

NOTICE IS HEREBY GIVEN that an annual general meeting (the "Annual General Meeting") of Hi Sun Group Limited (the "Company") will be held at Suite 2316, 23rd Floor, One International Finance Centre, No.1 Harbour View Street, Central, Hong Kong on 23 May 2002 at 10:00a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors of the Company (the "Directors") and the auditors for the year ended 31 December 2001;
2. To re-elect retiring Directors and to authorise the Board of Directors to fix the remuneration of the Directors;
3. To re-appoint auditors and to authorise the Board of Directors to fix their remuneration;
4. To consider as Special Business and, if thought fit, passing the following resolutions, with or without modifications, as Ordinary Resolutions:—

4(A) **"THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting or agreeing to grant listing of and permission to deal in the Bonus Shares (as hereinafter defined):—

- (a) upon the recommendation of the Directors, the necessary sum be capitalised from the amount standing to the credit of the share premium account of the Company and the Directors be and are hereby authorised to apply such sum in paying up in full at par sufficient shares of HK\$0.01 each in capital of the Company ("Bonus Shares") to be allotted and distributed, credited as fully paid, to and amongst the shareholders of the Company whose names appear on the registers of members of the Company on 23 May 2002 ("Record Date") as holders of shares of HK\$0.01 each in the capital of the Company on the basis of one Bonus Share for every one existing share of HK\$0.01 each in the capital of the Company then held by them respectively;
- (b) the shares to be issued pursuant to this resolution shall, subject to the Memorandum of Association and Bye-laws of the Company, rank *pari passu* in all respects with the shares of HK\$0.01 each in the capital of the Company in issue on the Record Date, except that they will not rank for the bonus issue of shares mentioned in this resolution; and
- (c) the Directors be and are hereby authorised to do all acts and things as may be necessary and expedient in connection with the allotment and issue of the Bonus Shares, including but not limited to determining the amount to be capitalised out of the share premium account and the number of Bonus Shares to be allotted and distributed in the manner referred to in paragraph (a) of this resolution."

4(B) “THAT:–

- (a) the general mandate granted to the Directors to exercise the power of the Company to repurchase its shares pursuant to Ordinary Resolution No.4 passed by the written resolutions of the sole shareholder of the Company dated 16 October 2001 be and is hereby revoked (but without prejudice to any exercise of such mandate prior to the date on which this Resolution becomes effective);
- (b) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange or of any other stock exchange as amended from time to time and all applicable laws in this regard, be and is hereby generally and unconditionally approved;
- (c) the aggregate nominal amount of shares of the Company authorised to be repurchased by the Company pursuant to the approval in paragraph (b) of this resolution during the Relevant Period shall not exceed 10 per cent of the aggregate of (i) the nominal amount of the share capital of the Company in issue at the date of passing this Resolution; and (ii) the nominal amount of the Bonus Shares which may be issued pursuant to or in connection with Ordinary Resolution No. 4(A) as set out in the notice convening this meeting and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest 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 the Companies Act 1981 of Bermuda or any other applicable laws of Bermuda to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking, varying or revising the authority given to the Directors by this resolution.”

4(C) "THAT:–

- (a) the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with shares in the capital of the Company pursuant to Ordinary Resolution No.3 passed by the written resolutions of the sole shareholder of the Company dated 16 October 2001 be and is hereby revoked (but without prejudice to any exercise of such mandate prior to the date on which this resolution becomes effective);
- (b) subject to paragraph (d) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.01 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (c) the approval in paragraph (b) above shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (d) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (b) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the grant or exercise of any option under any share option scheme of the Company or any other 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; or (iii) any scrip dividends 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 from time to time; or (iv) an issue of shares in the Company upon the exercise of any rights of subscription or conversion under the terms of any warrants, bonds, debentures, notes and any securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20 per cent. of the aggregate of (1) the nominal amount of the share capital of the Company in issue at the date of passing this Resolution; and (2) the nominal amount of the Bonus Shares which may be issued pursuant to or in connection with the Ordinary Resolution No. 4(A) as set out in the notice convening this meeting and the said approval shall be limited accordingly; and

- (e) for the purpose of this resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest 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 the Bye-Laws of the Company or the Companies Act 1981 of Bermuda or any other applicable laws of Bermuda to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking, varying or revising the authority given to the Directors by this resolution;

“Rights Issue” means an offer of shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares or any class of shares of the Company whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

- 4(D) “**THAT** conditional upon Ordinary Resolutions Nos. 4(B) and 4(C) set out in the notice convening this meeting being passed, the unconditional general mandate granted to the Directors to allot, issue and deal with additional shares and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to Resolution No.4(C) set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution No.4(B) set out in the notice convening this meeting, provided that such amount shall not exceed 10 per cent. of the aggregate of (i) the nominal amount of the share capital of the Company in issue as at the date of the passing of the said resolution; and (ii) the nominal amount of the Bonus Shares which may be issued pursuant to or in connection with the Ordinary Resolution No. 4(A) as set out in the notice convening this meeting.”

Notice of Annual General Meeting

5. To transact any other business if necessary.

By Order of the Board
Yip Wai Ming
Company Secretary

Hong Kong, 26 April 2002

Notes:-

- (1) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (2) A form of proxy for use at the meeting is enclosed.
- (3) Completion and delivery of the form of proxy will not preclude a shareholder from attending and voting at the meeting if the member so desires.
- (4) To be valid, a form 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 or authority must be lodged at the principal place of the business of the Company at 1801-1804, Riley House, 88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong not less than 48 hours before the time appointed for holding the meeting.
- (5) In order to determine the shareholders' entitlement to attend the forthcoming annual general meeting of the Company, the registers of members of the Company will be closed from Tuesday, 21 May 2002 to Thursday, 23 May 2002 (both days inclusive) during which no transfer of shares will be effected. For the purpose of determining the identity of shareholders who are entitled to attend and vote at the meeting, any person who has acquired shares but who has not lodged the share transfer with the Company's share registrar in Hong Kong, Tengis Limited at 4th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong, should do so before 4:00 p.m. on 17 May 2002.