

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the members of **Qualipak International Holdings Limited** will be held at 7th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong on Thursday, May 24, 2001 at 9:00 a.m. for the following purposes:

1. To receive and consider the audited Financial Statements and the Reports of the Directors and Auditors for the year ended December 31, 2000.
2. To declare a final dividend of HK\$0.005 per share for the year ended December 31, 2000.
3. To determine the maximum number of directors and authorise the board of directors to appoint additional directors.
4. To re-elect directors and authorise the board of directors to fix the directors' remuneration.
5. To re-appoint auditors and authorise the board of directors to fix their remuneration.

As special businesses, to consider and if thought fit, pass with or without modifications, the following resolutions each as an Ordinary Resolution:

6. "THAT:
 - (a) subject to paragraph (b) of this Resolution, the exercise by the directors of the Company (the "Directors") during the Relevant Period of all the powers of the Company to repurchase shares and warrants 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 as amended from time to time, be and is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of shares of the Company which may be repurchased pursuant to paragraph (a) of this Resolution shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution and the warrants to be repurchased by the Company pursuant to paragraph (a) of this Resolution during the Relevant Period shall not be more than 10% of the warrants in issue at the date of this Resolution and the said approval shall be limited accordingly; and

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- (c) 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 expiration of the period within which the next annual general meeting is required by the Bye-Laws of the Company or the Companies Act 1981 of Bermuda (as amended) or any other applicable laws to be held; and
 - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders in general meeting."

7 "THAT:

- (a) the exercise by the Directors during the Relevant Period of all the powers of the Company to issue, allot and deal with additional shares of the Company and to allot, issue or grant securities of the Company, including bonds, debentures and notes convertible into shares of the Company (including making and granting offers, agreements and options which would or might require shares to be issued, allotted or dealt with, whether during or after the end of the Relevant Period) be and is hereby generally and unconditionally approved, provided that, other than pursuant to:
 - (i) a rights issue where shares are offered to shareholders on a fixed record date in proportion to their then holdings of shares (subject to such exclusions or other arrangements as the Directors 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 recognised regulatory body or any stock exchange in, any territory);
 - (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of shares or rights to subscribe for shares of the Company; and
 - (iii) any scrip dividend or similar arrangement providing for the issue of shares in lieu of the whole or part of the cash payment of a dividend on shares in accordance with the Bye-laws of the Company for the time being,

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- the additional shares to be issued, allotted or dealt with (including shares agreed conditionally or unconditionally to be issued, allotted or dealt with, whether pursuant to an option or otherwise but excluding shares to be issued pursuant to the exercise of rights of subscription or conversion under the warrants or under the convertible note of the Company in issue as the case may be) shall not in aggregate exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of this Resolution, and the said approval shall be limited accordingly; and
- (b) 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 expiration of the period within which the next annual general meeting is required by the Bye-Laws of the Company or the Companies Act 1981 of Bermuda (as amended) or any other applicable law of Bermuda to be held; and
 - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders in general meeting."
8. "THAT conditional upon Resolution No. 6 and Resolution No. 7 set out in the notice convening the meeting of which this Resolution forms part ("this Notice") being passed, the general mandate granted to the Directors under Resolution No. 7 set out in this Notice be and is hereby extended by the addition of the amount representing the aggregate nominal amount of shares repurchased by the Company pursuant to the general mandate approval in Resolution No. 6 set out in this Notice."

By Order of the Board
Lam Wai Wah Lily
Company Secretary

Hong Kong, April 20, 2001

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Notes:

- (a) The Register of Members will be closed from Monday, May 21, 2001 to Thursday, May 24, 2001 (both days inclusive), during which period no share transfers will be registered. In order to be eligible to attend and vote at the Annual General Meeting of the Company to be held on Thursday, May 24, 2001 and to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with Secretaries Limited, the branch share registrars of the Company in Hong Kong, 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong, not later than 4:00 p.m. on Friday, May 18, 2001. Warrant holders and holder of convertible note, to be eligible to attend and vote at the Annual General Meeting of the Company to be held on Thursday, May 24, 2001 and to qualify for the proposed final dividend, have to exercise the rights of subscription or conversion attaching to their warrants or convertible note as the case may be not later than 4:00 p.m. on Friday, May 18, 2001.
- (b) A member entitled to attend and vote at the above meeting is entitled to appoint a proxy or proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (c) A form of proxy for the Meeting is enclosed. To be valid, the form of proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority must be deposited at the Company's principal place of business in Hong Kong at 7th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong not less than 48 hours before the time fixed for the holding of the meeting or any adjournment thereof.
- (d) An explanatory statement setting out further information regarding the proposal for general mandate to repurchase shares and warrants of the Company mentioned in Resolution No. 6 has been despatched to shareholders together with this Notice.
- (e) With regard to Resolution Nos. 7 and 8 above, the Directors wish to state that they have no immediate plans to issue any new shares of the Company. Approval is being sought from the members as a general mandate in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to issue any shares of the Company up to 20% of the existing issued share capital.