

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at 21/F., Asia Financial Centre, 120 Des Voeux Road Central, Hong Kong on Friday, 21st May, 2004 at 11:30 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 31st December, 2003.
2. To declare a final dividend.
3. To re-elect Directors and to fix their remuneration.
4. To appoint Auditors and to authorise the Directors to fix their remuneration.
5. To consider as special business and, if thought fit, pass with or without amendment the following resolutions as:

Ordinary Resolutions

(A) **“THAT** the Directors be and are hereby granted an unconditional general mandate to repurchase issued shares in the capital of the Company in accordance with all applicable laws and subject to the following conditions:

- (a) such mandate should not extend beyond the Relevant Period (defined in sub-paragraph (c) below);
- (b) the aggregate nominal amount of share capital purchased or agreed conditionally or unconditionally to be purchased by the Directors of the Company pursuant to this Resolution should not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution; and
- (c) 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 any applicable law of Bermuda to be held; and

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(iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

(B) **“THAT** the Directors be and are hereby granted an unconditional general mandate to issue and allot additional shares in the capital of the Company or securities convertible into shares, and to make or grant offers, agreements and options in respect thereof, subject to the following conditions:

- (a) such mandate should not extend beyond the Relevant Period (defined in sub-paragraph (c) below) save that the Directors may during the Relevant Period make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (b) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors, otherwise than pursuant to a Rights Issue (as defined in sub-paragraph (c) below) or pursuant to the grant or exercise of options issued under any share option scheme adopted by the Company or pursuant to any scrip dividend scheme or with the consent of the Company in general meeting, should not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution; and
- (c) 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 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 any applicable law of Bermuda to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors of the Company may

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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 outside Hong Kong)."

- (C) "THAT the general mandate granted to the Directors to issue and dispose of additional shares pursuant to Ordinary Resolution 5(B) 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 5(A) set out in the notice convening this meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this Resolution."

6. To consider as special business and, if thought fit, pass with or without amendments the following resolution as:

Special Resolution

"THAT the Bye-laws of the Company be amended as follows:

- (A) By substituting the existing Bye-law 9 with the following new Bye-law 9:

"9. Subject to Sections 42 and 43 of the Act, these Bye-laws, and to any special rights conferred on the holders of any shares or attaching to any class of shares, any preference shares may be issued or converted into shares that, at a determinable date or at the option of the Company or the holder if so authorised by its memorandum of association, are liable to be redeemed on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the Members determine. Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike."

- (B) By re-numbering the existing Bye-law 76 as Bye-law 76.(1) and by inserting the following new Bye-law 76.(2):

"(2) Where any Member is, under the rules of the Designated Stock Exchange, 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."

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(C) By substituting the existing Bye-law 84 with the following new Bye-law 84:

- “84. (1) Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or any class of Members. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member and such corporation shall for the purposes of these Bye-laws be deemed to be present in person at any such meeting if a person so authorised is present thereat.
- (2) Where a Member is a clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including the right to vote individually on a show of hands.
- (3) Any reference in these Bye-laws to a duly authorised representative of a Member being a corporation shall mean a representative authorised under the provisions of this Bye-law.”

(D) By substituting the existing Bye-law 89 with the following new Bye-law 89:

- “89. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless during a period of at least seven (7) days commencing no earlier than the day after the despatch of the notice of the general meeting appointed for such election and ending no later than seven (7) days prior to the date appointed for the general meeting there shall have been lodged at the Office or at the Registration Office notice in writing signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.”

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(E) By substituting the existing Bye-law 104 with the following new Bye-law 104:

"104.(1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associates is materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) any contract or arrangement for the giving to such Director or his associates any security or indemnity 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;
- (ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associates has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (iii) any proposal or contract or arrangement 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 his associates is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iv) any contract or arrangement in which the Director or his associates is/are interested in the same manner as other holders of shares or debentures or other securities of the Company or any of its subsidiaries by virtue only of his/their interest in shares or debentures or other securities of the Company;
- (v) any proposal or contract or arrangement concerning any other company in which the Director or his associates is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associates is/are beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in five (5) per cent or more of the issued shares or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of his associates is derived); or

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- (vi) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of any employees' share option scheme or any share incentive or share option scheme which the Director or his associates may benefit, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to Directors, his associates, consultants and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associates, as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates.
- (2) For the purpose of sub-paragraph (v) of Bye-law 104(1) there shall be disregarded any shares held by a Director or his associates as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associates is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associates is interested only as a unit holder.
- (3) Where a company in which a Director and/or his associates holds five (5) per cent. or more of any class of equity share capital of such company or of the voting rights available to members of such company is/are materially interested in a transaction, then that Director and/or his associates shall also be deemed materially interested in such transaction.
- (4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or his associates or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his associates concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.

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- (5) Throughout this Bye-law, "associates", in relation to any Director, shall mean:–
- (i) his spouse;
 - (ii) any child or step-child, natural or adopted, under the age of 18 years of such Director or of his spouse (together with (i) above, the "family interests");
 - (iii) the trustees, acting in their capacity as such trustees, of any trust of which he or any of his family interests is a beneficiary or, in the case of a discretionary trust, is (to his knowledge) a discretionary object and any company ("trustee-controlled company") in the equity capital of which the trustees, acting in their capacity as such trustees, are directly or indirectly interested so as to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the rules, regulations or codes of any Designated Stock Exchange being level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary (together, the "trustee interests");
 - (iv) a holding company of a trustee-controlled company or a subsidiary of any such holding company; and
 - (v) any company in the equity capital of which he, his family interests, any of the trustees referred to in (iii) above, acting in their capacity as such trustees, and/or any trustee interests taken together are directly or indirectly interested so as to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the rules, regulations or codes of any Designated Stock Exchange being level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the Board and any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company."

By Order of the Board

Melanie Ng

Secretary

Hong Kong, 23rd March, 2004

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Notes:

- (1) A member entitled to attend and vote at the above meeting may appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.*
- (2) 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 thereof, must be deposited at the Company's principal place of business at 7/F., Asia Financial Centre, 120 Des Voeux Road Central, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (as the case may be).*
- (3) The Register of Members will be closed from 17th May, 2004 to 21st May, 2004, both dates inclusive, during which period no transfers of shares will be effected. To determine entitlements to the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Registrars, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong by not later than 4:00 p.m. on 14th May, 2004.*
- (4) A circular containing information concerning Resolutions 5 and 6 will be sent to shareholders together with the Company's 2003 Annual Report.*