
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Ngai Hing Hong Company Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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NGAI HING HONG COMPANY LIMITED

毅興行有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1047)

AMENDMENTS TO BYE-LAWS, GRANT OF GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES, RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

Notice of the Annual General Meeting of the Company to be held at 10:00 a.m. on Thursday, 1st December 2005 at Caine Room, Level 7, Conrad Hotel, Pacific Place, 88 Queensway, Hong Kong is set out on pages 12 to 16 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event no later than 48 hours before the time of the meeting or any adjournment thereof to the Company's branch share registrar in Hong Kong, Abacus Share Registrars Limited, at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjournment thereof should you so wish.

* For identification purpose only

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM Notice”	the notice for convening the Annual General Meeting set out on pages 12 to 16 in this circular
“Annual General Meeting”	the annual general meeting of the Company convened to be held at 10:00 a.m. on Thursday, 1st December 2005 at Caine Room, Level 7, Conrad Hotel, Pacific Place, 88 Queensway, Hong Kong
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company, as amended from time to time
“Company”	Ngai Hing Hong Company Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Issue Mandate”	a general mandate to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the existing share capital of the Company in issue as at the date of passing the relevant resolution at the Annual General Meeting
“Latest Practicable Date”	18th October 2005, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general mandate to the Directors to enable them to repurchase Shares not exceeding 10% of the existing share capital in issue as at the date of passing the relevant resolution at the Annual General Meeting
“SF Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)” or “Member(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.



NGAI HING HONG COMPANY LIMITED

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(Incorporated in Bermuda with limited liability)

(Stock Code: 1047)

Executive Directors:

Hui Sai Chung (*Chairman*)

Hui Kwok Kwong

(*Deputy Chairman and Managing Director*)

Dr Wong Chi Ying, Anthony

Lai Kam Wah

Ching Yu Lung

Liu Sau Lai

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*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

24th October 2005

To the Shareholders and, for information only, holders of options

Dear Sir/Madam

**AMENDMENTS TO BYE-LAWS,
GRANT OF GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The primary purposes of this circular are to provide you with information regarding the resolutions to be proposed at the Annual General Meeting and to give you notice of the Annual General Meeting. Resolutions to be proposed at the Annual General Meeting include a special resolution relating to the proposed amendments to the Bye-Laws and ordinary resolutions on the grant of the Issue Mandate and the Repurchase Mandate, and re-election of Directors.

* For identification purpose only

LETTER FROM THE BOARD

Under the Listing Rules, the Company is required to provide you with information reasonably necessary to enable you to make an informed decision as to whether to vote for or against the resolutions to be proposed at the Annual General Meeting. This circular is also prepared for such purpose.

AMENDMENTS TO BYE-LAWS

The Stock Exchange has recently amended the Listing Rules for the purpose of implementing the Code on Corporate Governance Practices (the “Code”). The Code, which is contained in Appendix 14 of the Listing Rules, came into effect on 1st January 2005.

Paragraph A.4.2 of the Code provides that every director of a listed issuer, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years, and all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment.

In order to bring the Bye-laws in line with the Code, a special resolution will be proposed at the Annual General Meeting to amend the Bye-laws including Bye-law 86 be amended to provide, inter alia, that any Director appointed to fill a casual vacancy shall hold office only until the next following general meeting, and Bye-law 87(1) be amended to provide, inter alia, that every Director should be subject to retirement by rotation at least once every three years.

Full details of the proposed amendments to the Bye-laws are set out in the relevant resolutions contained in the AGM Notice on pages 12 to 16 of this document.

GRANT OF ISSUE MANDATE AND REPURCHASE MANDATE

At the annual general meeting of the Company held on 1st December 2004, the Directors were granted a general mandate to allot, issue and deal with Shares in the capital of the Company and a repurchase mandate to repurchase Shares on the Stock Exchange. These mandates will expire at the conclusion of the Annual General Meeting. To facilitate future allotment and issue of Shares by the Directors on behalf of the Company, the Directors will seek the approval of the Shareholders for the grant of the Issue Mandate and Repurchase Mandate.

The Directors have no immediate plans to allot and issue any new Shares other than such Shares which may fall to be issued upon the exercise of any options granted under the share option schemes of the Company.

The explanatory statement required by the Listing Rules to be included in this circular is set out in the appendix to this circular.

LETTER FROM THE BOARD

ACTIONS TO BE TAKEN

At the Annual General Meeting, special/ordinary resolutions will be proposed to approve, among other matters, the following:

- (a) the amendments to the Bye-laws;
- (b) the grant of the Issue Mandate; and
- (c) the grant of the Repurchase Mandate.

Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and, in any event not later than 48 hours before the time for the Annual General Meeting or any adjournment thereof to the Company's branch share registrar, Abacus Share Registrars Limited, at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof should you so wish.

RECOMMENDATION

The Directors believe that the amendments to the Bye-Laws and the grant of the Issue Mandate and the Repurchase Mandate are beneficial to and in the best interests of the Company and the Shareholders as a whole.

The Directors believe that an exercise of the Issue Mandate will enable the Company to take advantage of market conditions to raise additional capital for the Company.

The Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchases of Shares will benefit the Company and the Shareholders.

An exercise of the Repurchase Mandate in full might have a material adverse impact on the working capital and gearing position of the Company compared with that as at 30th June 2005, being the date of its latest audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

Accordingly, the Directors recommend that Shareholders vote in favour of the special/ordinary resolutions approving the amendments to the Bye-Laws, the grant of the Issue Mandate and the Repurchase Mandate at the Annual General Meeting.

LETTER FROM THE BOARD

PROCEDURE TO DEMAND A POLL AT THE ANNUAL GENERAL MEETING

Pursuant to Bye-Law 66 of the Bye-Laws, a resolution put to the vote at any general meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or
- (d) by a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

A demand by a person as proxy for a member or in the case of a member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a member.

RE-ELECTION OF DIRECTORS

In accordance with Bye-Law 87 of the Bye-laws, Mr Ching Yu Lung and Madam Liu Sau Lai will retire as Directors by rotation. Mr Ching and Madam Liu are eligible and offer themselves for re-election as Directors at the Annual General Meeting.

Biographical details

Executive Directors

Mr Ching Yu Lung, aged 35, is the Finance Director and Company Secretary of the Group. He is also the director of Ngai Hing PlastChem Company Limited and NHH International Trading Limited, both are subsidiaries of the Group. He holds a bachelor degree in Business Administration and is a Fellow Member of the Association of Chartered Certified Accountants, an Associate Member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. He has over 13 years' experience in auditing, finance and accounting and is responsible for the financial and treasury management of the Group.

LETTER FROM THE BOARD

There is no service contract between the Company and Mr Ching, but he is entitled to a director's fee as may be approved by the Board of the Company with reference to his roles and responsibilities and the prevailing market conditions. The emoluments (including director's fee and bonus payment) of Mr Ching for the year ended 30th June 2005 is HK\$1,387,000. Further announcement will be made when his emoluments (including director's fee and bonus payment) for the year ended 30th June 2006 have been finalised. There is no fixed term for his appointment and he is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws which requires one third of the Directors (excluding the Chairman of the Board and the managing director of the Company) shall retire from office by rotation and shall be eligible for re-election.

Madam Liu Sau Lai, aged 47, is responsible for personnel and office administration of the Group. She joined the Group in 1977. Madam Liu is a member of the Hong Kong Institute of Directors. She has more than 20 years' experience in plastic materials trading. She is also the director of Hong Kong Colour Technology Limited, Landpool Industrial Limited, Ngai Hing Engineering Plastic Materials Limited, Ngai Hing Engineering Plastic (Shanghai) Co., Ltd., Ngai Hing PlastChem Company Limited, Dongguan Ngai Hing Plastic Materials Ltd., Ngai Hing Trading (Tsing Tao) Co., Ltd., Tsing Tao Ngai Hing Plastic Materials Co., Ltd. and Ngai Hing (GZFTZ) Trading Co., Ltd., all of which are subsidiaries of the Group.

There is no service contract between the Company and Madam Liu, but she is entitled to a director's fee as may be approved by the Board of the Company with reference to her roles and responsibilities and the prevailing market conditions. The emoluments (including director's fee and bonus payment) of Madam Liu for the year ended 30th June 2005 is HK\$1,399,000. Further announcement will be made when her emoluments (including director's fee and bonus payment) for the year ended 30th June 2006 have been finalised. There is no fixed term for her appointment and she is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-Laws which requires one third of the Directors (excluding the Chairman of the Board and the managing director of the Company) shall retire from office by rotation, and shall be eligible for re-election.

Interests in shares and underlying shares in the Company

As at the Latest Practicable Date, the interests in the shares of the Company (within Part XV of the SF Ordinance) of Mr Ching Yu Lung and Madam Liu Sau Lai were as follows:

Name of Directors	Number of shares convertible by unlisted Share Options (physically settled equity derivatives) as at the Latest Practicable Date
Mr Ching Yu Lung	Long Positions 3,000,000
Madam Liu Sau Lai	Long Positions 3,000,000

Madam Liu also beneficially owned 1,323,000 shares of the Company as at the Latest Practicable Date.

LETTER FROM THE BOARD

Save as disclosed above, Mr Ching and Madam Liu have not held any other positions or directorship in any members of the Group, nor have any previous experience including other directorships held in listed companies in the last three years. Mr Ching and Madam Liu are not connected with and have no relationship with any directors, senior management, substantial or controlling shareholders of the Company. There is no other matters that need to be brought to the attention of the shareholders of the Company.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

Yours faithfully,
For and on behalf of the Board
Hui Sai Chung
Chairman

APPENDIX — EXPLANATORY STATEMENT

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to enable you to make an informed decision whether to vote for or against the resolution to approve the grant of the Repurchase Mandate to the Directors.

Listing Rules relating to the repurchase of securities

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which is summarised below. The Company is empowered by its memorandum of association and the Bye-Laws to repurchase its own securities.

Share capital

As at the Latest Practicable Date, the issued share capital of the Company comprised 360,000,000 Shares. Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no Shares are allotted and issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase up to a maximum of 36,000,000 Shares.

Reasons for the repurchase

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made if the Directors believe that such repurchases will benefit the Company and its Shareholders.

Funding of repurchases

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and the Bye-Laws, the Listing Rules and the applicable laws of Bermuda.

Taking into account the current working capital position of the Group, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Group as compared with the position as at 30th June 2005. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Group which in the opinion of the Directors are from time to time appropriate for the Group.

APPENDIX — EXPLANATORY STATEMENT

Share prices

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months and in the current month up to the latest practicable date, before the printing of this circular were as follows:

2004	Highest	Lowest
October	\$ 0.6920	\$ 0.6080
November	0.6830	0.5830
December	0.6750	0.6080
2005		
January	0.6920	0.6000
February	0.6670	0.6170
March	0.7080	0.6420
April	0.7330	0.6000
May	0.6580	0.5900
June	0.6300	0.5500
July	0.5700	0.5200
August	0.5500	0.5000
September	0.6100	0.4900
October (<i>Note</i>)	0.5500	0.4100

* Note: Up to the Latest Practicable Date

Disclosure of interests and minimum public holding

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their associates (as defined in the Listing Rules), have any present intention to sell to the Company or its subsidiaries any of the securities in the Company if the Repurchase Mandate is approved at the Annual General Meeting and exercised.

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make purchases of the Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, applicable laws of Bermuda and the regulations set out in the memorandum of association of the Company and the Bye-Laws.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase securities pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

APPENDIX — EXPLANATORY STATEMENT

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, each of (1) Hui Sai Chung; (2) Hui Kwok Kwong; and (3) HSBC International Trustee Limited were interested in approximately 61.23%, 60.40% and 56.89% of the then issued share capital of the Company. Each of Mr Hui Sai Chung and Mr Hui Kwok Kwong holds 45.1% interest in Good Benefit Limited, a company which holds approximately 54.64% of the issued capital of the Company. Mr Hui Sai Chung and Mr Hui Kwok Kwong are deemed to be holding 54.64% interest in the Company indirectly through Good Benefit Limited under the SF Ordinance. HSBC International Trustee Limited is interested in 56.89% of the issued capital of the Company solely because it is the Trustee of the family trusts of Mr Hui Sai Chung and Mr Hui Kwok Kwong, and is responsible for their management. On the basis that 360,000,000 Shares were in issue as at the Latest Practicable Date and assuming no further issue nor repurchase of Shares prior to the date of the Annual General Meeting, if the Repurchase Mandate were exercised in full, the percentage interests in the capital of the Company held by each of (1) Hui Sai Chung; (2) Hui Kwok Kwong; and (3) HSBC International Trustee Limited would increase to approximately 68.04%, 67.11% and 63.21% respectively of the issued share capital of the Company.

On the basis of the current percentage interests in the Company of such persons, an exercise of the Repurchase Mandate in full will not result in any of such persons becoming obliged to make a mandatory offer under the Takeovers Code.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in less than 25% of the Shares being held by the public.

As at the Latest Practicable Date, no connected person (within the meaning ascribed to it in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any securities of the Company nor has such connected person undertaken not to sell any of the securities held by him/her/it to the Company in the event that the Repurchase Mandate is granted.

Securities repurchase made by the Company

The Company had not purchased any of the Shares (whether on the Stock Exchange or otherwise) during the twelve months preceding the date of this circular.

NOTICE OF ANNUAL GENERAL MEETING



NGAI HING HONG COMPANY LIMITED

毅興行有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1047)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Ngai Hing Hong Company Limited (the "Company") will be held at Caine Room, Level 7, Conrad Hotel, Pacific Place, 88 Queensway, Hong Kong, on Thursday, 1st December 2005 at 10:00 a.m. for the following purposes:

1. To receive and approve the audited consolidated financial statements and the reports of the directors and auditors for the year ended 30th June 2005;
2. To declare a final dividend for the year ended 30th June 2005;
3. To re-elect the retiring directors and to authorise the Board of Directors to fix the remuneration of the Board of Directors and any committee of the Board of Directors;
4. To re-appoint auditors and to authorise the Board of Directors to fix their remuneration;
5. As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

A. "THAT:

- (a) subject to paragraph (c) below, the exercise by the directors during the Relevant Period (as defined below) of all powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make and grant offers, agreements and options which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors during the Relevant Period to make and grant offers, agreements and options which would or might require the exercise of such power during or 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 an option or otherwise) by the directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to

* for identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

(i) a Rights Issue (as defined below); (ii) the exercise of rights of subscription under the terms of any warrants or other securities issued by the Company as at the date of this resolution carrying a right to subscribe for or purchase shares of the Company; or (iii) the exercise of the subscription rights under the share option schemes of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes 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 the Bye-Laws of the Company or any applicable law 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 ; and

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory).”

B. “THAT:

- (a) the exercise by the directors of the Company during the Relevant Period (as defined below) of all powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company on the Stock Exchange, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and
- (c) for the purposes 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;

NOTICE OF ANNUAL GENERAL MEETING

- (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 or any applicable law 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.”

C. “**THAT** conditional upon resolution no.5B above being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the directors as mentioned in resolution no.5B above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution no.5A above, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution.”

6. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as a Special Resolution:

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

- (a) Bye-law 86(1) be amended by deleting the words “and shall hold office until the next appointment of Directors or until their successors are elected or appointed. Any general meeting may authorise the Board to fill any vacancy in their number left unfilled at a general meeting” in the fifth line;
- (b) Bye-law 86(2) be deleted in its entirety and replacing it with the following new Bye-law 86(2):

“The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the Members in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to their number) and shall then be eligible for re-election at that meeting.”;

- (c) Bye-law 86(5) be amended by deleting the words “appointment of Directors or until their successors are elected or appointed or, in the absence of such election or appointment such general meeting may authorise the Board to fill any vacancy in the number left unfilled” in the third line and replacing them with the words “following general meeting of the Company”;

NOTICE OF ANNUAL GENERAL MEETING

- (d) Bye-law 86(6) be amended by adding the following sentences at the end of Bye-law 86(6):

“Subject to the provisions of these Bye-laws, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to their number) and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.”;

- (e) Bye-law 87(1) be deleted in its entirety and replacing with the following new Bye-law 87(1):

“87(1) Subject to the manner of retirement by rotation of Directors as from time to time prescribed under the Listing Rules, and notwithstanding any contractual or other terms on which any Director may be appointed or engaged, at each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall retain office until the close of the meeting at which he retires, and shall be eligible for re-election thereat.””

By Order of the Board
CHING Yu Lung
Company Secretary

Hong Kong, 24th October 2005

NOTICE OF ANNUAL GENERAL MEETING

Principal Office:

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 than one proxy to attend and vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, a form of proxy and (if required by the Board of Directors) the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company's principal office not less than 48 hours before the time for holding the meeting or adjourned meeting.
3. The Register of Members of the Company will be closed from Monday, 28th November 2005 to Thursday, 1st December 2005 (both dates inclusive) during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend to be approved at the meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Registrars in Hong Kong, Abacus Share Registrars Limited, G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:00 p.m. on Friday, 25th November 2005.
4. The Bye-Laws of the Company are written in English. There is no official Chinese translation in respect thereof. Therefore, the Chinese version of the Resolution No. 6 on amendments to the Bye-Laws of the Company is a translation for reference only. Should there be any discrepancies between the English and Chinese versions, the English version shall prevail.
5. The existing 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.