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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 other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Hanison Construction Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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興勝創建控股有限公司
HANISON CONSTRUCTION HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 896)

Directors:

Mr. Cha Mou Sing, Payson (*Chairman*) *
Mr. Wong Sue Toa, Stewart (*Managing Director*)
Mr. Tai Sai Ho (*General Manager*)
Mr. Cha Mou Daid, Johnson *
Mr. Cha Yiu Chung, Benjamin *
Mr. Chan Pak Joe **
Dr. Lam Chat Yu
Mr. Shen Tai Hing
Dr. Sun Tai Lun **

Registered Office

P.O. Box 309, Uglund House,
South Church Street, George Town,
Grand Cayman, Cayman Islands,
British West Indies

Principal Office in Hong Kong

Unit 1, 4/F., Block B
Shatin Industrial Centre
5-7 Yuen Shun Circuit
Shatin, New Territories
Hong Kong

* *Non-executive Director*

** *Independent Non-executive Director*

6th July 2004

To the Shareholders

Dear Sir or Madam,

**PROPOSALS RELATING TO GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE SHARES,
PROPOSED AMENDMENT TO ARTICLES OF ASSOCIATION,
RE-ELECTION OF RETIRING DIRECTORS AND
NOTICE OF ANNUAL GENERAL MEETING**

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PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES

At the last annual general meeting of the Company held on 31st July 2003, a general mandate was given to the Directors of the Company (“Directors”) to exercise the power of the Company to issue shares of HK\$0.10 each of the Company (“Shares”). Such mandate will lapse at the conclusion of the forthcoming annual general meeting to be held on 29th July 2004 (“AGM”). It is therefore proposed to seek your approval of the ordinary resolutions No. 5(A) and 5(C) as set out in the notice of the AGM to give a fresh general mandate to the Directors to exercise the power of the Company to allot, issue and deal with additional Shares not exceeding the sum of 20% of the issued share capital of the Company at the date of the resolution and the nominal amount of any Shares repurchased by the Company up to a maximum of 10% of the issued share capital of the Company at the date of passing of the resolution.

Concerning ordinary resolutions No. 5(A) and 5(C), the Directors wish to state that they have no immediate plans to issue any new Shares. Approval is being sought from the shareholders as a general mandate for the purposes of the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

PROPOSED GENERAL MANDATE TO REPURCHASE SHARES

At the last annual general meeting of the Company held on 31st July 2003, a general mandate was given to the Directors to exercise the power of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the forthcoming AGM. It is therefore proposed to seek your approval of the ordinary resolution No. 5(B) as set out in the notice of the AGM to give a fresh general mandate to the Directors to exercise the power of the Company to repurchase Shares (the “Repurchase Mandate”).

An explanatory statement, as required by the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange, to provide requisite information to you for your consideration of the Repurchase Mandate, is set out in Appendix I to this circular.

PROPOSED AMENDMENT TO THE ARTICLES

On 30th January 2004, the Stock Exchange announced revisions to the Listing Rules concerning various corporate governance issues which include, among other things, amendments to Appendix 3 of the Listing Rules and certain instances during which votes at general meetings of listed companies are required to be taken on a poll. Appendix 3 of the Listing Rules sets out the relevant provisions with which a listed company’s articles of association must conform. Such changes to the Listing Rules became effective on 31st March 2004.

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In order to comply with the amended Appendix 3 of the Listing Rules and to clarify circumstances where shareholders of the Company may vote at general meetings of the Company by poll, a special resolution No. 6 as set out in the Notice of the AGM to amend the Company's Articles of Association ("Articles of Association") will be proposed at the AGM for shareholders' approval. The proposed amendments to the Articles of Association are summarized below:—

Article 80, Article 81 and Article 83	To reflect the requirements under the Listing Rules for votes at general meetings of the Company to be decided by poll.
Article 88A	To discount any votes by members in contravention to the requirements detailed in the Listing Rules.
Article 2, Article 107(c), Article 107(e), Article 107(f) and Article 112(c)(i)	To restrict a director's right to vote or to be counted in the quorum present at the relevant meeting of the Board on any resolution of the Board approving any contract, arrangement or proposal in which he or any of his associate(s) has a material interest; and to ensure the term "associates" is consistent with the meaning as defined in the Listing Rules.
Article 107(c)(vi)	To enable a director to vote or be counted in the quorum present at the relevant meeting of the Board on any resolution of the Board approving any contract, arrangement or proposal to subscribe for shares, debentures or other securities of the Company notwithstanding the interest of such director or any of his associate(s) in such contract, arrangement or proposal on the basis that such interest is no different from that of other members or debenture holders or the public.
Article 120	To define the period within which members can lodge a notice to propose a person for election as a director and for that person to give notice of his or her willingness to be so elected, as required by the amended Appendix 3 of the Listing Rules.

RE-ELECTION OF RETIRING DIRECTORS

According to Article 116 of the Articles of Association, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation at every annual general meeting. The Managing Director is not subject to retirement by rotation. A retiring Director shall be eligible for re-election at the forthcoming AGM. Accordingly, Mr. Chan Pak Joe and Mr. Cha Yiu Chung, Benjamin shall retire from office by rotation at the AGM, and being eligible, offer themselves for re-election. Details of the above Directors who are required to be disclosed by the Listing Rules are set out in Appendix II to this circular.

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FORMS OF PROXY

A form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof should you so wish.

RIGHT TO DEMAND A POLL

Pursuant to Article 80 of the Articles of Association, 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. A poll may be demanded by:

- (a) the Chairman of the meeting; or
- (b) at least five 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 not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Company's book containing the minutes of proceedings of meetings of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

RECOMMENDATION

The Directors consider that the proposed general mandate to issue new Shares, the proposed Repurchase Mandate and the proposed amendment to the Articles of Association are all in the best interests of the Company and its shareholders. Accordingly, the Directors recommend you to vote in favour of the ordinary resolutions and the special resolution to be proposed at the AGM.

Yours faithfully,
Cha Mou Sing, Payson
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

SHARE CAPITAL

As at 30th June 2004 (the latest practicable date prior to the printing of this circular), the issued share capital of the Company comprised 283,671,086 Shares.

Subject to the passing of the relevant ordinary resolution to approve the Repurchase Mandate and on the basis that no further Shares will be issued or repurchased prior to the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 28,367,108 Shares.

REASONS FOR REPURCHASES

The Directors believe that the proposed granting of the Repurchase Mandate is in the interests of the Company and its shareholders. While it is not possible to anticipate in advance any specific circumstances in which the Directors might think it appropriate to repurchase Shares, they believe that an ability to do so would give the Company additional flexibility that would be beneficial to the Company and its shareholders as such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per share and/or its earnings per share or may otherwise be in the interests of the Company, and will only be made when the Directors believe that such repurchases will benefit the Company and its shareholders. At present, the Directors have no intention to repurchase any of the Shares in the Company.

FUNDING OF REPURCHASES

Repurchases of Shares will be financed out of funds legally available for the purpose in accordance with the Articles of Association and the applicable laws of the Cayman Islands. Any repurchases by the Company may be made out of capital paid up on the Shares to be repurchased, funds of the Company which would otherwise be available for dividend or distribution or out of an issue of new Shares made for the purpose of the repurchase and, in the case of any premium payable on the repurchase out of the funds of the Company which would otherwise be available for dividend or distribution or from sums standing to the credit of the share premium account of the Company.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31st March 2004) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

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 printing of this circular were as follows:

	Price per share	
	Highest HK\$	Lowest HK\$
2003		
July	0.410	0.330
August	0.450	0.340
September	0.470	0.395
October	0.450	0.400
November	0.440	0.395
December	0.470	0.410
2004		
January	0.590	0.440
February	0.790	0.530
March	0.740	0.600
April	0.650	0.480
May	0.600	0.380
June	0.495	0.410

UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Repurchase Mandate in the event that the Repurchase Mandate is approved by the shareholders.

No other connected persons (as defined in the Listing Rules) have notified the Company that they have any present intention to sell any Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the shareholders of the Company.

HONG KONG CODE ON TAKEOVERS AND MERGERS

If as a result of a repurchase of Shares, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeovers and Mergers (the "Code"). As a result, a shareholder, or a group of shareholders acting in concert, depending on the level of increase in the shareholder's interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

The Directors do not intend to exercise the power of the Company to repurchase Shares pursuant to the Repurchase Mandate to the extent that it would render the aggregate amount of the issued share capital of the Company in the public hands to less than 25%.

SHARE PURCHASE MADE BY THE COMPANY

The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of printing of this document.

The following are the particulars of the two Directors (as required by the Listing Rules) proposed to be elected at the AGM.

1. **Mr. Chan Pak Joe**, aged 52, was appointed an independent non-executive Director in November 2001. He has been an executive director of The Luk Hoi Tong Company Limited for over 25 years. Mr. Chan is the founder of the “Li Zhi Bursary” of Tsinghua University in the PRC. His community service includes having served YMCA as a director. Prior to his current service to the Housing Society as member of the Remuneration Committee, he had also served the Audit Committee. Mr. Chan does not have any relationship with any directors, senior management, or substantial or controlling shareholders of the Company and does not have any interests in Shares within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”). There is no service contract between the Company and Mr. Chan. The amount of Director’s emoluments for Mr. Chan was HK\$150,000 for the year ended 31st March 2004, which was determined by the board of directors of the Company by reference to the Company’s performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.
2. **Mr. Cha Yiu Chung, Benjamin**, aged 30, is a non-executive Director and joined the Group in November 2001. He obtained his experience in hotel and commercial real estate development as a business development executive with Mandarin Oriental Hotel Group from 1995 to 1999. He holds a bachelors degree in international politics and economics from Middlebury College and a masters degree in business administration from the Stanford Graduate School of Business in the United States of America. Mr. Cha is a nephew of Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson, both of them are the non-executive directors of the Company and the substantial shareholders of the Company within the meaning of Part XV of the SFO. Mr. Cha has an other interest of 66,728,489 Shares within the meaning of Part XV of the SFO and a member of the class of discretionary beneficiaries of certain discretionary trusts of which the trustee is deemed a substantial shareholder of the Company under Part XV of the SFO. Save as disclosed above, Mr. Cha does not have any relationship with any other directors, senior management, or substantial or controlling shareholders of the Company. The emoluments of Directors was determined by reference to the Company’s performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions. Mr. Cha has not entered into any service contract with the Company and received any director’s emoluments for the year ended 31 March 2004.



興勝創建控股有限公司
HANISON CONSTRUCTION HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Hanison Construction Holdings Limited (the “Company”) will be held at Bamboo and Peacock Room, 1st Floor, Mandarin Oriental Hong Kong, 5 Connaught Road, Central, Hong Kong on 29th July 2004 at 10:00 a.m. for the purpose of transacting the following businesses:—

Ordinary business

1. To consider and adopt the audited Financial Statements and the Reports of the Directors and Auditors of the Company for the year ended 31st March 2004.
2. To declare a final dividend for the year ended 31st March 2004.
3. To re-elect Directors in place of those retiring.
4. To re-appoint Auditors for the ensuing year and to authorise the Directors of the Company to fix their remuneration.
5. To consider and, if thought fit, pass with or without modification, the following resolutions as Ordinary Resolutions:—

(A) “**THAT**:—

- (i) subject to paragraph (iii) below and all applicable laws, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue, grant, distribute and otherwise deal with additional shares in the share capital of the Company and to make, issue, or grant offers, agreements, options, warrants and other securities including but not limited to bonds, debentures and notes convertible into shares in the Company, be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall authorise the Directors of the Company during the Relevant Period to make, issue or grant offers, agreements or options, warrants and other securities, which would or might require the exercise of such powers after the end of the Relevant Period;

(iii) the aggregate nominal amount of share capital allotted, issued, granted, distributed or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued, granted, distributed or otherwise dealt with (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (i) above, otherwise than pursuant to or in consequence of:—

- (a) a Rights Issue (as hereinafter defined); or
- (b) an issue of ordinary shares in the Company under any option scheme or similar arrangement for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of ordinary shares in the Company or rights to acquire ordinary shares in the Company; or
- (c) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of whole or part of a dividend on shares in the Company in accordance with the Articles of Association of the Company from time to time,

shall not exceed the aggregate of:—

- (aa) twenty per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution 5(A); and
- (bb) (if the Directors of the Company are so authorized by a separate ordinary resolution of the shareholders of the Company) the nominal amount of share capital of the Company repurchased by the Company subsequent to the passing of this Resolution 5(A) (up to a maximum equivalent to ten per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution 5(A)),

and the said approval shall be limited accordingly; and

(iv) for the purpose of this Resolution 5(A):—

“Relevant Period” means the period from (and including) the date of passing of this Resolution 5(A) until whichever is the earliest of:—

- (a) the conclusion of the next Annual General Meeting of the Company;
- (b) the expiration of the period within which the next Annual General Meeting of the Company is required by the Articles of Association of the Company or any other applicable laws to be held; and
- (c) the revocation, variation or renewal of this Resolution 5(A) by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares in the Company, or an offer 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 in the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject in all cases to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any jurisdiction or territory outside Hong Kong).”

(B) “**THAT**:—

- (i) subject to paragraph (ii) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase or repurchase shares in the capital of the Company be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of the shares which may be purchased or repurchased on The Stock Exchange of Hong Kong Limited or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited under the Hong Kong Code on Share Repurchases pursuant to the approval in paragraph (i) above shall not exceed ten per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution 5(B), and the said approval shall be limited accordingly; and
- (iii) for the purpose of this Resolution 5(B):—

“Relevant Period” means the period from (and including) the date of passing of this Resolution 5(B) until whichever is the earliest of:—

- (a) the conclusion of the next Annual General Meeting of the Company;
 - (b) the expiration of the period within which the next Annual General Meeting of the Company is required by the Articles of Association of the Company or any other applicable laws to be held; and
 - (c) the revocation, variation or renewal of this Resolution 5(B) by an ordinary resolution of the shareholders of the Company in general meeting.”
- (C) “**THAT**, conditional upon the passing of the above Resolutions 5(A) and 5(B), the Directors of the Company be and are hereby authorized to exercise the powers referred to in paragraph (i) of Resolution 5(A) in respect of the share capital of the Company as referred to in sub paragraph (bb) of paragraph (iii) of Resolution 5(A).”

Special business

6. To consider and, if thought fit, pass with or without modification, the following resolution as a Special Resolution:

“**THAT** the Articles of Association of the Company be and are hereby amended in the following manner:

- (A) by adding the following definition immediately after the definition of “these Articles” in Article 2:

associates “associates” shall have the meaning ascribed to it in the Listing Rules;

- (B) By adding the following words immediately after “At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless” at the beginning of the existing Article 80:

a poll is required under the Listing Rules or

- (C) By deleting the last paragraph of Article 80 in its entirety and substituting therefor with the following paragraph:

Unless a poll is so required or demanded and, in the latter case, not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Company’s book containing the minutes of proceedings of meetings of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

- (D) By deleting the existing Article 81 in its entirety and substituting therefor with the following paragraph:

81. (a) If a poll is required or demanded as aforesaid, it shall (subject as provided in Article 82) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was required or demanded as the Chairman directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was required or demanded. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting at which the poll was demanded or the taking of the poll, whichever is earlier.

- (b) The requirement or demand of a poll shall not prevent continuance of a meeting for the transaction of any business other than the question on which poll has been demanded or is required.

(E) By adding the words “required or” immediately before the word “demanded,” in the last line of the existing Article 83

(F) By adding the following new Article 88A in its entirety after the existing Article 88:

88A. Where any member, under the Listing Rules, is required to abstain from voting on any particular resolution or is 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.

(G) By deleting the existing Article 107(c) in its entirety and substituting therefor with the following new Article 107(c):—

107(c) Save as otherwise provided in these Articles, a Director shall not be entitled to vote on (nor shall be counted in the quorum in relation thereto) any resolution of the Board approving any contract or arrangement or any other proposal whatsoever in which he or any of his associates has any material interest, and if he shall do so his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters, namely:

(i) the giving of any security or indemnity either:—

(aa) to the Director or any of 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;

(bb) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of 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 contract, arrangement or 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 any of 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 contract, arrangement or proposal concerning any other company in which the Director or any of his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or any of his associate(s) is/are beneficially interested in the shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in five 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 any of his associates is derived) or of the voting rights available to members of such company;
- (iv) any contract, proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries including:—
 - (aa) the adoption, modification or operation of any employees' share scheme or any share incentive scheme or share option scheme under which the Director or any of his associate(s) may benefit;
 - (bb) the adoption, modification or operation of a pension or provident fund or retirement, death or disability benefits scheme which relates both to Directors, any of his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or any of his associates, as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates;
- (v) any contract, arrangement or proposal in which the Director or any of 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; and
- (vi) any contract, arrangement or proposal by a Director or any of his associates to subscribe for shares, debentures or other securities of the Company issued or to be issued pursuant to any offer or invitation to members or debenture holders of the Company or any class thereof, and which does not provide in respect of any Director or any of his associates as such any privilege or advantage not accorded to any other members or debenture holders of the Company or any class thereof or to the public or any sections thereof.

(H) By amending Article 107(e) as follows:—

- (i) adding the words “or his associates’ “ after the word “Director’s” in the 2nd line of Article 107(e);

- (ii) adding the words “or his associate(s)” after the word “Director” in the 17th line of Article 107(e);
 - (iii) adding the words “or his associate(s)” after the word “Chairman” in the 18th line of Article 107(e).
- (I) By deleting the existing Article 107(f) in its entirety.
- (J) By deleting the existing Article 112(c)(i) and (ii) in their entirety and substituting therefor with the following new Article 112(c)(i) and (ii):—
- 112(c)(i) make a loan to a Director or any of his associate(s) or a director of any holding company of the Company;
 - 112(c)(ii) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or any of his associate(s) or a director of any holding company of the Company;
- (K) By deleting the words “not less than seven and not more than 28 clear days before the day appointed for the meeting” in Article 120 and substituting therefor the following words:—

“during the period (being a period of at least seven days) commencing on the day after despatch of the notice of the meeting appointed for such election and ending no later than 7 days prior to the date of such meeting (both days inclusive)”

By Order of the Board
Lo Kai Cheong
Company Secretary

Hong Kong, 6th July 2004

Notes:

1. Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and on a poll, vote instead of him. A proxy need not be a member of the Company.
2. In the case of joint holders, 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 and for this purpose seniority shall be determined by reference to the order in which the names stand on the Registers of Members in respect of the joint holding.
3. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the meeting or any adjourned meeting (as the case may be).

Completion and return of the form of proxy shall not preclude a member from attending and voting in person at the meeting or any adjourned meeting should he so wish.

4. The Registers of Members of the Company will be closed from Tuesday, 27th July 2004 to Thursday, 29th July 2004 (both days inclusive), during which period no transfer of shares in the Company will be registered. In order to qualify for the proposed final dividend to be approved at the meeting, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on Monday, 26th July 2004.
5. With reference to the proposed Resolutions 5(A) and 5(C), the Directors of the Company wish to state that they have no immediate plans to issue any new shares in the Company pursuant to the general mandates to be given thereunder.