

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Company will be held at Regal Hongkong Hotel, Chater Room 1, 88 Yee Wo Street, Causeway Bay, Hong Kong on Thursday, 3 June 2004 at 10:00 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 31 December 2003.
2. To re-elect retiring directors, to authorise the board of directors to fix the remuneration of the directors and to grant power to the board of directors to appoint additional director(s).
3. To re-appoint auditors and to authorise the board of directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

(A) **“THAT**

- (a) subject to sub-paragraph (c) of this resolution, 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 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 sub-paragraph (a) of this resolution shall authorise 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 the 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) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) any Share Option Scheme (as hereinafter defined) of the Company; or (iii) any scrip dividend or other similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company pursuant to the Bye-laws of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the shares of the Company in issue at the date of passing this resolution; and



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- (d) 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 revocation or variation of the authority given under this resolution by Ordinary Resolution of the shareholders in a general meeting; and
 - (iii) 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 laws to be held.

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company on the register of members on a fixed record date in proportion to their then holdings of such 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 any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong); and

“Share Option Scheme” means a share option scheme or similar arrangement for the time being, as varied from time to time, adopted for the grant or issue to eligible grantees of rights to acquire shares of the Company.”;

(B) **“THAT**

- (a) subject to sub-paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its own shares, 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 of the Company to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in sub-paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the shares of the Company in issue at the date of passing this resolution; 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 earliest of:

- (i) the conclusion of the next Annual General Meeting of the Company;
- (ii) the revocation or variation of the authority given under this resolution by Ordinary Resolution of the shareholders in a general meeting; and
- (iii) 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 laws to be held.”;

(C) **“THAT** conditional upon the Ordinary Resolutions 4(A) and (B) above being passed, the general mandate granted to the directors to issue and dispose of additional shares in the capital of the Company pursuant to Ordinary Resolution 4(A) above be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the shares of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution 4(B) above provided that such amount shall not exceed 10 per cent of the aggregate nominal amount of the shares of the Company in issue at the date of passing this resolution.”

5. As special business, to consider and, if thought fit, pass the following resolution as a Special Resolution:-

“THAT the existing Bye-laws of the Company be and are hereby amended as follows:-

(A) By inserting the following new definition in Bye-law 1:-

““associate(s)” shall have the meaning attributed to it in the rules of the Designated Stock Exchange;

“clearing house” means a recognised clearing house within the meaning of Schedule 1 to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or, if the shares of the Company for the time being listed or quoted on a stock exchange, a clearing house or authorised share depository recognised by the laws of the jurisdiction in which such stock exchange is located;

“electronic” relates to the technology having electrical, digital, magnetic, wireless, optical, electromagnetic or similar capabilities and such other meanings as given to it in the Electronic Transaction Act 1999 of Bermuda as may be amended from time to time;



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“reference to a document being executed” include reference to it being executed under hand or under seal or by electronic signature or by any other method and reference to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical magnetic or other retrievable form or medium and information in visible form whether having physical substance or not.”;

- (B) By deleting the definition of “in writing” or “written” in Bye-law 1 in its entirety and replacing with the following:-

““expressions referring to writing” shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing words or figures in a visible, legible and non-transitory form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the Member’s election comply with all applicable Statutes, rules and regulations;”;

- (C) By deleting Bye-law 12.(A) in its entirety and replacing with the following:-

“(A) Share certificate shall be issued within the relevant time limit as prescribed in the Act or as the Designated Stock Exchange may from time to time determine, whichever is the shorter, after allotment or, except in the case of a transfer which the Company is for the time being entitled to refuse to register and does not register, after lodgment of a transfer with the Company upon payment, in the case of a transfer, of a sum not exceeding the relevant maximum amount as prescribed or permitted from time to time by the Designated Stock Exchange as the Directors shall from time to time determine.”;

- (D) By deleting Bye-law 41.(A) in its entirety and replacing with the following:-

“(A) All transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or imprinted signature or by such other manner of execution as the Board may approve from time to time.”;

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- (E) By adding the following Bye-law 74A immediately after Bye-law 74:–

“74A. 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.”;

- (F) By deleting the last sentence of Bye-law 79 in its entirety and replacing with the following sentence:–

“A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at any general meeting of the Company or at any meeting of any class of members.”;

- (G) By inserting the following Bye-law 86A immediately following Bye-law 86:–

“86A. Where a member is a clearing house (or its nominee 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 shall be entitled to exercise the same rights and powers as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee) 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.”;

- (H) By deleting Bye-law 89 in its entirety and replacing with the following:–

“89. No person, other than a retiring Director, shall, unless recommended by the Directors for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company at least seven (7) days before the date of the general meeting appointed for such election. The period for lodgment of the notices required under the Bye-laws will commence 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 of such general meeting.”;



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(I) By deleting the word “special” before the words “resolution remove any Director” on 2nd line in Bye-law 90 and substituting therefor the word “ordinary”;

(J) By deleting Bye-laws 112.(E) and (F) in their entirety and replacing with the following:–

“(E) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or his associate(s) is/are materially interested, and if he shall do so his vote shall not be counted and he shall not be counted in the quorum of such resolution of the Board but this prohibition shall not apply to any of the following matters namely:

(i) the giving of any security or indemnity either:

(a) to the Director or his associate(s) 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; or

(b) 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 associate(s) 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;

(ii) any proposal 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 associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(iii) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) 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 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associate(s) is derived) or of the voting rights;

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- (iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme involving the issue or grant of options over shares or other securities by the Company under which the Director or his associate(s) may benefit; or
 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
 - (v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.
- (F) A company shall be deemed to be a company in which a Director and his associate(s) in aggregate have an interest of five (5) per cent. or more if and so long (but only if and so long as) he and his associate(s) (either directly or indirectly) are in aggregate the holders of or beneficially interested in five (5) per cent. or more of the issued shares of any class of the equity share capital of such company or of the voting rights available to member of such company (or of any third company through which his/their interest is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) 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 associate(s) 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 associate(s) is/are interested only as a unit holder and any shares which carry no voting right at general meeting and very restrictive dividend and return of capital right.”;



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(K) By adding the following Bye-laws 112.(G) and (H) immediately after Bye-law 112.(F):-

“(G) Where a company in which a Director and his associate(s) in aggregate have an interest of five (5) per cent. or more is materially interested in a transaction, then that Director and/or his associate(s) (as the case may be) shall also be deemed materially interested in such transaction.

(H) If any question shall arise at any meeting of the Directors as to the materiality of the interest of a Director (other than the chairman of the meeting) or his associate(s) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director has not been fairly disclosed to the Directors. 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 Directors (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 and/or his associate(s) as known to such chairman has not been fairly disclosed to the Directors.”;

(L) By deleting Bye-laws 163 and 164 in their entirety and replacing with the following:-

“163. Any notice from the Company to a Member shall be given in writing or by cable, telex or facsimile transmission message and any such notice and (where appropriate) any other document may be served or delivered by the Company on or to any member either personally or by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any telex or facsimile transmission number supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonable and bona fide believes at the relevant time will result in the notice being duly received by the member or may also be served by advertisement in appointed newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange.

164. Any notice or other document:-

(i) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope

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containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the secretary or other officer of the Company or other person appointed by the Directors that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof; and

- (ii) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch, transmission or publication; and in proving such service or delivery a certificate in writing signed by the secretary or other officer of the Company or other person appointed by the Directors as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof."

By Order of the Board
Ho Kam Man
Company Secretary

Hong Kong, 30 April 2004

Notes:

- (a) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or, if holding two or more shares, not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
- (b) In order to be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Company's Branch Registrar in Hong Kong, Secretaries Limited, at G/F., 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 Meeting or any adjourned meeting thereof.
- (c) Completion and delivery of the form of proxy will not preclude a member from attending and voting in person at the meeting if the member so desires and in such event, the instrument appointing a proxy shall be deemed to be revoked.