

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Tak Sing Alliance Holdings Limited (the “Company”) will be held at Carrianna (Chiu Chow) Restaurant, 1st Floor, 151 Gloucester Road, Wan Chai, Hong Kong on Thursday, 26 August 2004 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited Financial Statements and the Reports of the Directors and of the Auditors for the year ended 31 March 2004.
2. To declare a final dividend for the year ended 31 March 2004.
3. To re-elect Directors and to authorise the Board of Directors to fix Directors’ remuneration.
4. To re-appoint Auditors and to 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 resolutions as an Ordinary Resolutions:

ORDINARY RESOLUTIONS

A. “THAT

- (a) Subject to paragraph (b) below, the exercise by the Directors during the Relevant Period of all the powers of the Company to purchase issued shares of HK\$0.10 each in the capital of the Company, subject to and in accordance with the 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 to be purchased 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 on the date 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 date of passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next Annual General Meeting of the Company;
 - (ii) the revocation or variation of the authority given under this Resolution by Ordinary Resolution of the shareholders in general meeting; and
 - (iii) 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 the laws of Bermuda to be held.”.

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B. "THAT

- (a) subject to sub-paragraph (c) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which 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 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 allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in sub-paragraph (a) of this Resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; and
 - (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company;

shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the 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 revocation or variation of the authority given under this Resolution by Ordinary Resolution of the shareholders in general meeting; and
 - (iii) 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 the laws of Bermuda to be held.";

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“Rights Issue” means an offer of shares in the Company open for a period fixed by the Directors to holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regards to any restrictions or obligations under the laws of, or the requirements of any recognised body or any stock exchange, in any territory outside Hong Kong)”.

- C. **“THAT** conditional upon the passing of the Ordinary Resolutions no. 5A and 5B set out above, the general mandate granted to the Directors pursuant to resolution no. 5B be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital repurchased by the Company under the authority granted in resolution no. 5A, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this Resolution.”.

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

SPECIAL RESOLUTION

“THAT the bye-laws (the “Bye-Laws”) of the Company be amended as follows:

- a. (i) by deleting the existing definition of “associates” in Bye-Law 1(A) and substituting therefor the following new definition:

“associate(s)” shall have the same meanings as in the rules of the stock exchange in the Relevant Territory as amended from time to time;

- (ii) by deleting the words “a recognised clearing house within the meaning of Section 2 of the Securities and Futures (Clearing Houses) Ordinance (Chapter 420 of the Laws of Hong Kong) or” in the definition of “Clearing House”;

- (iii) by adding the new definitions of “address”, “electronic”, “full financial statements” and “summarized financial statements” in Bye-Law 1(A):

“address” shall have the ordinary meaning given to it and shall include any facsimile number, electronic number or address or website used for the purposes of any communication pursuant to these Bye-Laws;

“electronic” shall mean relating to technology having electrical, digital, magnetic, wireless, optical electromagnetic or similar capabilities and such other meanings as given to it in the Electronic Transactions Act 1999 of Bermuda as may be amended from time to time;

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“full financial statements” shall mean the financial statements that are required under section 87(1) of the Companies Act;

“summarized financial statements” shall have the meaning ascribed to them in section 87A(3) of the Companies Act”.

- (iv) by deleting the existing definition of “Statutes” in Bye-law 1(A) and substituting therefor the following new definition:

“Statutes” shall mean the Companies Act, the Electronic Transactions Act 1999 of Bermuda, and every other act, as may be amended from time to time, for the time being in force of the Legislature of Bermuda applying to or affecting the Company, the Memorandum of Association and/or these presents.

- b. by deleting the existing Bye-Law 40(i) in its entirety and substituting therefor the following new Bye-Law 40(i):

“40. (i) such sum as the Board shall from time to time determine or, if the shares are listed on a stock exchange in the Relevant Territory, such sum shall not exceed the maximum fees prescribed by the stock exchange from time to time, has been paid;”;

- c. by re-numbering the existing Bye-Law 76 as new Bye-Law 76(A) and inserting the following new Bye-Law 76(B) immediately after the new Bye-Law 76(A):

“76. (B) Where the Company has knowledge that any shareholder is, under the rules of the appointed 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 shareholder in contravention of such requirement or restriction shall not be counted.”;

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- d. by deleting the existing Bye-Law 98(H) in its entirety and substituting therefor the following Bye-Law 98(H):

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

- (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 obligation incurred or undertaken by him or any of his associate(s) 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 of any security 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;
- (iii) any contract or arrangement by the Director or his associate(s) to subscribe for shares or debentures or other securities of the Company to be issued pursuant to any offer or invitation to the shareholders or debenture or securities holders of the Company or to the public which does not provide the Director or his associate(s) any privilege not accorded to any other shareholders or debenture or securities holders of the Company or to the public;
- (iv) any contract or arrangement 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 a participant in the underwriting or sub-underwriting of the offer and/or for the purposes of making any representations, the giving of any covenants, undertakings or warranties or assuming any other obligations in connection with such offer;

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- (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 and/or his/their being the offeror(s) or one of the offerors or is/are interested in one of the offerors for the purchase or effective acquisition of such shares, debentures or other securities;
- (vi) any contract or arrangement 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, provided that the Director and any of his associates are not in aggregate beneficially interested in five (5) per cent. 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 associate(s) is derived) or of the voting rights;
- (vii) any proposal or arrangement concerning 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 under which a Director or his associate(s) may benefit and which has been approved by or is subject to and conditional on approval by the relevant taxing authorities for taxation purposes or relates both to Directors, his associates and employees of the Company or of any of its subsidiaries and does not give the Director or his associate(s), as such any privilege not accorded to the class of persons to whom such scheme or fund relates; and
- (viii) any proposal or arrangement concerning the adoption, modification or operation of any employees' share 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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- e. by deleting the existing Bye-Law 98(I) in its entirety and substituting therefor the following new Bye-Law 98(I):

“98(I) A company shall be deemed to be a company in which a Director and/or his associate(s) own(s) five (5) per cent. or more of any class of the voting equity share capital of such company or of the voting rights of any class of shares of such company if and so long as (but only if and so long as) he and/or his associates is (either directly or indirectly) the holder of or beneficially interested in five (5) per cent. or more of any class of the issued voting equity share capital of such company (or of any third company, other than the Company or any of its subsidiaries, through which his interest or that of any of his associates is derived) or of the voting rights of any class of shares of the 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 Director and/or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, any shares comprised in an authorised unit trust scheme in which the Director and/or his associate(s) is/are interested only as a unit holder, and shares which carry no voting right at general meetings and no or nugatory dividend and return of capital rights.”;

- f. by deleting the existing Bye-Law 98(J) in its entirety and substituting therefor the following new Bye-Law 98(J):

“98(J) Where a company (other than a company which is a wholly owned subsidiary of the Company) in which a Director and/or his associate(s) holds five (5) per cent. or more of any class of the voting equity share capital of such company or of the voting rights of any class of shares available to shareholders of the company is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.”;

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- g. by deleting the existing Bye-Law 98(K) in its entirety and substituting therefor the following new Bye-Law 98(K):

“98(K) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the Chairman) or his associate(s) or as to the entitlement of any Director (other than such Chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question (unless it relates to the Chairman) shall be referred to the Chairman and his ruling in relation to such Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the Chairman such question shall be decided by a resolution of the Board (for which purpose the Chairman shall not be counted in the quorum and 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 the Chairman as known to him has not been fairly disclosed to the Board.”;

- h. by deleting the existing Bye-Law 103 in its entirety and substituting therefor the following new Bye-Law 103:

“103. 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 provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven (7) days and that the period for lodgement of such notice(s) shall commence no earlier than the date after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.”;

- i. By inserting the following words at the beginning of Bye-Law 162(B):

“Subject to bye-law 162(C) below,”;

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- j. By adding the following new Bye-Laws 162(C) and (D):

“162(C) The Company may send summarized financial statements to members of the Company who have, in accordance with the Statutes and any applicable rules prescribed by The Stock Exchange of Hong Kong Limited, consented and elected to receive summarized financial statements instead of the full financial statements. The summarized financial statements must be accompanied by an auditor’s report and notice informing the member how to notify the Company that he elects to receive the full financial statements. The summarized financial statements, notice and auditor’s report must be sent not less than twenty-one days before the general meeting to those members that consented and elected to receive the summarized financial statements.”;

“162(D) Subject to Section 88 of the Companies Act, the Company shall send the full financial statements to a member within seven days of receipt of the member’s election to receive the full financial statements.”;

- k. by deleting the existing Bye-Law 167 in its entirety and substituting therefore the following new Bye-Law 167(A) and (B):

“167 (A) (1) Except where otherwise expressly stated, any notice to be given to or by any person pursuant to these Bye-Laws shall be in writing or, to the extent permitted by the Statutes and any applicable rules prescribed by The Stock Exchange of Hong Kong Limited from time to time and subject to this Bye-Law, contained in an electronic communication. A notice calling a meeting of the Board need not be in writing.

(2) A notice in respect of any document (including a share certificate) may be served on or delivered to any member of the Company either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such member at his registered address as appearing in the register or by leaving it at that address addressed to the member or by any other means authorised in writing by the member concerned or by publishing it by way of advertisement in at least one English language newspaper and one Chinese language newspaper circulating generally in the Hong Kong SAR. 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 sufficient notice to all the joint holders. Without limiting the generality of the foregoing but subject to the Statutes and any rules prescribed by The Stock Exchange of Hong Kong Limited from time to time, a notice or document may be served or delivered by the Company to any member by electronic means to such address as may from time to time

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be authorised by the member concerned or by publishing it on a computer network and notifying the member concerned, in such manner as he may from time to time authorise, that it has been so published.

- (3) Any such notice or document may be served or delivered by the Company by reference to the register as it stands at any time not more than fifteen days before the date of service or delivery. No change in the register after that time shall invalidate that service or delivery. Where any notice or document is served or delivered to any person in respect of a share in accordance with these Bye-laws, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that notice or document.”;

“167(B) (1) Any notice or document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it through the post in a prepaid envelope or wrapper addressed to the Company or to such officer at the Head Office or Registered Office.

- (2) The Board may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of an electronic communication, and may prescribe such procedures as they fit for verifying the authenticity or integrity of any such electronic communication. Any notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the Board.”;

- I. by deleting the existing Bye-Law 169 in its entirety and substituting therefor the following new Bye-Law 169:

“169. Any notice or other document, if sent by mail, postage prepaid, shall be deemed to have been served or delivered on the day following that on which the letter, envelope, or wrapper containing the same is put into the post. In proving such service it shall be sufficient to prove that the letter, envelope or wrapper containing the notice or document was properly addressed and put into the post as prepaid mail. Any notice or document not sent by post but left by the Company at the address of a member noted on the register shall be deemed to have been served or delivered on the day it was so left. Any notice or document, if sent by electronic means (including through any relevant system), shall be deemed to be have been given on the day following that on which the electronic communication was sent by or on behalf of the Company. Any notice or document served or delivered by the Company by any other means authorised in writing by the member concerned shall be deemed to have been

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served when the Company has carried out the action it has been authorised to take for that purpose. Any notice or other document published by way of advertisement in the Newspapers or in an appointed newspaper or posted on a computer network shall be deemed to have been served or delivered on the day it was so published or posted.”

7. To transact any other business.

By Order of the Board
Ng Yan Kwong
Company Secretary

Hong Kong, 29 July 2004

Notes:

1. The Register of Members will be closed from Monday, 23 August 2004 to Thursday, 26 August 2004 (both days inclusive), during which period no transfer of shares will be registered.
2. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a Member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
3. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be lodged with the Company's Share Registrar in Hong Kong, Tengis Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting.
4. An explanatory statement containing further details regarding Resolution Nos. 5 to 6 above will be sent to shareholders shortly together with the 2004 annual report.