



## **NGAI HING HONG COMPANY LIMITED**

*(Incorporated in Bermuda with Limited Liability)*

**(Stock Code: 1047)**

Website: <http://www.nhh.com.hk>

### **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an annual general meeting of Ngai Hing Hong Company Limited ("Company") will be held at 10:00 a.m. on Wednesday, 1st December 2004 at Caine Room, Level 7, Conrad Hotel, Pacific Place, 88 Queensway, Hong Kong for the following purposes:

1. to receive and approve the audited consolidated financial statements and the reports of the directors ("Directors") and auditors of the Company for the year ended 30th June 2004;
2. to declare a final dividend for the year ended 30th June 2004;
3. to re-elect the retiring Directors and to authorise the board of Directors to fix the Directors' remuneration;
4. to re-appoint the auditors and to authorise the board of Directors to fix their remuneration;

### **SPECIAL RESOLUTION**

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

**"THAT** the Bye-laws of the Company be and are amended in the following manner:

(a) Bye-law 1 be amended by deletion of the existing definitions of "Board" or "Directors", "clearing house" and "Statutes" and insertion of the following new definitions in appropriate alphabetical sequence:

"associates"	the meaning as ascribed to it in the Listing Rules.
"clearing house"	a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted with the permission of the Company on a stock exchange in such jurisdiction.
"Statutes"	the Act, the Electronic Transactions Act 1999 of Bermuda, and every other act of the Legislature of Bermuda for the time being in force applying to or affecting the Company, its memorandum of association and/or these Bye-laws.
"Company's website"	the website of the Company to which any Member may have access, the address or domain name of which has been

	notified to the Members at the time the Company seeks the relevant Member's consent for the purposes of Bye-law 160 or, as subsequently amended by notice given to the Members in accordance with Bye-law 160(2).
"Board" or "Director"	The Board of Directors of the Company or a director of the Company and includes an alternate in his capacity as a director of the Company.
"dividend"	includes scrip dividends, distributions in specie or in kind, capital distributions and capitalisation issues.
"holding company" and "subsidiary"	the meanings ascribed to them by the Listing Rules.
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China.
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. References in these Bye-laws to the rules of any relevant stock exchange shall include the Listing Rules.
"share"	share in the capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied.
"writing" and "printing"	writing, printing, lithography, photography, typewriting and every other mode of representing words or figures in a legible and non-transitory form including where the representation takes the form of electronic display, provided that the same is available for download onto a user's computer or for printing through conventional small office equipment or is placed on the Company's website and, in each case, the Member concerned (where the relevant provision of these Bye-laws require the delivery or service of any document or notice on him in his capacity as Member) has elected for the receipt of the relevant download or notice through electronic means and both the mode of service of the relevant document or notice and the Member's election comply with all applicable laws and regulations and the requirements of any Designated Stock Exchange.

- (b) Bye-law 2(f) be amended by deletion of the word "in force" and insertion of the following in their place:

"in force, and references to a document being executed include references to it being executed under hand or under seal or, subject to proper compliance with the Statutes, by electronic signature or by any other method and references 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;"

- (c) Bye-law 51 be amended by insertion of the following immediately after the word "Designated Stock Exchange" on the fourth line:

"or by any electronic means as may be permitted by the Statutes and in such manner as may be accepted by the Designated Stock Exchange".

- (d) Bye-law 77 be amended by insertion of the following as a new Bye-law 77A immediately after Bye-law 77:

"77A 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."

(e) Bye-law 88 be amended by deletion of it in its entirety and insertion of the following in its place:

"88 No person, other than a retiring Director, shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting, unless notice in writing signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose that person for election as a Director and notice in writing signed by that person of his willingness to be elected shall have been lodged at the head office or at the Registration Office for at least seven days commencing no earlier than the day immediately after the despatch of the notice of the general meeting and ending no later than seven days before the date of such general meeting."

(f) Bye-law 102 be amended by deletion of it in its entirety and insertion of the following in its place:

"102 (1) If to the knowledge of a Director, he or any of his associates, is 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 interest or, as the case may be, that of his associates at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest or that of his associates 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 has become so interested. For the purposes of this Bye-law, a general notice to the Board by a Director to the effect that (a) he or any of his associates is a shareholder or 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 any of his associates 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 with him or any of his associates, shall be deemed to be a sufficient declaration of interest under this Bye-law 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 ensure that it is brought up and read at the next Board meeting after it is given.

(2) A Director shall not vote or be counted in the quorum on any resolution of the Directors concerning his own appointment or the appointment of any of his associates as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms thereof, or the termination thereof)."

(g) Bye-law 103 be amended by:

i. deletion of the existing Bye-law 103(1) in its entirety and insertion of the following in its place:

“103 (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 to his knowledge materially interested, and if he shall do so his vote shall not be counted (nor is he to 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) 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 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 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, their 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.”.

ii. deletion of the existing Bye-law 103(2) in its entirety and insertion of the following in its place:

- “(2) A company shall be deemed to be a company in which a Director and his associates in aggregate own five (5) per cent. or more of any class of the voting 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 his associates are (either directly or indirectly) the holders of or beneficially interested in five (5) per cent. or more of any class of the issued voting equity share capital of such company (or of any third company, other than the Company or any of its subsidiaries, through which his interest or that of his associates is derived) or of the voting rights of any class of shares of the company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or any of 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 any of his associates is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, 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, and shares which carry no voting right at general meetings and no or nugatory dividend and return of capital rights.”.

iii. deletion of the existing Bye-law 103(3) in its entirety and insertion of the following in its place:

- “(3) Where a company in which a Director and any of his associates in aggregate hold five (5) per cent. or more of any class of the voting 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.”.

iv. insertion of the words “or any of his associates” immediately after the words “of the meeting)” on the third line, immediately after the words “the Director concerned” on the eighth line, and immediately after the word “chairman” where it first appears on the second last line, of the existing Bye-law 103(4).

v. insertion of the following new Bye-law 103(5) after the existing Bye-law 103(4):

- “(5) Where arrangements are under consideration concerning the appointment (including the arrangement, remuneration or variation of the terms thereof, or the termination thereof) of two or more Directors

or any of the associates of any such Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director or, as the case may be, the associate(s) of such Director and in such case each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment or the appointment of any of his associates (or the arrangement or variation of the terms thereof, or the termination thereof) and (in the case of an office or place of profit with any such other company as aforesaid) where the other company is a company in which the Director and his associates in aggregate own five (5) per cent. or more of the issued shares of any class of the voting equity share capital of such company or of the voting rights of any class of shares of such company (other than shares which carry no voting rights at general meetings and no or nugatory dividend and return of capital rights).”.

(h) Bye-law 153 be amended by deletion of it in its entirety and insertion of the following in its place:

- “153 (1) Subject to Section 88 of the Act and Bye-law 153(3), the Board shall from time to time cause to be prepared and laid before the Company at its annual general meeting profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Statutes and, so long as any shares in the Company are with the consent of the Company listed on The Stock Exchange of Hong Kong Limited, the accounts of the Company shall be prepared and audited based on the generally accepted accounting principles of Hong Kong, the International Financial Reporting Standards, or such other standards as may be permitted by the rules of the Designated Stock Exchange and the accounting principles or standards adopted shall be disclosed in the financial statements and the report of the Auditors.
- (2) Every balance sheet of the Company shall be signed on behalf of the Board by two of the Directors and a copy of every balance sheet (including every document required by law to be comprised therein or annexed thereto) and profit and loss account which is to be laid before the Company at its annual general meeting, together with a copy of the Directors' report and a copy of the Auditors' report thereon, shall not less than twenty-one (21) days before the date of the general meeting be sent to every Member of, and every holder of debentures of, the Company and every other person entitled to receive notices of general meetings of the Company under the provisions of these Bye-laws, provided that this Bye-law shall not affect the operation of paragraph (3) of this Bye-law, or require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures, but any Member or holder of debentures to whom a copy of those documents has not been sent shall be entitled to receive a copy free of charge on application at the head office or the Registration Office. If all or any of the shares or debentures or other securities of the Company shall for the time being be (with the consent of the Company) listed or dealt in on any stock exchange or market, there shall be forwarded to such stock exchange or market

such number of copies of such documents as may for the time being be required under its regulations or practice.

- (3) To the extent permitted by and subject to due compliance with the Statutes and the rules of the Designated Stock Exchange, and to obtaining all necessary consents, if any, required thereunder and such consents being in full force and effect, the requirements of Bye-law 153(2) shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes and instead of such copies, a summary financial statement derived from the Company's annual financial statements, the Directors' report thereon, an Auditor's report and a notice informing the Member how to notify the Company that he elects to receive the full financial statements required under Bye-law 153(2), which shall be in the form and containing the information required by applicable laws and regulation, provided that any person who is otherwise entitled to the annual financial statements of the Company and the Directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to a summary financial statement, a complete printed copy of the Company's annual financial statement and the Directors' report thereon."

- (i) Bye-law 154(1) be amended by deletion of the words "fourteen (14)" and insertion of the words "twenty-one (21)" in their place.

- (j) Bye-law 157 be deleted in its entirety and insertion of the following in its place:

"157 If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and fix the remuneration of the Auditor so appointed."

- (k) Bye-law 159 be amended by deleting the following sentences:

"The financial statements of the Company shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the Auditor shall be submitted to the Members in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than Bermuda. If so, the financial statements and the report of the Auditor should disclose this fact and name such country or jurisdiction."

- (l) Bye-law 160 be amended by deletion of it in its entirety and insertion of the following in its place:

- "160 (1) Subject to Bye-law 160(2), any Notice or document (including any document or Notice issued or to be issued by the Company for the information and/or action of holders of any of its securities and whether or not given or issued under these Bye-laws) shall be in writing, and may be served by the Company on any Member either personally or by sending it through the post in a prepaid envelope or

wrapper addressed to such Member at his registered address as appearing in the Register or by delivering or leaving it at such registered address as aforesaid or (in the case of a Notice) by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordances with the requirements of the Designated Stock Exchange, or displaying the relevant Notice conspicuously at the Office and the head office. In the case of joint holders of a share, all Notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be sufficient notice to all the joint holders. Subject to due compliance with the Statutes, all other applicable statutes, rules and regulations, any Notice or document may be given to a Member in the English language or the Chinese language.

(2) Subject to due compliance with the rules of the Designated Stock Exchange, and to obtaining all necessary consents, if any, required and such consents being in full force and effect, any Notice or document (including any document or Notice issued or to be issued by the Company for the information and/or action of holders of any of its securities and whether or not given or issued under these Bye-laws) may also be served by the Company on any Member or holder of other securities of the Company by electronic means:

- (i) at his electronic address or website as appearing in the Register (if any); or
- (ii) at any other electronic address or website supplied by him to the Company for the purpose of such transmission; or
- (iii) by placing it on the Company's website provided that where the relevant documents are the Company's Directors' report, annual financial statements, Auditors' report, interim report (and where applicable, a summary interim report) and, where Bye-law 153(3) applies, a summary financial statement, any service of such documents by placing on the Company's website shall also be accompanied by a notice of the publication ("notice of publication") of such documents on the Company's website given to the Member concerned in the manner referred to in Bye-law 160(1) or in any other manner agreed between the Member concerned and the Company;

provided that (aa) in the case of joint holders of share, any consent required from the Member concerned for the purposes of this Bye-law 160(2) shall be given by that one of the joint holders who is entitled to receive notice pursuant to Bye-law 160(1); and (bb) the Company may, for the purposes of this Bye-law 160(2), propose to its Member any one or more or all of the above means of electronic communication."

(m) Bye-law 161 be amended by deletion of it in its entirety and insertion of the following in its place:

"161 (1) Any Member whose registered address is outside the territory of any Designated Stock Exchange ("Relevant Territory") may notify the Company in writing of an address in the Relevant Territory



which for the purpose of service of Notice or other documents shall be deemed to be his registered address. Where the registered address of the Member is outside the Relevant Territory, Notice or other documents, if given through the post, shall be sent by prepaid airmail letter where available.

- (2) Any Member who fails (and, where a share is held by joint holders, where the first joint holder named on the Register fails) to supply his registered address or electronic address or website or a correct registered address or electronic address or website to the Company for service of Notices and documents on him shall not (and where a share is held by joint holders, none of the other joint holders whether or not they have supplied a registered address or electronic address or website shall) be entitled to service of any Notice or documents by the Company and any Notice or document which is otherwise required to be served on him may, if the Directors in their absolute discretion so elect (and subject to them as re-electing otherwise from time to time), be served, in the case of Notices, by displaying a copy of such Notice conspicuously at the Office and the head office or, if the Directors see fit, by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange, and, in the case of documents, by posting up a notice conspicuously at the Office and the head office addressed to such Member which notice shall state the address within the Relevant Territory at which he may obtain a copy of the relevant document, or by displaying or otherwise making available the relevant Notice or document on the Company's website and stating the address within the Relevant Territory at which he may obtain a copy of the Notice or document. Any Notice or document served in the manner so described shall be sufficient service as regards Members with no registered or electronic address or website supplied to the Company for the service of Notices and documents or incorrect addresses, provided that nothing in this paragraph (2) shall be construed as requiring the Company to serve any Notices or documents on any Member with no or an incorrect registered address or electronic address or website for the service of Notice or document on him or on any Member other than the first named on the Register.
- (3) If on three consecutive occasions Notices or other documents have been sent through the post to any Member (or, in the case of joint holders of shares, the first holder named on the register) at his registered address or by electronic means to his electronic address or website supplied by him to the Company for the service of Notices and documents but have been returned undelivered, such Member (and, in the case of joint holders of a share, all other joint holders of the share) shall not thereafter be entitled to receive or be served (save as the Directors may elect otherwise pursuant to paragraph (2) of this Bye-law) and shall be deemed to have waived the service of Notices and other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered

address or electronic address or website for the service of Notices and other documents on him.

- (4) Notwithstanding any election by a Member, if the Company is advised that the sending of any Notice or other document to any electronic address or website supplied by a Member may or might infringe the law of any relevant jurisdiction, or if the Company cannot verify the location of the server at which the electronic address or website of the Member is located, the Company may in lieu of the sending of any Notice or other document to the electronic address or website supplied by the Member concerned, place the same on the Company's website, and any such placement shall be deemed effective service on the Member, and the relevant Notice and document shall be deemed to be served on the Member on which the same is first placed on the Company's website.
- (5) Notwithstanding any election by a Member from time to time to receive any Notice or document through electronic means, such Member may, at any time, require the Company to send to him, in addition to an electronic copy thereof a printed copy of any Notice or document which he, in his capacity as Member, is entitled to receive.
- (6) Any Notice or document sent by post shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is put into a post office situated within the Relevant Territory and in proving such service it shall be sufficient to prove that the envelope or wrapper containing Notice or document was properly prepaid (and in the case of an address outside the Relevant Territory where airmail service is available, airmail postage prepaid), addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Directors that the envelope or wrapper containing the Notice or document was so addressed and put into such post office shall be conclusive evidence thereof.
- (7) A Notice served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in accordance with the requirements of the Designated Stock Exchange shall be deemed to have been served on the day on which the notice is first published.
- (8) Any Notice or document sent by electronic transmission shall be deemed to have been served on the day on which the Notice is sent.
- (9) Any Notice or document placed on the Company's website is deemed given by the Company to a Member on the day the Notice or document is placed on the Company's website except where the document is the Company's Directors' report, annual financial statements or Auditors' report and, where applicable, summary financial statement, then such document shall be deemed to be served on the day following that on which a notice of publication is deemed served on the Member.

(10) A Notice served by display of the same at the Office and head office shall be deemed to have been served 24 hours after the Notice was first so displayed.

(11) Any Notice or document served pursuant to Bye-law 161(2) shall be deemed duly served 24 hours after the relevant Notice was first displayed.

(n) Bye-law 162(1) be amended by insertion of the words "or electronic means" immediately following the words "sent by post" on the first line.

(o) Bye-law 162(2) be amended by insertion of the words "(including any electronic address)" immediately following the words "the address" on the sixth line."

### **ORDINARY RESOLUTIONS**

6. as special business, to consider and, if thought fit, pass the following ordinary resolutions (with or without modifications):

**"THAT:**

(a) subject to paragraph (c) below, pursuant to the Rules ("Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange"), the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with the unissued shares (each a "Share") of HK\$0.10 each in the capital of the Company 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 of the Company during the Relevant Period to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any script 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 Bye-laws 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 of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any share capital of the Company purchased 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

(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 Bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended) or any other applicable law of Bermuda 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 of the Company by this resolution;

“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 of the Company to holders of Shares on the Company's register of members on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion 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, 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).”

**7. “THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all powers of the Company to purchase shares (each a “Share”) of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Act 1981 of Bermuda (as amended) (“Companies Act”) and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a)

during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(c) 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 Bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended) or any other applicable law of Bermuda 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 of the Company by this resolution."

8. **"THAT** conditional on the passing of resolution numbered 6 above, the general mandate granted to the directors of the Company pursuant to paragraph (a) of resolution numbered 6 above be and it is hereby extended by the addition to the aggregate nominal amount of the shares of HK\$0.10 each in the capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to or in accordance with such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company purchased or agreed to be purchased by the Company pursuant to or in accordance with the authority granted under paragraph (b) of resolution numbered 7 above."

By order of the Board  
**CHING Yu Lung**  
Company Secretary

Hong Kong,  
13th October 2004

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

Unit 3, 6th Floor  
Hopeful Factory Centre  
10 Wo Shing Street  
Fo Tan  
New Territories  
Hong Kong

*Notes:*

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, subject to the provisions of the Bye-laws of the Company, vote in his stead. A proxy need not be a member of the Company.
2. A form of proxy for use at the meeting is enclosed. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, at the offices of the Company's Hong Kong branch registrars, Abacus Share Registrars Limited at G/F, Bank of East

Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong no less than 48 hours before the time for holding the meeting or adjourned meeting.

3. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto to. If more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. As at the date of this notice, the Board of Directors comprises six Executive Directors, namely Mr HUI Sai Chung, Mr HUI Kwok Kwong, Dr WONG Chi Ying, Anthony, Mr LAI Kam Wah, Mr CHING Yu Lung and Madam LIU Sau Lai and three Independent Non-executive Directors, namely Mr HO Wai Chi, Paul, Mr FONG Pong Hing and Mr CHAN Dit Lung.