

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

If you have sold or transferred all your shares in HOP HING HOLDINGS LIMITED, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through which the sale or transfer was effected.

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## **HOP HING HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 47)**

### **PROPOSALS INVOLVING GENERAL MANDATES TO ISSUE SECURITIES AND REPURCHASE ITS OWN SHARES, RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening an annual general meeting of Hop Hing Holdings Limited to be held at Units E & F, 2nd Floor, Hop Hing Building, 9 Ping Tong Street East, Tong Yan San Tsuen, Yuen Long, New Territories, Hong Kong on 20 June 2005 at 11:30 a.m. (or such adjournment thereof) is set out on pages 13 to 16 of this circular.

Whether or not you are able to attend the meeting in person, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event no later than forty-eight (48) hours before the time appointed for holding of the meeting. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting should you so wish.

30 April 2005

# CONTENTS

	<i>Pages</i>
<b>Definitions</b> .....	1
<b>Letter from the Chairman</b>	
Introduction .....	3
General Mandate to Issue Securities .....	4
General Mandate to Repurchase its own Shares .....	4
Re-election of Retiring Directors .....	4
Annual General Meeting .....	4
Poll Procedure .....	5
Recommendations .....	6
<b>Appendix I – Explanatory Statement</b> .....	7
<b>Appendix II – Details of Retiring Directors Proposed for Re-election</b> .....	10
<b>Notice of Annual General Meeting</b> .....	13

## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held on 20 June 2005 (or any adjournment thereof)
“AGM Notice”	the notice convening the AGM as set out on pages 13 to 16 of this circular
“Board”	the board of directors of the Company or a duly authorised committee thereof
“Bye-laws”	the bye-laws of the Company, as amended from time to time
“Company”	Hop Hing Holdings Limited, an exempted company incorporated in Bermuda with limited liability
“Companies Act”	The Companies Act 1981 of Bermuda (as amended from time to time)
“Connected Person”	shall have the meaning ascribed thereto in the Listing Rules
“Directors”	the directors of the Company for the time being
“Group”	the Company and its Subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Issue Mandate”	the general mandate for the Company to issue securities as described in paragraph 2 of the “Letter from the Chairman” of this circular
“Latest Practicable Date”	28 April 2005, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange

## DEFINITIONS

“Ordinary Resolutions”	the proposed ordinary resolutions in the AGM Notice as set out on pages 13 to 16 of this circular
“PRC”	the People’s Republic of China
“Repurchase Mandate”	the general mandate for the Company to repurchase shares as described in the explanatory statement set out in Appendix I to this circular
“Securities”	any securities of the Company, including shares of all classes and securities which carry a right to subscribe or purchase shares such as securities convertible into share capital, warrants to subscribe for shares and options to subscribe for shares
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Buy Back Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase of its own securities by companies listed on the Stock Exchange
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholders” or “Members”	the shareholders of the Company from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Warrants”	the 81,822,604 warrants issued by the Company and approved by the Shareholders at the special general meeting of the Company on 22 May 2002, each carrying the right to subscribe for new Shares on the basis of the subscription price of HK\$0.27 per Share (subject to adjustment) at any time from 29 May 2002 to 30 April 2005 (both days inclusive)



## HOP HING HOLDINGS LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 47)**

***Board of Directors:***

Hung Hak Hip\* (*Chairman*)  
Wong Yu Hong, Philip\*\*  
Sze Tsai To, Robert\*\*  
Cheung Wing Yui, Edward\*\*  
Hung Chiu Yee\*  
Lee Pak Wing\*  
Chan Sai On, David  
Wong Kwok Ying  
Lam Fung Ming, Tammy

***Registered Office:***

Canon's Court  
22 Victoria Street  
Hamilton HM12  
Bermuda

***Principal Place of Business***

***in Hong Kong:***

Units E and F  
2nd Floor  
Hop Hing Building  
9 Ping Tong Street East  
Tong Yan San Tsuen  
Yuen Long  
New Territories  
Hong Kong

30 April 2005

\* *Non-executive director*

\*\* *Independent non-executive director*

*To the Shareholders and, for information only,  
the Warrantholders of the Company*

Dear Sir or Madam,

**PROPOSALS INVOLVING  
GENERAL MANDATES TO  
ISSUE SECURITIES AND REPURCHASE ITS OWN SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The Board proposes that the Issue Mandate, the Repurchase Mandate be renewed and the retiring Directors be re-elected at the AGM.

## LETTER FROM THE CHAIRMAN

The purpose of this circular is to provide you with the information relating to the renewal of the Issue Mandate, the Repurchase Mandate and the re-election of retiring Directors and to consider, if thought fit, to vote in favour of the resolutions set out in the AGM Notice.

### **2. GENERAL MANDATE TO ISSUE SECURITIES**

At the AGM, an ordinary resolution will be proposed to grant the Directors the Issue Mandate. In addition, Ordinary Resolution No. 7 will be proposed to extend the Issue Mandate which would increase the limit of the Issue Mandate by adding to it the number of Shares repurchased under the Repurchase Mandate.

### **3. GENERAL MANDATE TO REPURCHASE ITS OWN SHARES**

At the AGM, an ordinary resolution will be proposed to grant the Directors the Repurchase Mandate. An explanatory statement as required by the Share Buy Back Rules to provide all the information reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the Ordinary Resolution No. 6 is set out in Appendix I to this circular.

### **4. RE-ELECTION OF RETIRING DIRECTORS**

As at the Latest Practicable Date, the executive Directors are Mr. Chan Sai On, David, Mr. Wong Kwok Ying and Ms. Lam Fung Ming, Tammy; the non-executive Directors are Mr. Hung Hak Hip, Ms. Hung Chiu Yee and Mr. Lee Pak Wing and the independent non-executive Directors are Mr. Wong Yu Hong, Philip, Mr. Sze Tsai To, Robert and Mr. Cheung Wing Yui, Edward.

Pursuant to Bye-law 77 of the Bye-laws, Ms. Lam Fung Ming, Tammy who was appointed as an executive Director on 1 November 2004, would retire at the AGM and is eligible for re-election. Pursuant to Bye-laws 82 and 83 of the Bye-laws, Mr. Sze Tsai To, Robert and Mr. Chan Sai On, David would retire by rotation at the AGM and are eligible for re-election. Details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

### **5. ANNUAL GENERAL MEETING**

A notice convening the AGM to be held on 20 June 2005 at 11:30 a.m. (or any adjournment thereof) at Units E & F, 2nd Floor, Hop Hing Building, 9 Ping Tong Street East, Tong Yan San Tsuen, Yuen Long, New Territories, Hong Kong is set out on pages 13 to 16 of this circular at which resolutions will be proposed to approve the renewal of the Issue Mandate and the Repurchase Mandate and the re-election of retiring Directors.

## LETTER FROM THE CHAIRMAN

A proxy form for use at the AGM is enclosed herein. Whether or not you intend to attend the AGM, you are requested to complete the proxy form and return it to the share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of form of proxy will not preclude you from attending and voting in person at the AGM if you so wish.

### 6. POLL PROCEDURE

Set out below is the procedures by which Shareholders and the chairman of any Shareholders' meeting may demand a poll pursuant to the Bye-laws:

"At any general meeting a resolution put to the vote of the 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 duly demanded. Subject to the Companies Act, a poll may be demanded by:

- (a) the chairman of the meeting; or
- (b) at least three Members present in person or by proxy and entitled to vote; or
- (c) any Member or Members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Members having the right to attend and vote at the meeting; or
- (d) any Member or Members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority or not carried by a particular majority or lost shall be final and conclusive, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution."

## LETTER FROM THE CHAIRMAN

### 7. RECOMMENDATIONS

The Board believes that the renewal of the Issue Mandate and the Repurchase Mandate and the re-election of retiring Directors are in the best interest of the Company and the Shareholders. Accordingly, the Board recommends that all Shareholders of the Company should vote in favour of the resolutions set out in the AGM Notice.

Yours faithfully,

**HUNG HAK HIP**  
*Chairman*



This appendix serves as an explanatory statement to provide Shareholders with information relating to the Repurchase Mandate.

## **1. SHARE CAPITAL**

It is proposed that the Repurchase Mandate will authorise the repurchase of Shares subject to the aggregate nominal amount of the Shares to be repurchased by the Company shall not exceed 10% of the issued share capital of the Company as at the date on which Ordinary Resolution No. 6 is passed.

As at the Latest Practicable Date, the issued capital of the Company comprised 410,851,800 Shares and 80,083,825 units of Warrants in an aggregate amount of HK\$21,622,632.75 on the basis of the subscription price of HK\$0.27 per Share (subject to adjustment), entitling the holders thereof to subscribe for 80,083,825 Shares. The subscription rights attaching to the above 80,083,825 units of Warrants would expire on 30 April, 2005.

Subject to the passing of Ordinary Resolutions No. 6 set out in the AGM Notice and on the basis that no further Shares are issued from the Latest Practicable Date to the AGM (whether as a result of the exercise of subscription rights attaching to the Warrants and share options presently in issue or otherwise), the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 41,085,180 Shares.

## **2. REASONS FOR REPURCHASE**

The Directors believe that the renewal of the Repurchase Mandate is in the best interest of the Company and its Shareholders because repurchases will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders, and may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company.

## **3. FUNDING OF REPURCHASE**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Bye-laws, the Listing Rules and the Companies Act. Under the Companies Act, a company may only repurchase its shares out of capital paid up on the shares to be repurchased or out of the Company's funds which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of shares made for the purpose of the repurchase. Any amount of premium payable on a repurchase over the par value of the shares may only be effected out of funds of the Company which would otherwise be available for dividend or distribution or out of the Company's share premium account.

## **4. GENERAL**

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated accounts

contained in the 2004 annual report in the event that the Repurchase Mandate was to be exercised in full. However, the Directors do not intend to exercise the power to repurchase Shares pursuant to the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing levels, which in the opinion of the Directors, are from time to time appropriate for the Company.

## 5. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date are as follows:

	Shares	
	Highest HK\$	Lowest HK\$
<b>2004</b>		
April	0.360	0.280
May	– *	– *
June	0.380	0.270
July	0.375	0.375
August	0.330	0.275
September	– *	– *
October	0.290	0.250
November	0.375	0.290
December	0.365	0.330
<b>2005</b>		
January	0.380	0.310
February	0.370	0.330
March	0.400	0.280

\* – There were no transactions during the month.

## 6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Bye-laws, the Listing Rules and all applicable laws of Bermuda.

## 7. DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention to sell any Securities to the Company if the Repurchase Mandate is approved by the Shareholders.

No Connected Persons have notified the Company that they have any present intention to sell Securities to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

#### **8. EFFECT ON TAKEOVERS CODE**

If the power to repurchase Shares pursuant to the Repurchase Mandate is exercised and the proportionate interest of a Shareholder or a group of Shareholders in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, the relevant Shareholder or 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.

As at the Latest Practicable Date, so far as was known to the Directors, if the Company were to repurchase Shares up to the permitted maximum of 10 per cent. of the issued share capital of the Company pursuant to the Repurchase Mandate, there was no Shareholder or group of Shareholders acting in concert, who may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

#### **9. SECURITIES REPURCHASE MADE BY THE COMPANY**

The Company had not purchased any of its Securities (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

**Mr. Sze Tsai To, Robert**

Mr. Sze Tsai To, Robert, aged 64, was appointed as an independent non-executive Director in June 2000. Mr. Sze is a fellow of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants and was a partner in an international firm of accountants with which he practised for over 20 years. He is a non-executive Director of a number of Hong Kong listed companies including Asia Satellite Telecommunications Holdings Limited, China Travel International Investment Hong Kong Limited, Dah Sing Banking Group Limited, Dah Sing Financial Holdings Limited, First Mobile Group Holdings Limited, Min Xin Holdings Limited, Nanyang Holdings Limited, QPL International Limited, SW Kingsway Capital Holdings Limited and Television Broadcasts Limited, and is also a member of the Shanghai Committee of the Chinese People's Political Consultative Conference.

Mr. Sze is not connected with any director, senior management or substantial or controlling shareholder of the Company. Save for his interest in share options convertible into 2,045,565 Shares (approximately 0.50% of the issued share capital of the Company). Mr. Sze does not have any interest in the shares of the Company within the meaning of Part XV of the SFO. There is no service contract between the Company and Mr. Sze. Mr. Sze does not have any fixed term of service with the Company but will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Bye-laws which require, inter alia, that at each annual general meeting of the Company, not more than one-third of the Directors (save for any executive chairman and any managing director) for the time being shall retire from office by rotation. He will be entitled to a director's fee to be determined by the Board upon approval by the Shareholders at the annual general meeting. For the financial year ended 31 December 2004, the aggregate director's fee of Mr. Sze as an independent non-executive Director was HK\$200,000 per annum. Mr. Sze's remuneration which is based on his qualification and experience is subject to annual review by the Board. There are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of Mr. Sze.

**Mr. Chan Sai On, David**

Mr. Chan Sai On, David, aged 50, was appointed as a Director in January 1997. He is the managing director of the Group's operating subsidiaries in the PRC. He holds a diploma in marketing from Hong Kong Polytechnic University and has over 21 years' experience in the marketing of consumer products. He joined the Group in 1985. Mr. Chan is not connected with any director, senior management or substantial or controlling shareholder of the Company. Other than assuming the position of an executive director of the Company, Mr. Chan has not held any directorship in any other listed public companies in the last three years.

With regard to the service contract entered into between Mr. Chan and the Company, Mr. Chan does not have any fixed term of service with the Company but will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Bye-laws which require, inter alia, that at each

annual general meeting of the Company, not more than one-third of the Directors (save for any executive chairman and any managing director) for the time being shall retire from office by rotation. Under the terms of the service contract entered into between Mr. Chan and the Company, Mr. Chan is entitled to a monthly remuneration of HK\$80,000 payable in arrears at the end of each calendar month and bonuses which will be payable according to a scheme to be determined by the Board. Mr. Chan's remuneration which is based on his qualifications and experience is subject to annual review by the Board. Mr. Chan is not interested in the shares of the Company within the meaning of Part XV of the SFO.

Other than being an executive director of the Company, Mr. Chan is a director of certain subsidiaries of the Company, which include Delightful Gem Holdings Limited, Hop Hing Corporate Development (China) Limited, Hop Hing Management (China) Limited, Hop Hing Oil Terminals (Guangzhou) Limited, Hop Hing Oil Terminals (Pan Yu) Limited, Hop Kin Holdings Limited, Lapidus (1985) Limited, Panyu Kwong Hing Packaging Co. Ltd., Panyu Hop Hing Oils & Fats Co. Ltd., Pinghu Hop Hing Vegetable Oils Co. Ltd., Top Charter Holdings Limited, Zhejiang Hop Hing Oils & Fats Co. Ltd. and Zhongshan Hop Hing Oils & Fats Co. Ltd. and a director of certain associated companies of the Company including Evergreen Oils & Fats Limited. There are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of Mr. Chan.

**Ms. Lam Fung Ming, Tammy**

Ms. Lam Fung Ming, Tammy, aged 41, was appointed as an executive Director in November 2004. She is the Chief Operating Officer of the Group and is responsible for the Group's sales activities, manufacturing, quality assurance and product development. She holds a Bachelor of Science degree in Food Science and Technology and a Higher Diploma in Chemical Technology from Hong Kong Polytechnic University. She has over 14 years' experience in the oil and food industry. She joined the Group in 1990. Ms. Lam is not connected with any director, senior management or substantial or controlling shareholder of the Company. Other than assuming the position of an executive director of the Company, Ms. Lam has not held any directorship in any other listed public companies in the last three years.

With regard to the service contract entered into between Ms. Lam and the Company, Ms. Lam does not have any fixed term of service with the Company but will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Bye-laws which require, inter alia, that at each annual general meeting of the Company, not more than one-third of the Directors (save for any executive chairman and any managing director) for the time being shall retire from office by rotation. Under the terms of the service contract entered into between Ms. Lam and the Company, Ms. Lam is entitled to a monthly remuneration of HK\$70,420 payable in arrears at the end of each calendar month and bonuses which will be payable according to a scheme to be determined by the Board. Ms. Lam's remuneration which is based on her qualifications and experience is subject to annual review by the Board. Ms. Lam is not interested in the shares of the Company within the meaning of Part XV of the SFO.

**APPENDIX II    DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION**

Other than being an executive director of the Company, Ms. Lam is a director of certain subsidiaries of the Company, which include Wytak Limited, Delightful Gem Holdings Limited, Hop Hing Management (China) Limited, Hop Hing Oil Terminals (Guangzhou) Limited, Hop Hing Oil Terminals (Pan Yu) Limited, Hop Kin Holdings Limited, Lapidus (1985) Limited, Panyu Kwong Hing Packaging Co. Ltd., Panyu Hop Hing Oils & Fats Co. Ltd., Pinghu Hop Hing Vegetable Oils Co. Ltd. and Top Charter Holdings Limited and a director of certain associated companies of the Company including Evergreen Oils & Fats Limited. There are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of Ms. Lam.

# NOTICE OF ANNUAL GENERAL MEETING



## HOP HING HOLDINGS LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 47)**

**NOTICE IS HEREBY GIVEN** that an annual general meeting of Hop Hing Holdings Limited (the “**Company**”) will be held at Units E & F, 2/F., Hop Hing Building, 9 Ping Tong Street East, Tong Yan San Tsuen, Yuen Long, New Territories on 20 June 2005 at 11:30 a.m. (or any adjournment thereof) for the following purposes:

1. to receive and consider the audited financial statements of the Company and the reports of the Directors and the Auditors thereon for the year ended 31 December 2004;
2. to re-elect retiring Directors;
3. to fix the remuneration for Directors;
4. to re-appoint Auditors and to authorise the Directors to fix their remuneration; and

As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

5. “**THAT:**
  - (i) subject to paragraph (iii) below, a general unconditional mandate be and is hereby approved and granted to the Directors of the Company to be exercised during the Relevant Period (as hereinafter defined) to allot, issue and deal with additional securities of the Company (the “**Securities**”) and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company (the “**Shares**”)) which would or might require the exercise of such power;
  - (ii) the approval in paragraph (i) above shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into Shares) which would or might require the exercise of such power after the end of the Relevant Period;

## NOTICE OF ANNUAL GENERAL MEETING

(iii) the aggregate nominal value of the Securities allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (i) above other than to (a) a Rights Issue (as hereinafter defined); (b) the exercise of any rights of subscription or conversion under any warrants, bonds and debentures and any securities of the Company which carry rights to subscribe for or are convertible into Shares; (c) an issue of Shares under any share option scheme or similar arrangement for the time being adopted for the Company and/or any of its subsidiaries and/or associated companies of shares or rights to acquire Shares of the Company; or (d) an issue of Shares as scrip dividends or similar arrangement providing for the allotment of Shares in lieu of the whole or part of dividends or similar arrangement providing for the allotment of Shares in accordance with the bye-laws of the Company from time to time, shall not exceed 20 per cent. of the aggregate of nominal amount of the share capital of the Company in issue as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

(iv) for the purpose of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the date by 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; and
- (c) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their shareholding (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”



## NOTICE OF ANNUAL GENERAL MEETING

6. **“THAT:**

- (i) subject to paragraph (ii) below, a general unconditional mandate be and is hereby approved and granted to the Directors to be exercised during the Relevant Period (as hereinafter defined) to repurchase shares in the Company (**“Shares”**) on the 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 this purpose, subject to and in accordance with all applicable laws and the Listing Rules of the Stock Exchange or any other stock exchange as amended from time to time;
- (ii) the aggregate nominal value of the Shares to be repurchased by the Company pursuant to the approval in paragraph (i) above 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 this Resolution; and
- (iii) for the purpose of this Resolution:

**“Relevant Period”** means the period from the passing of this Resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the date by 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; and
- (c) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

7. **“THAT** conditional upon the passing of Resolutions No. 5 and 6, the general unconditional mandate in Resolution No. 5 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares repurchased by the Company under the authority granted pursuant to Resolution No. 6 set out in this notice, provided that such amount of shares so repurchased shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution.”

By Order of the Board

**Wong Kwok Ying**  
*Company Secretary*

Hong Kong, 30 April 2005

## NOTICE OF ANNUAL GENERAL MEETING

*Head Office and Principal Place of Business:*

Units E & F, 2nd Floor  
Hop Hing Building  
9 Ping Tong Street East  
Tong Yan San Tsuen  
Yuen Long, New Territories

*Registered Office:*

Canon's Court  
22 Victoria Street  
Hamilton HM 12  
Bermuda

*Notes:–*

1. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and in the event of a poll, vote on his behalf. A proxy need not be a Member of the Company.
2. To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited at the Company's Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the holding of the meeting.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s), and for this purpose seniority will be determined by the order in which the names stand in the Register of Members of the Company in respect of the joint holding.
4. Concerning item 2 above, the details of the retiring Directors which are proposed for re-election are set out in Appendix II to this circular.
5. Concerning item 5 above, the Directors wish to state that approval is being sought from Members for a general mandate to be given to the Directors to allot additional securities of the Company in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to issue any securities of the Company up to 20 per cent. of the existing issued share capital.
6. Concerning items 6 and 7 above, approval is being sought from Members for a general mandate to be given to the Directors to repurchase shares and to reissue securities as a result of such repurchase. In accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, a letter setting out the terms and conditions upon which such power will be exercised accompanies this notice.