



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Hong Kong Fortune Limited (the “Company”) will be held at 53rd Floor, Bank of China Tower, 1 Garden Road, Hong Kong on Friday, 31st May, 2002 at 9:30 a.m. for the following purposes:

1. To receive and consider the Audited Statements of Accounts and the Reports of the Directors and of the Auditors of the Company for the year ended 31st December, 2001;
2. To elect Directors and fix their remuneration;
3. To appoint Auditors and authorise the Directors to fix their remuneration; and
4. To consider and, if thought fit, pass with or without amendments the following resolutions as Ordinary Resolutions by way of special business:

A “THAT

- (a) subject to paragraph (c) below the exercise by the Directors during the Relevant Period of all the powers of the Company to allot, issue and otherwise 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 power, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above 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 shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue, (ii) the exercise of any option granted under 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 options to subscribe for, or rights to acquire, shares of the Company or (iii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company, or any other securities which are convertible into shares of the Company, and from time to time outstanding, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and



Notice of Annual General Meeting (Continued)

(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 expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the Company in general meeting; and

“Rights Issue” means an offer of shares or other securities open for a period fixed by the Directors to holders of shares 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 exclusion 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).”

B “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 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 as amended from time to time be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares which may be purchased pursuant to the approval in paragraph (a) above shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution, and the said approval shall be limited accordingly; and
- (c) the expression “Relevant Period” shall for the purpose of this Resolution have the same meaning as assigned to it in the Resolution set out as Resolution A in item 4 of the notice convening this meeting.”



Notice of Annual General Meeting (Continued)

- C** “**THAT**, conditional upon the passing of the Resolutions set out as Resolutions A and B in item 4 of the notice convening this meeting, the general mandate granted to the Directors and for the time being in force to exercise the powers of the Company to allot, issue and otherwise deal with additional shares in the capital of the Company be and is hereby extended by the addition to the aggregate nominal amount of shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate, an amount representing the aggregate nominal amount of shares in the capital of the Company purchased by the Company pursuant to the exercise by the Directors of the powers of the Company to purchase such shares, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution.”

By Order of the Board

LEUNG SAU FUNG, FANNY

Company Secretary

Hong Kong, 22nd April, 2002

Notes:

1. A member entitled to attend and vote 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.
2. To be valid, forms of proxy must be completed and deposited at the Principal Office of the Company in Hong Kong at 53rd Floor, Bank of China Tower, 1 Garden Road, Hong Kong not less than 48 hours before the time fixed for holding the meeting.
3. Concerning the Resolutions set out as Resolutions A and C in item 4 above, the purpose of the general mandate to be conferred on the Directors of the Company is to enable them to issue shares up to a specified number without having first to obtain the consent of shareholders in general meeting. The need for such an issue of shares could, for example, arise in the context of a transaction (such as an acquisition) which has to be completed speedily. The Directors believe that it is in the interest of the Company if such a general mandate is granted to them. The Directors wish to state that they have at this time no immediate plans to issue any new shares in the Company.
4. Concerning the Resolution set out as Resolution B in item 4 above, a separate Explanatory Statement is included in the 2001 Annual Report.