

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Matrix Holdings Limited (the “Company”) will be held at Kowloon Room I, Mezzanine Floor, Kowloon Shangri-La Hong Kong, 64 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on 20th April, 2005 at 2:30 p.m. for the following purposes:

1. To receive and consider the audited financial statements for the year ended 31st December, 2004 together with the Reports of the Directors and Auditors thereon.
2. To declare a final dividend.
3. To re-elect directors and authorize the Board of Directors to fix their remuneration.
4. To re-appoint auditors and authorize 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 Ordinary Resolutions and Special Resolutions respectively:

ORDINARY RESOLUTIONS

A. “THAT

- (a) subject to paragraph (c) of this Resolution, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”), the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital 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 paragraph (a) of this Resolution shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted, issued or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with (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 (as hereinafter defined); or (ii) an issue of shares of the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company; or (iii) the exercise of the share option scheme adopted and approved by the Company at the general meeting of the Company held on 17th December, 2002; or (iv) an issue of shares in lieu of the whole or part of the dividend on shares of the Company in accordance with the Bye-laws of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the issued share capital of the Company at the date of passing this Resolution, and the said approval shall be limited accordingly; and

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- (d) 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; or
- (ii) 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 any applicable law to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares or offer or issue of warrants or options to subscribe for shares open for a period fixed by the Directors of the Company to holders of shares 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 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, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

B. **“THAT**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its own shares on the Stock Exchange or any other stock exchange on which the shares of the Company may be listed and is recognized by the Securities and Future Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Listing Rules as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares of the Company which the Company is authorized to repurchase pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company at the date of passing 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; or

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- (ii) 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 any applicable law to be held; or
 - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
- C. **“THAT** conditional upon the passing of the Resolutions set out in paragraph 5A and 5B of the notice convening this meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares of the Company pursuant to the Resolution set out in paragraph 5A of the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted, issued or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with by the Directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of the shares of the Company repurchased by the Company under the authority granted pursuant to the Resolution set out in paragraph 5B of the notice convening this meeting.”

SPECIAL RESOLUTION

- D. **“THAT** the Bye-laws of the Company be amended by:
- (a) deleting the existing Bye-law 91 which reads “Without prejudice to the power of the Company in pursuance of the provisions of the Bye-Laws to appoint any person to be a Director and subject to the provisions of the Act, the Directors may appoint any person to be a Director as an additional Director or to fill a casual vacancy but so that the maximum number of Directors so appointed shall not exceed the number determined from time to time by the members in general meeting. Any person so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election.” and substituting therefor the following new Bye-law 91:

“Without prejudice to the power of the Company in pursuance of the provisions of the Bye-Laws to appoint any person to be a Director and subject to the provisions of the Act, the Directors may appoint any person to be a Director as an additional Director or to fill a casual vacancy but so that the maximum number of Directors so appointed shall not exceed the number determined under Bye-Law 102. Any person so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election.”
 - (b) deleting the existing Bye-law 97 (vii) which reads “shall be removed from office by a special resolution of the Company under Bye-Law 90; or” and substituting therefor the following new Bye-law 97(vii):

“shall be removed from office by an ordinary resolution of the Company under Bye-Law 90; or”

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- (c) deleting the existing Bye-law 99 which reads "At each annual general meeting one-third of the Directors for the time being or, if their number is not 3 or a multiple of 3, the number nearest to one-third shall retire from office provided that notwithstanding anything herein, the Chairman and the Managing Director of the Company shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year. A Director retiring at a meeting shall retain office until the close of the meeting. The Directors to retire shall, subject as aforesaid, be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Directors at the date of the notice convening the annual general meeting and no Director shall be required to retire or be relieved from retiring by reason of any change in the number and identity of the Directors after the date of such notice but before the close of the meeting. The retiring Directors shall be eligible for re-election." and substituting therefor the following new Bye-law 99:

"At each annual general meeting one-third of the Directors for the time being or, if their number is not 3 or a multiple of 3, the number nearest to one-third but not less than one-third shall retire from office. A Director retiring at a meeting shall retain office until the close of the meeting so that each Director shall retire at least once every three years. The Directors to retire shall, subject as aforesaid, be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Directors at the date of the notice convening the annual general meeting and no Director shall be required to retire or be relieved from retiring by reason of any change in the number and identity of the Directors after the date of such notice but before the close of the meeting. The retiring Directors shall be eligible for re-election."

- (d) deleting the existing Bye-law 102 which reads "The Company may from time to time in general meeting by ordinary resolution fix, increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall never be less than 2." and substituting therefor the following new Bye-law 102:

"Unless otherwise determined by an ordinary resolution of the Company, the number of Directors shall not be less than 2 and more than 20 provided that the minimum number of Directors shall never be less than 2."

By Order of the Board
Lai Mei Fong
Company Secretary

Hong Kong, 23rd March, 2005

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Notes:

1. A member entitled to attend and vote at the above meeting (or at any adjournment thereof) is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where there are joint registered holders of any shares, any one of such persons may vote at the above meeting (or at any adjournment thereof), either personally or by proxy, in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders be present at the above meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the forms of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority (such certification to be made by either a notary public or a solicitor qualified to practise in Hong Kong), must be deposited with the branch share registrars of the Company in Hong Kong, Secretaries Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, not less than 48 hours before the time fixed for holding the above meeting or any adjournment thereof.
4. The register of members of the Company will be closed from 15th April, 2005 (Friday) to 20th April, 2005 (Wednesday), both days inclusive, during which period no transfer of shares can be registered. In order to qualify for the proposed final dividend and attending and voting at the above meeting or any adjournment thereof, all share transfers, accompanied by the relevant share certificates, must be lodged with the branch share registrars of the Company in Hong Kong, Secretaries Limited at the above address for registration not later than 4:00 p.m. on 14th April, 2005.
5. An explanatory statement containing further details regarding the proposed Resolutions set out in the notice (except Resolutions 1 to 4) convening the above meeting will be sent to members of the Company together with the annual report 2004.
6. The Directors wish to state that the above proposed Special Resolution is mainly to facilitate the flexibility under the recent amendments of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
7. The translation into Chinese language of this notice (including the Special Resolution) which contains the proposed new By-laws) is for reference only. In case of any inconsistency, the English version shall prevail.
8. For the sake of good corporate governance practice, the Chairman intends to demand poll voting for all the resolutions set out in the notice of the annual general meeting.