

## Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of shareholders of the Company will be held at 2nd Floor, Cypress Room, Novotel Century Harbourview, 508 Queen's Road West, Western District, Hong Kong on 5 August 2005 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 28 February 2005.
2. To re-elect directors and to fix the directors' fees.
3. To appoint auditors and to authorise the directors to fix their remuneration.
4. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**"THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to purchase shares of HK\$0.50 each in the capital of the Company be and is hereby generally and unconditionally approved;
- (b) the total nominal amount of the shares to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date 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 earlier 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 Hong Kong Companies Ordinance to be held; or
  - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting."

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

**"THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company pursuant to Section 57B of the Hong Kong Companies Ordinance 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 paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers at any time during or after the Relevant Period;
- (c) the total 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 paragraph (a) above, otherwise than pursuant to: (i) a Rights Issue; or (ii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole part of a dividend on shares of the Company in accordance with the Memorandum and Articles of Association of the Company; or (iii) the exercise of subscription rights under the Share Option Scheme of the Company should not exceed 20% of the total nominal amount of the share capital of the Company in issue on the date of this Resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution, "Relevant Period" means the period from the passing of this Resolution until whichever is the earlier 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 Hong Kong Companies Ordinance to be held; or
  - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company 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 on the Register of Members on a fixed record date in proportion to their holdings of shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlement or having regard to any restrictions and obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory outside Hong Kong)."

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

**"THAT** the general mandate granted to the directors of the Company and for the time being in force to exercise the powers of the Company to allot shares and to make or grant offers, agreements and options which might require the exercise of such powers, be and is hereby extended by the addition to the total nominal amount of share capital which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the total nominal amount of shares in the capital of the Company which has been purchased by the Company since the granting of such general mandate pursuant to the exercise by the directors of the Company of the powers of the Company to purchase such shares, provided that such amount shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of this resolution."

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

**"THAT** the Articles of Association of the Company be amended in the following manner:

- (a) By deleting Article 78 in its entirety and substituting therefor the following new Article 78:

"78 Any member of the Company, whether an individual or a corporation, entitled to attend and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. Votes may be given either personally or by proxy. 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 a general meeting of the Company or at a class meeting. Proxy need not be a member of the Company. In addition, a proxy or proxies representing a member shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.";

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- (b) By deleting Article 90 in its entirety and substituting therefor the following new Article 90:

“90 Without prejudice to the power of the Company in pursuance of the provisions of the Articles to appoint any person to be a Director and subject to the Ordinance, the Directors may appoint any person to be a Director as an additional Director or to fill a casual vacancy provided that any person so appointed shall hold office only until the first general meeting of the Company after his appointment and shall then be eligible for re-election. In case the aforesaid Director retires at an annual general meeting in pursuance of this Article 90, he shall not be taken into account in determining the Directors who are to retire by rotation at that annual general meeting in accordance with Article 99.”; and

- (c) By deleting Article 99 in its entirety and substituting therefor the following new Article 99:

“99 Unless and until the Company in a general meeting shall otherwise determine, every Director (including those appointed for a specific term) shall retire from office by rotation at the second annual general meeting held after his last re-election by the members in a general meeting or such other manner of rotation as may be required by the Listing Rules or other codes, rules, and regulations as may be prescribed by the applicable regulatory authority from time to time. The retiring Directors shall be eligible for re-election.”.

By order of the Board  
**Ada S P CHEUNG**  
*Company Secretary*

Hong Kong, 30 June 2005

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## 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. 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 Share Registrars, Tengis Limited, 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 adjournment thereof. Completion and return of a proxy form will not preclude a member from attending the meeting and voting in person.
3. Concerning item 4 above, the Directors will exercise the powers conferred thereby to repurchase shares of the Company in circumstances which they deem appropriate for the benefits of the shareholders.
4. Concerning item 5 above, approval is being sought from the members for a general mandate to authorise allotment of shares under Section 57B of the Hong Kong Companies Ordinance and the Listing Rules. The directors have no immediate plan to issue any new shares of the Company other than shares to be issued pursuant to the Company's Share Option Scheme for employees.
5. Concerning item 6 above, approval is being sought to increase the number of shares which the Directors may issue under their general mandate by the number of any shares repurchased during the Relevant Period.
6. Concerning item 7 above, approval is being sought to amend the Company's Articles of Association in order to comply with the Hong Kong Companies Ordinance and certain provisions of the new Code on Corporate Governance Practices in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange.
7. A circular containing further details in respect of the above items 2 and 4 to 7 will be sent to members together with the 2005 Annual Report.
8. As at the date of this notice, Mr. Walter K.W. Ma is Chairman and Executive Director of the Company and Mr. Philip K.H. Ma is Group Managing Director and Executive Director of the Company, Mr. King Wing Ma, Mr. Eric K.K. Lo and Mr. Charles M.W. Chan are independent non-executive directors of the Company.