

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting of the Company will be held at 8th Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong at 12:00 p.m. on Wednesday, 20th October, 2004 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 30th June, 2004.
2. To declare a final dividend for the year ended 30th June, 2004.
3. To re-elect and appoint Directors and authorise the Board of Directors of the Company to fix their remuneration and appoint a maximum of three additional Directors.
4. To re-appoint Auditors and to authorise the Directors to fix their remuneration.
5. As special business, to consider and, if though fit, pass the following resolution as an ordinary resolution:

**"THAT:**

conditionally on The Stock Exchange of Hong Kong Limited granting approval of the listing of and permission to deal in the shares falling to be issued pursuant to the exercise of any options granted under the share option scheme referred to in the circular to shareholders of the Company dated 23rd September, 2004, the terms of which are set out in the printed document marked "A" now produced to the meeting and for the purpose of identification signed by the Chairman of the meeting for the purpose of identification (the "**Share Option Scheme**"), the Share Option Scheme be approved and adopted to be the share option scheme for the Company and that the Directors of the Company be authorized to grant options scheme for the Company and that the Directors of the Company be authorized to grant options thereunder and to allot and issue shares pursuant to the Share Option Scheme and take all such steps as may be necessary or desirable to implement such Share Option Scheme."

6. As special business, to consider and, if thought fit, pass with or without amendments the following resolution which will be proposed as an ordinary resolution:

**"THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.10 each 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 or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

## NOTICE OF ANNUAL GENERAL MEETING

(b) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of this Resolution and the said approval shall be limited accordingly; 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 law or the Bye-laws of the Company 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.”

7. As special business, to consider and, if thought fit, pass with or without amendments the following resolution which will be proposed as an ordinary resolution:

“THAT:

(a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options which would or might require the allotment of such shares, be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements or options which would or might require the allotment of such shares after the end of the Relevant Period (as hereinafter defined);

(c) 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 of the Company pursuant to the approval in paragraph (a) above, otherwise than (1) a Right Issue (as hereinafter defined); (2) an issue of shares as scrip dividends pursuant to the Bye-laws of the Company from time to time; (3) an issue of shares 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 shares or rights to subscribe for shares in the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing this Resolution, and the said approval shall be limited accordingly; and

## NOTICE OF ANNUAL GENERAL MEETING

(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 expiration of the period within which the next annual general meeting of the Company is required by law or the Bye-laws of the Company 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 the holders of shares of the Company on the register 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 of the Company 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).”

8. As special business, to consider and, if thought fit, pass with or without amendments the following resolution which will be proposed as an ordinary resolution:

“**THAT** the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to the Resolution set out in item 6 of the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to the Resolution set out in item 5 of the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the said Resolution.”

## NOTICE OF ANNUAL GENERAL MEETING

9. As special business, to consider and if thought fit, pass the following resolutions as Special Resolution:

**“THAT** the Bye-laws of the Company be hereby amended as follows:–

- (a) by deleting the existing definition of “Clearing House” in Bye-law 1 and substituting therefor the following new definition:–

““Clearing House” shall mean a recognised clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or a clearing house or authorised shares depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.”

- (b) by adding the following new definitions of “associates(s)” and “Listing Rules” in Bye-law 1 in appropriate alphabetical order:–

““associates(s)” shall have the meaning attributed to it in the Listing Rules; and

“Listing Rules” shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as may be amended from time to time.”

- (c) renumbering the existing Bye-law 76 as Bye-law 76(A) and adding the following as Bye-law 76 (B) immediately after

“76B. 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 votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.”

- (d) by deleting the existing Bye-law 88 and substituting therefor the following new Bye-law 88:–

“88. No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless a Notice in writing of the intention to propose that person for election as a Director and a Notice in writing by that person of his willingness to be elected shall have been lodged at the Registration Office at least seven days before the date of the general meeting. The period for lodgment of the Notices required under this Bye-law will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.”

## NOTICE OF ANNUAL GENERAL MEETING

- (e) deleting the existing Bye-law 103(1) and substituting therefor the following new Bye-law 103 (1):-

“(1) A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or proposal in which he or any of his associate(s) has/have a material interest, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for that resolution), 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) 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 associate(s) are not in aggregate beneficially interested in five (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 associate(s) 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

**NOTICE OF ANNUAL GENERAL MEETING**

- (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, their respective associates and employees of the Company or any 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.

For the purpose of Bye-law 103(1), "subsidiary" or "subsidiaries" shall have the meaning ascribed to it under the Listing Rules."

- (f) deleting the existing Bye-law 103(2) and substituting therefor the following new Bye-law 103(2):

"(2) A company shall be deemed to be a company in which a Director and/or any of his associate(s) owns 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 of any class of shares of such company if and so long as (but only if and so long as) he and/or his associates(s) is/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 any third company through which his/their interest is derived) or of the voting rights of any class of shares available to shareholders of the company. 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/are 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."

- (g) deleting the existing Bye-law 103(3) and substituting therefor the following new Bye-law 103(3):

"(3) Where a company in which a Director and/or any of his associate(s) holds five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights of any class of shares available to shareholders of the company is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction."

## NOTICE OF ANNUAL GENERAL MEETING

- (h) deleting the existing Bye-law 103(4) and substituting therefor the following new Bye-law 103(4):

“(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) 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 and his ruling in relation to such other Director or his associate(s) shall be final and conclusive except in a case where the nature or extent of the interest of the Director or his associate(s) 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 or his associate(s) such question shall be decided by a resolution of the Board (for which purpose such Chairman shall not be counted in the quorum and 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 associate(s) as known to such Chairman has not been fairly disclosed to the Board.”

- (i) deleting the words “fourteen (14)” in the existing Bye-law 154(2) and substituting with the words “twenty-one (21).”

By order of the Board  
**CHEUNG LAI YIN**  
*Company Secretary*

Hong Kong, 17th September, 2004

*Notes:*

1. The register of members of the Company will be closed from Monday, 4th October, 2004 to Friday, 8th October, 2004 (both days inclusive). During this period, no transfer of shares will be registered. In order to qualify for the proposed final dividend all transfer forms of shares accompanied by the relevant share certificates must be lodged with the Company's share registrars in Hong Kong, Secretaries Limited of Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:00 p.m., on Thursday, 30th September, 2004.
2. A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote on his behalf. A member who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number and class shares in respect of which each such proxy is so appointed.
3. 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 certified copy of such power or authority, must be deposited at the Company's principal place of business in Hong Kong at Room 17, 17th Floor, Corporation Park, 11 On Lai Street, Siu Lek Yuen, Shatin, New Territories, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting (as the case may be).