

---

## Notice of Ordinary Yearly Meeting

---

NOTICE IS HEREBY GIVEN that the Sixty-sixth Ordinary Yearly Meeting of the Members of the Company will be held at its registered office at 391 Chai Wan Road, Chai Wan, Hong Kong on Friday, 26th November, 2004 at 12:00 noon for the following purposes:-

1. To receive and consider the Statement of Accounts and the Reports of the Directors and Auditors for the year ended 30th June, 2004 and to declare a final dividend.
2. To elect Directors and fix their fees.
3. To appoint Auditors and authorise the Directors to fix their remuneration.
4. As special business to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:  
"THAT:
  - (A) the exercise by the Directors of all powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws and regulations, during the Relevant Period (for the purposes of this Resolution, "Relevant Period" being the period from the passing of this Resolution until the earlier of the conclusion of the next Ordinary Yearly Meeting, or the expiration of the period within which such meeting is required by law to be held, or the revocation or variation of this Resolution by an ordinary resolution of the Shareholders of the Company in general meeting) be and is hereby generally and unconditionally approved; and
  - (B) the total number of shares of the Company purchased by the Company pursuant to paragraph (A) during the Relevant Period shall be no more than 2% of the existing issued share capital of the Company at the date of this meeting, and the authority pursuant to paragraph (A) shall be limited accordingly."
5. As special business to consider and, if thought fit, to pass the following resolution as a Special Resolution:  
"That the Articles of Association of the Company be and are hereby amended in the following respects:
  - (A) amending Article 2 by adding, after the existing definition of "In writing" and "Written", two new definitions as follows:-
    - (1) adding a definition of "Listing Rules", as follows:-  
"Listing Rules" .....The Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
    - (2) adding a definition of "Associate", as follows:-  
"Associate" in relation to any Director.....The meaning ascribed to it under the Listing Rules from time to time.
  - (B) adding the following new sentence at the end of Article 112:-  
"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."

---

## Notice of Ordinary Yearly Meeting (Continued)

---

- (C) deleting the existing Article 121(1) in its entirety and substituting therefor the following new Article 121(1):-

"121. (1) A Director or intending Director shall not be disqualified by his office from entering into a contract or arrangement with the Company, either as a vendor, purchaser, agent or broker or otherwise, and either personally or by or through any firm or company in which he or any of his associates may be a partner or shareholder or from being otherwise interested in any business or transaction in which the Company is interested; and no such contract or arrangement, or any contract or arrangement entered into by or on behalf of the Company with any person, firm or company of or in which any Director or any of his associates shall be in any way interested shall be avoided, nor shall any Director so contracting or any Director or any of his associates being so interested, be liable to account to the Company for any profit realised by any such contract, arrangement, proposal, business or transaction, by reason of such Director holding the office of Director, or of the fiduciary relation thereby established; but any Director so contracting, or any Director or any of his associates being so interested as aforesaid, shall disclose at the meeting of the Board at which the contract, arrangement, proposal, business or transaction is determined on, the nature of the interest of the Director or of any of his associates, if it then exists or in any other case at the first meeting of the Board after the acquisition of the interest of the Director or of any of his associates; and a Director shall not as a Director vote or be counted in the quorum in respect of any contract, arrangement, proposal, business or transaction in which he or any of his associates is materially interested, and if he do so vote his vote shall not be counted provided that this prohibition shall not apply to any of the following matters, namely:-

- (a) the giving of any security or indemnity either:-
- (i) to the Director or any of his associates 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
  - (ii) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his associates has himself assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (b) 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 any of his associates is or is to be interested as a participant in the underwriting or sub-underwriting of the offer;

---

## Notice of Ordinary Yearly Meeting (Continued)

---

- (c) any proposal concerning any other company in which the Director or any of his associates is interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or any of his associates is beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially 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;
- (d) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:-
  - (i) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or any of his associates may benefit; or
  - (ii) 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 Company or 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 generally accorded to the class of persons to which such scheme or fund relates;
- (e) any contract or arrangement in which the Director 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 interest in shares or debentures or other securities of the Company; and
- (f) any contract for the purchase or maintenance for any Director or Directors of insurance against liability.

A general notice that a Director or any of his associates is a member of any specified firm or company, or is to be regarded as interested in any contract, arrangement, proposal, business or transaction with such firm or company, shall be sufficient disclosure under this article, and after such general notice it shall not be necessary to give any special notice relating to any particular contract, arrangement, proposal, business or transaction with such firm or company as aforesaid."

- (D) adding the words "no earlier than the day after the despatch of the notice of the meeting appointed for such election and" immediately after the words "general meeting unless" in the 2nd line of Article 125.

---

## Notice of Ordinary Yearly Meeting (Continued)

---

- (E) deleting the words "Special Resolution" in the 1st line of Article 129 and replacing them with the words "Ordinary Resolution".
- (F) re-numbering the existing Article 195 as Article 195(1) and adding the following new Article 195(2), (3) and (4):-
  - "(2) The Company may indemnify any Director, manager, Secretary or other officer of the Company, against any liability incurred by him:-
    - (a) in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted; or
    - (b) in connection with any application under section 358 of the Companies Ordinance in which relief is granted to him by the court.
  - (3) The Company may purchase and maintain for any Director, manager, Secretary or other officer of the Company:-
    - (a) 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
    - (b) 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.
  - (4) In this article, "related company", in relation to the Company, means any company that is the Company's subsidiary or holding company or a subsidiary of that company's holding company."

6. To transact any other competent business.

By Order of the Board

Kwok Pun Tak  
Secretary

Hong Kong, 8th October, 2004

---

## Notice of Ordinary Yearly Meeting (Continued)

---

### Explanatory Note on Resolution 2

In relation to item 2 above, Dr. Henry Ngan, Messrs. Liu Lit-mo, Fritz Helmreich, Anthony Grahame Stott and Tse Yiu-wah retire from the Board pursuant to Article 122 of the Company's Articles of Association and, being eligible, offer themselves for re-election. The biographical details and interests in the shares of the Company of all the Directors to be re-elected at the Ordinary Yearly Meeting are provided in the 2004 Annual Report of the Company.

### Explanatory Note on Resolution 4

Resolution 4 relates to the grant of a general mandate to the Directors to repurchase shares of the Company up to a maximum of 2% of the issued share capital of the Company at the date of the resolution (the "Repurchase Mandate"). The authority conferred on the Directors by the Repurchase Mandate would continue in force until the earlier of the conclusion of the next Ordinary Yearly Meeting of the Company, the expiration of the period within which the next Ordinary Yearly Meeting is required by law to be held, or until revoked or varied by ordinary resolution of the Shareholders in general meeting prior to the next Ordinary Yearly Meeting. An explanatory statement providing details of the Repurchase Mandate accompanies this Annual Report.

### Explanatory Note on Resolution 5

The purpose of Resolution 5 is to make certain amendments to the Articles of Association of the Company to bring them in line with certain recent changes made to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and to the Companies Ordinance.

### Notes:

- (1) *A shareholder entitled to attend and vote at the above Meeting may appoint a proxy or proxies (not exceeding 2 in number) to attend and vote in his place and such proxy need not be a shareholder of the Company.*
- (2) *To be valid, forms of proxy must be deposited at the Registered Office of the Company not less than forty-eight hours before the time fixed for holding the Meeting or adjourned Meeting.*
- (3) *Pursuant to Articles 96 and 97 of Articles of Association of the Company, every question submitted to a general meeting shall be decided in the first instance by a show of hands of the shareholders present in person and entitled to vote, but a poll may be demanded (before a declaration by the chairman that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority) by:
  - (i) *at least four shareholders; or*
  - (ii) *a shareholder or shareholders holding or representing by proxy or entitled to vote in respect of at least one-tenth part of the capital represented at the meeting.**
- (4) *To qualify for the final dividend, all unregistered transfers should be lodged at the Registrars' Office no later than 4:00 p.m. on Thursday, 18th November, 2004.*
- (5) *The Transfer Books and Register of Members of the Company will be closed from Friday, 19th November, 2004 to Thursday, 25th November, 2004, both days inclusive.*
- (6) *As at the date of this Notice, the Directors of the Company are:-Ngan Kit-ling, Ngan Kit-keung, Dr. Henry Ngan, Liu Lit-mo\*, Fritz Helmreich, Anthony Grahame Stott\* and Tse Yiu-wah\*.*
- (7) *In the case of any conflict between the Chinese translation and the English text hereof, the English text will prevail.*

\* independent non-executive director