “provided that, in any event, such form shall include a provision whereby the member may, if he so elects, indicate whether his proxy is directed to vote for or against the resolution in question” immediately after the word “approve”.

(N) Paragraph (B) of Article 91

By deleting paragraph (B) of Article 91 in its entirety and substituting therefor the following paragraph:

- (B) Where a clearing house or its nominee(s) is a member of the Company, it or its nominee(s) may authorise or appoint such person(s) as it thinks fit to act as its representative(s) or proxy(ies) (whether or not exceeding two in total) at any members' general meeting of the Company or at any meeting of any class of members of the Company provided that, if more than one person is so authorised or appointed, the authorisation or instrument of proxy must specify the number and class of shares in respect of which each such person is so authorised or appointed. The person so authorised or appointed under the provisions of this Article shall be entitled to exercise the same powers on behalf of the clearing house (or its nominee(s)) which he represents as that clearing house (or its nominee(s)) could exercise as if such person were an individual member of the Company including, where applicable, the right to vote individually on a show of hands notwithstanding any contrary provisions contained in these Articles.

(O) Paragraph (C) of Article 95

By adding to the end of paragraph (C) of Article 95 the words "Section 153B(1) of the Companies Ordinance shall not apply to an alternate Director appointed pursuant to these Articles but the alternate Director shall be liable for his own torts." immediately after the words "these Articles."

(P) Sub-paragraph (vii) of paragraph (A) of Article 101

By deleting in the 1st line of sub-paragraph (vii) of paragraph (A) of Article 101 the words "a special" immediately after the word "by" and substituting therefor the words "an ordinary".

(Q) Paragraph (H) of Article 102

- (a) By deleting in the 2nd and 3rd lines of paragraph (H) of Article 102 the words "in respect of any contract or arrangement in which he is to his knowledge" immediately after the word "Board" and substituting therefor the words "approving any contract or arrangement or any other proposal in which he or any of his associate(s) to his knowledge is/are";
- (b) By deleting sub-paragraph (i) of paragraph (H) of Article 102 in its entirety and substituting therefor the following sub-paragraph:
- (i) any contract or arrangement for the giving by the Company of any security or indemnity to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;

- (c) By deleting sub-paragraph (ii) of paragraph (H) of Article 102 in its entirety and substituting therefor the following sub-paragraph:
 - (ii) any contract or arrangement for the giving by the Company 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 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;
- (d) By inserting in the 1st and 5th lines of sub-paragraph (iii) of paragraph (H) of Article 102 the words "or his associate(s)" immediately after the word "Director";
- (e) By deleting sub-paragraph (iv) of paragraph (H) of Article 102 in its entirety and substituting therefor the following sub-paragraph:
 - (iv) any contract or arrangement or proposal concerning an offer of the 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 participant(s) in the underwriting or sub-underwriting of the offer;
- (f) By deleting in the 1st line of sub-paragraph (v) of paragraph (H) of Article 102 the words "is interested" immediately after the word "Director" and substituting therefor the words "or his associate(s) is/are interested", and inserting in the 3rd line the words "or any of their" immediately after the word "his";
- (g) By deleting sub-paragraph (vi) of paragraph (H) of Article 102 in its entirety and substituting therefor the following sub-paragraph:
 - (vi) any contract, arrangement or 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 and/or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in 5 per cent. or more of the issued shares or voting rights of any class of shares of such company (or of any third company through which his interest or that of his associates is derived);

- (h) By inserting in the 4th line of sub-paragraph (vii) of paragraph (H) of Article 102 the words "(and/or their associates)" immediately after the word "Directors" and inserting in the 5th line the words "or its associated companies" immediately after the word "subsidiaries", and deleting in the 6th line the word "director " immediately after the word "any" and substituting therefor the words "Director or his associate(s)";
- (i) By inserting in the 1st line of sub-paragraph (viii) of paragraph (H) of Article 102 the words "or arrangement" immediately after the word "proposal" and inserting in the 5th line the words "or his associate(s)" immediately after the word "Director" and deleting the final full stop "." immediately after the word "benefit" in the 5th line and substituting therefor a semicolon ";";
- (j) By inserting the following new sub-paragraph (ix) of paragraph (H) of Article 102:
 - (ix) any contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy for the benefit of any Director, officer or Auditors of the Company pursuant to these Articles.

(R) Paragraph (I) of Article 102

By deleting paragraph (I) of Article 102 in its entirety and substituting therefor the following paragraph:

- (I) A company shall be deemed to be a company in which a Director and/or his associate(s) in aggregate own(s) 5 per cent. or more if and so long as (but only if and so long as) he and/or his associate(s) in aggregate is/are (either directly or indirectly) the holder(s) of or beneficially interested in 5 per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest or that of any of his associates is derived) or of the voting rights available to members of such company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Directors and/or his associate(s) is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.

- (S) Paragraph (J) of Article 102

By deleting paragraph (J) of Article 102 in its entirety and substituting therefor the following paragraph:

- (J) Where a company in which a Director and/or his associate(s) in aggregate own(s) 5 per cent. or more (within the meaning as described in paragraph (I) of Article 102) is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.

- (T) Paragraph (K) of Article 102

By inserting in the 2nd line of paragraph (K) of Article 102 the words "or his associate(s)" immediately before the word "or", and inserting the words "and/or his associate(s)" immediately after the words "Director concerned" in the 8th line, immediately after the words "Chairman of the meeting" in the 10th line and immediately after the words "interest of such Chairman" in the 14th line;

- (U) Paragraph (A) of Article 103

By inserting in the 3rd line of paragraph (A) of Article 103 the words "or such other manner of rotation as may be required by the Listing Rules or other codes, rules and regulations as may from time to time be prescribed by the applicable regulatory authority" immediately after the words "nearest one-third,".

- (V) Article 106

By inserting at the end of Article 106 the words "Any person so elected and appointed as a Director either to fill the vacancy of a removed Director or as an addition to the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting." immediately after the words "the Board.".

(W) Article 107

By deleting Article 107 in its entirety and the marginal note thereof and substituting therefor the following Article and marginal note:

Notice to be given when person proposed for election. 107. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed for his willingness to be elected shall have been lodged at the registered office of the Company provided that the minimum length of the period, during which such notice is given, shall be at least seven (7) days and that the period for lodgment of such notice shall commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and ending no later than seven (7) days prior to the date appointed for such general meeting.

(X) Article 109

By deleting Article 109 in its entirety and the marginal note thereof and substituting therefor the following Article and marginal note:

Power to remove Director by ordinary resolution. 109. The Company may by ordinary resolution remove any Director (including a Managing Director or other Executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract of service between him and the Company). Special notice is required of a resolution to remove a Director or to appoint somebody in place of a Director so removed at the general meeting at which he is removed in accordance with the Ordinance.

(Y) Article 158

By deleting in the second line of Article 158 the word "mad" immediately after the words "or otherwise" and substituting therefor the word "made".

(Z) Paragraph (B) of Article 167

By deleting in the first line of paragraph (B) of Article 167 the words "shall send to" immediately after the words "the Company" and substituting therefor the words "shall deliver or send by post to the registered address of".

(AA) Paragraph (A) of Article 183

By deleting in the 3rd to 4th lines of paragraph (A) of Article 183 the words "paragraph (c) of the proviso to Section 165" immediately after the words "mentioned in" and substituting therefor the words "Section 165(2)".

(BB) Paragraph (B) of Article 183

By deleting in the 1st line of paragraph (B) of Article 183 the words "Section 165 of" immediately after the words "Subject to" and substituting therefor the words "the provisions of and so far as may be permitted by", and deleting in the 6th line the word "form" immediately after the words "as aforesaid" and substituting therefor the word "from".

(CC) New paragraph (C) of Article 183

By adding the following new paragraph (C) and marginal note immediately after paragraph (B) of Article 183:

Liability Insurance. (C) Subject to the provisions of and so far as may be permitted by the Companies Ordinance, the Company may purchase and maintain for any Director, officer or Auditors 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

(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.

In this paragraph (C) of Article 183, "related company" in relation to the Company means any company that is the Company's subsidiary or holding company or a subsidiary of the Company's holding company."

By Order of the Board

Raymond Chu Wing Man

Company Secretary

Hong Kong, 30th July 2004

Notes:

- (i) 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 in his stead. A proxy need not be a member of the Company.
- (ii) To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the Company's registered office, Room 2500, Dominion Centre, 43-59 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting thereof.
- (iii) The Register of Members of the Company will be closed from Monday, 16th August 2004 to Monday, 23rd August 2004, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend and special dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Registrars, Hongkong Managers and Secretaries Limited, 26th Floor, Citicorp Centre, 18 Whitfield Road, Causeway Bay, Hong Kong for registration not later than 4:00 p.m. on Friday, 13th August 2004.
- (iv) Concerning the above proposed Ordinary Resolution No. 5, approval is being sought from the Shareholders to give general mandate to the Directors to issue and repurchase shares of the Company pursuant to Section 57B of the Companies Ordinance and the Listing Rules. The Directors wish to state that they have no immediate plans to issue any new shares or to repurchase any shares of the Company.
- (v) The above proposed Special Resolution No. 6 is mainly to facilitate the compliance with the recent changes of the Companies Ordinance and the Listing Rules.
- (vi) The translation into Chinese language of this notice (including the Special Resolution No. 6 which contains the proposed amendments to the Company's Articles of Association) is for reference only. In case of any inconsistency, the English version shall prevail.
- (vii) A circular containing information regarding Resolutions Nos. 5 and 6 will be sent to the Shareholders together with the Company's 2004 Annual Report.