

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Buildmore International Limited (the “Company”) will be held at Pacific Room, Island Pacific Hotel at 152 Connaught Road West, Hong Kong on Monday, 12th July, 2004 at 10:30 a.m. to transact the following:

1. to, as ordinary business, receive and consider the audited consolidated financial statements and reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31st January, 2004;
2. to, as ordinary business, re-elect Directors and to authorise the board of Directors to fix the Directors’ remuneration;
3. to, as ordinary business, re-appoint the auditors of the Company and to authorise the board of Directors to fix their remuneration;
4. to, as special business, consider and, if thought fit, pass the following resolution as a special resolution:

“**THAT** the articles of association of the Company be and are hereby amended in the following manner:

Article 1

1. By inserting the following sentence at the beginning of Article 1(B):

“The Directors shall, in appropriate circumstances, secure adequate voting rights to preference shareholders of the Company.”

2. By inserting the following new Article 1(H):

“(H) The capital of the Company is HK\$200,000,000.00 divided into 196,967,671 ordinary shares of HK\$1.00 each and 3,032,239 convertible preference shares of HK\$1.00 each having the special rights and being subject to the restrictions set out in Article 6A. Shares within a class shall carry equal rights and rank *pari passu* with each other. CP Shares (as defined in Article 6A) shall, as regards dividend or otherwise, have the rights (if any) more particularly set out in Article 6A.”

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Article 3

By inserting the following new definitions in Article 3:

“ “associates” shall have the meaning attributed to it in the Listing Rules;

“Listing Rules” shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;”

Article 6

By replacing the last sentence of Article 6 with the following sentence:

“Purchases for redemption of a redeemable share:

- (i) not made through the market or by tender shall be limited to a maximum price; and
- (ii) by tender shall be made available to all Members alike.”

Article 14

By deleting the existing Article 14 in its entirety and replacing therewith the following new Article 14:

“14. Without prejudice to Article 112, all forms of certificate for share or loan capital or other securities of the Company (other than letters of allotment, scrip certificates and other like documents) shall be issued under a Seal and, if issued under an official seal, need not be signed by any person. The Board may also by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates need not be autographic but may be affixed to such certificates by some mechanical method or system.”

Article 37

By replacing the word “higher” with the word “maximum” in Article 37.

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Article 41(2)(a)

By inserting the words “as dividends” immediately after the words “holder of such shares” in Article 41(2)(a).

Article 70A

By inserting a new Article 70A as follows:

“70A. Where any Member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any vote cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.”

Article 79

By deleting the existing Article 79 in its entirety and replacing therewith the following new Article 79:

“79. No person other than a Director retiring at the meeting shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless, no earlier than the day after the dispatch of the notice of such meeting and no later than seven days before the day appointed for the meeting, there has been given to the Secretary notice in writing by some Member (not being the person to be proposed) entitled to attend and vote at the meeting for which such notice is given 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.”

Article 90

By deleting the existing Article 90 in its entirety and replacing therewith the following new Article 90:

“90. Where a Director or any of his associates is, to the Director’s knowledge, in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company, he shall declare the nature of his or his associate(s)’ interest at the meeting of the Board at which the question of entering into the contract or

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arrangement is first considered, if he knows his or his associate(s)' interest then exists, or in any other case, at the first meeting of the Board after he knows that he or any of his associates is or had become so interested. For the purposes of this Article, a general notice to the Board by a Director to the effect that:

- (a) he or his associate is a member or an officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm; or
- (b) he or his associate is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected to him or any of his associates;

shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract or arrangement, provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given."

Article 91

By deleting the existing Article 91 in its entirety and replacing therewith the following new Article 91:

- "91. (1) Save as otherwise provided by these Articles, 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 has a material interest, 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/have 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;

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- (ii) any proposal concerning an offer of shares or debentures or other securities of 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 his associates are not in aggregate beneficially interested in 5 per cent. 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 associates is derived) or of the voting rights;
- (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 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.



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- (2) A company shall be deemed to be a company in which a Director and his associates own five (5) per cent. or more if and so long as (but only if and so long as) he and his associates are (either directly or indirectly) the holder of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company. For the purpose of this paragraph, there shall be disregarded any shares held by a Director or any of his associate(s) as bare or custodian trustee and in which he or such associate(s) has/have no beneficial interest, any shares comprised in a trust in which the interest of the Director or any of 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 any of his associates is interested only as a unit holder.
- (3) Where a company in which a Director and his associates hold five (5) per cent. or more is materially interested in a transaction, then that Director shall also be deemed to be 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 or any of his associates (other than the chairman of the meeting) 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 concerned or his associates 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 or his associates as known to such chairman has not been fairly disclosed to the Board."

Article 128

By inserting the words "or a summary financial report" immediately after the words "together with a copy of the auditors' report,"; and

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5. to, as special business, consider and, if thought fit, pass the following resolution as an ordinary resolution:

"THAT:

- (a) subject to paragraph (c) below, pursuant to the Rules (the **"Listing Rules"**) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**), the exercise by the Directors during the Relevant Period of all the powers of the Company to allot, issue and deal with unissued Shares and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same 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 powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise), issued or dealt with by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and



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- (d) for the purposes of this resolution:

“Relevant Period” means the period from the date of 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 articles of association of the Company, or any other applicable law of Hong Kong to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution; and

“Rights Issue” means an offer of Shares, 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 on the register on a fixed record date in proportion to their then holdings of 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, 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 outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

By order of the board of Directors

KWOK ON SANG

Secretary

Hong Kong, 28th May, 2004

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***Registered office and principal place of
business in Hong Kong:***

Room 2004
20th Floor
Gloucester Tower
The Landmark
Central
Hong Kong

Notes:

- (a) A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company.
- (b) In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the office of the Company's share registrar, Standard Registrars Limited, at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting.
- (c) In relation to proposed resolution no. 2 above, Mr. Jong Kong Ki, Mr. Lo Cheung Kin and Mr. Jong Tat Fung will retire from their offices as Directors at the above meeting pursuant to Article 81 of the articles of association of the Company and, being eligible, offer themselves for re-election.
- (d) In relation to proposed resolution no. 5 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of shares under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued under any share option scheme of the Company or any scrip dividend scheme which may be approved by shareholders.