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## IMPORTANT

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The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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

**If you have sold or transferred** all your shares in **Tiger Tech Holdings Limited**, you should at once hand this circular to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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TIGER TECH

# Tiger Tech Holdings Limited

## 老虎科技(控股)有限公司\*

*(Incorporated in Bermuda with limited liability)*  
(Stock Code: 8046)

### GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES, PROPOSED AMENDMENTS TO THE BYE-LAWS AND NOTICE OF ANNUAL GENERAL MEETING

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This circular, for which the directors (the “Directors”) of Tiger Tech Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities (the “GEM Listing Rules”) on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief, (i) the information contained in this circular is accurate and complete in all material aspects and not misleading; (ii) there are no other matters the omission of which would make any statement herein misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable. This circular will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting.

\* For identification purposes only

28 September 2004

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## **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

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GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the Internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to GEM website at [www.hkgem.com](http://www.hkgem.com) in order to obtain up-to-date information on GEM-listed issuers.

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LETTER FROM THE BOARD

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TIGER TECH

**Tiger Tech Holdings Limited**  
**老虎科技(控股)有限公司\***

*(Incorporated in Bermuda with limited liability)*  
(Stock Code: 8046)

*Board of Directors:*

Mr. Lee Hai Chu (*Chairman*)  
Mr. Tony Hoo  
Mr. Tang Tsz Hoo, Anthony  
Mr. Chow Kwok Keung  
Mr. Kwok Ming Fai\*  
Mr. Lam Din Kan\*

\* *Independent Non-executive Directors*

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head office and*

*principal place of business:*

Unit 2007-2011  
20/F MLC Millennia Plaza  
663 King's Road  
North Point  
Hong Kong

28 September 2004

*To the shareholders,*

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE SHARES AND  
TO REPURCHASE SHARES,  
PROPOSED AMENDMENTS TO THE BYE-LAWS AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide shareholders of the Company (the “**Shareholders**”) with information regarding certain ordinary resolutions to be proposed at the annual general meeting of the Company to be held on 8 November 2004 (the “**Annual General Meeting**”) to enable them to make an informed decision on whether to vote for or against these resolutions.

\* *For identification purposes only*

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## LETTER FROM THE BOARD

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At the Annual General Meeting, resolutions, amongst others, will be proposed for seeking Shareholders' approval to (i) the granting of the general mandates to issue and to repurchase shares of the Company (the "**Shares**") to the Directors; and (ii) the proposed amendments to the bye-laws of the Company (the "**Bye-laws**") to align with the GEM Listing Rules which has become effective on 31 March 2004.

A form of proxy for the Annual General Meeting is also enclosed. If you do not intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the head office and principal place of business of the Company c/o the Company Secretary, Unit 2007-2011, 20/F MLC Millennia Plaza 663 King's Road, North Point, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the meeting. The completion of a form of proxy will not preclude you from attending and voting at the meeting in person.

### GENERAL MANDATES

At the Annual General Meeting, separate ordinary resolutions will be proposed to renew the general mandates given to the Directors (i) to allot, issue and otherwise deal with Shares not exceeding the aggregate of 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of such resolution and Shares representing the aggregate nominal amount (up to a maximum of 10% of the aggregate nominal amount of the Company's then issued share capital as at the date of passing of such resolution) of any Shares repurchased by the Company subsequent to the passing of such resolution; and (ii) to repurchase Shares comprising the aggregate nominal amount of which does not exceed 10% of the aggregate nominal amount of the share capital in issue of the Company at the date of passing of such resolution (the "**Repurchase Mandate**").

The explanatory statement required by the GEM Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in the Appendix to this circular. Such statement contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions.

### PROPOSED AMENDMENTS TO THE BYE-LAWS OF THE COMPANY

The Stock Exchange has revised the GEM Listing Rules and the revised GEM Listing Rules became effective on 31 March 2004. The Directors therefore proposes to make corresponding amendments to the Bye-laws for complying with the GEM Listing Rules.

The full text of the proposed amendments to the Bye-laws is set out in resolution no. 7 in the notice of the Annual General Meeting as set out on pages 12 to 15 in this circular.

A summary of the proposed amendments to the Bye-laws is set out below:

- (a) bye-law 1                      To adopt a new definition of "associate".
- (b) bye-law 76(2)                To reflect the restriction on voting by members as required by the new requirement in Appendix 3 to the GEM Listing Rules.

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## LETTER FROM THE BOARD

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- (c) bye-law 88 To reflect the new requirement in Appendix 3 to the GEM Listing Rules which stipulates a minimum period for allowing a member to propose a person (other than a Director) for election as a Director by serving the requisite notices. This minimum period must be fixed for at least seven days and should commence no earlier than the day after the dispatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting.
- (d) bye-law 103 To reflect the new requirement in Appendix 3 to the GEM Listing Rules which requires the interests held by a Director's associate(s) to be taken into account when considering the interests of that Director. Accordingly, subject to certain exceptions, a Director is not allowed to vote on any resolution of the board of Directors approving any contract or arrangement or any other proposal in which he or any his associate has a material interest nor shall he be counted in the quorum present at the meeting.

### PROPOSED RE-ELECTION OF DIRECTOR

In accordance with the Company's Bye-law No. 86(2), two directors, Mr. Lee Hai Chu ("**Mr. Lee**") who has been appointed as an Executive Director effective on 31st December 2003 and Mr. Chai Chi Keung, who will be appointed as an independent non-executive director effective on 30 September 2004, shall hold office until the forthcoming Annual General Meeting and being eligible, offer themselves for re-election. Also, in accordance with the Company's Bye-law No. 87(1), Mr. Tang Tsz Hoo ("**Mr. Tang**") and Mr. Lam Din Kan ("**Mr. Lam**") will retire by rotation and being eligible, to offer themselves for re-election, at the forthcoming Annual General Meeting.

The biographical details of Mr. Lee, Mr. Tang and Mr. Lam are provided in the "Directors and Senior Management" section in the 2004 annual report of the Company (the "**Annual Report**").

The biographical details of Mr. Chai Chi Keung are as follows:

**Mr. Chai**, aged 41, currently is a corporate consultant of Ka Win Services Limited, dealing with corporate financing, mergers and acquisitions activities for various projects in Hong Kong, China and other countries. Prior to the present position, he held various positions at a number of international financial institutions, accountancy firm and renowned property developer. He has over 20 years of experience in banking, corporate finance, financial management and accounting. Mr. Chai obtained a Master Degree of Business from Victoria University of Technology, Australia. He is also a member of Chartered Institute of Management Accountants, Hong Kong Institute of Certified Public Accountants, Hong Kong Securities Institute and The Taxation Institute of Hong Kong.

Mr. Chai is independent of and not connected with the directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company or any of its subsidiary and associates of any of them. He does not have any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. The Board is not aware of any other matters, which need to be brought to the attention of the shareholders of the Company.

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## LETTER FROM THE BOARD

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Mr. Chai does not hold any directorship in other listed companies in the past three years. Apart from the aforesaid appointment, Mr. Chai does not hold any position in the Company or any subsidiary of the Company. Mr. Chai does not have any interests in the shares or underlying shares of the Company.

The service contract of Mr. Chai with the Company commencing from 30 September 2004 with an initial term of one year and shall continue thereafter subject to the Bye-laws of the Company. Each party shall terminate the service contract by giving the other not less than six months' notice. He is entitled a director's emolument of HK\$96,000 per annum, which is based on the estimated time to be spent on the Company's matter.

### RIGHT TO DEMAND A POLL

Pursuant to Bye-law 66 of the Bye-laws of the Company, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless 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 shares conferring that right.

### ANNUAL GENERAL MEETING

A notice of the Annual General Meeting is set out on pages 9 to 16 of this circular. At the Annual General Meeting, in addition to the ordinary business of the meeting, Resolutions Nos. 4, 5 and 7 will be proposed to approve the general mandate for the issue of Shares, the Repurchase Mandate and the amendment to the Bye-laws as special businesses.

A copy of the Annual Report of the Company incorporating copies of the audited accounts of the Group for the year ended 30 June 2004 and the directors' and auditors' reports therein has been despatched to all the Shareholders together with this circular.

A form of proxy for the Annual General Meeting is also enclosed. If you do not intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the head office and principal place of business of the Company c/o the Company Secretary, Unit 2007-

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## LETTER FROM THE BOARD

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2011, 20/F MLC Millennia Plaza, 663 King's Road, North Point, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the meeting. The completion of a form of proxy will not preclude you from attending and voting at the meeting in person.

### RECOMMENDATION

The board of Directors is of the opinion that the proposals referred to above are in the best interests of the Company and therefore recommends you to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
For and on behalf of  
**Tiger Tech Holdings Limited**  
**Tony Hoo**  
*Managing Director*

This is an explanatory statement given to all the Shareholders pursuant to Rule 13.08 of the GEM Listing Rules relating to a resolution to be proposed at the forthcoming Annual General Meeting for the granting of the Repurchase Mandate to the Directors.

## **1. SHARE CAPITAL**

As at 28 September 2004, the latest practicable date prior to the printing of this circular (the “Latest Practicable Date”), the issued share capital of the Company comprised 465,000,000 Shares of HK\$0.10 each.

Subject to the passing of the resolution in relation to the Repurchase Mandate and on the basis that no Shares are issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 46,500,000 Shares, representing 10% of the Shares in issue of HK\$0.10 each.

## **2. REASONS FOR REPURCHASES**

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and its members. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share of the Company and/or its earnings per Share. The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the market.

## **3. 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 bye-laws, the GEM Listing Rules and the Companies Act 1981 of Bermuda (the “**Companies Act**”). The Company may not purchase securities on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. 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 funds of the company 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 a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in its most recent published audited accounts for the year ended 30 June 2004 in the event that the proposed purchase pursuant to the Repurchase Mandate were to be carried out in full at any time during the proposed purchase period. 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 Group or on its gearing levels which in the opinion of the Directors are from time to time appropriate for the Group.

## 5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, they will exercise the power of the Company to make purchase pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules, the memorandum of association and bye-laws of the Company and the applicable laws of Bermuda.

To the best of the knowledge of the Directors who have made all reasonable enquires, none of the Directors or their associates has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

No connected person (as defined in the GEM Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

## 6. TAKEOVER CODE

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 "**Takeover 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(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code.

As at the Latest Practicable Date, Precision Assets Limited ("**Precision**"), Timepiece Associates Limited ("**Timepiece**") and Bestmind Associates Limited ("**Bestmind**"), which are the substantial shareholders of the Company, held approximately 21.51%, 21.51% and 9.21% respectively of the issued Shares of the Company. In the event that the Directors exercised in full the power to repurchase Shares of the Company in accordance with the terms of the ordinary resolution to be proposed at the Annual General Meeting, the total interests of Precision, Timepiece and Bestmind in the Shares of the Company would be increased to approximately 23.89%, 23.89% and 10.23% respectively of the issued Shares of the Company, the increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeover Code.

## 7. SHARE REPURCHASE MADE BY THE COMPANY

No repurchases of Shares have been made by the Company during the previous twelve months, whether on the Stock Exchange or otherwise.

**8. SHARE PRICES**

The highest and lowest prices at which the Shares have been traded on GEM in each of the previous twelve months were as follows:

	<b>Shares</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2003</b>		
July	1.50	1.35
August	1.41	0.60
September	0.90	0.40
October	0.67	0.50
November	0.62	0.53
December	0.60	0.43
<b>2004</b>		
January	0.55	0.44
February	0.53	0.46
March	0.49	0.40
April	0.44	0.32
May	0.37	0.18
June	0.18	0.02
July*	–	–
August*	–	–
September (to LPD)*	–	–

\* At the request of the Company, trading in the shares of the Company was suspended on The Stock Exchange of Hong Kong Limited from 10:06a.m. on Thursday, 10 June 2004. The trading of the shares of the Company will remain suspended until further announcement.

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## NOTICE OF ANNUAL GENERAL MEETING

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TIGER TECH

### Tiger Tech Holdings Limited

老虎科技(控股)有限公司\*

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 8046)

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Tiger Tech Holdings Limited (the “Company”) will be held at Harbour Plaza North Point Hong Kong, 665 King’s Road, North Point, Hong Kong on 8 November 2004 at 11:00 a.m. for the following purposes:

#### **As Ordinary Business**

1. To receive and consider the audited accounts and reports of the directors and auditors of the Company and its subsidiaries for the year ended 30 June 2004.
2. To re-elect directors and to authorise the board of directors of the Company to fix their remuneration.
3. To re-appoint auditors and to authorise the board of directors of the Company to fix their remuneration.

#### **As Special Business**

To consider and, if thought fit, to pass with or without amendments, each of the following resolutions as an ordinary resolution of the Company:

### **ORDINARY RESOLUTIONS**

4. **“THAT:**
  - (a) subject to paragraph (c) of this Resolution, pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined in paragraph (d) of this Resolution) of all the powers of the Company to allot, issue and deal with unissued shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

\* For identification purposes only

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period (as defined in paragraph (d) of this Resolution) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph (d) of this Resolution);
  
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this Resolution); or (ii) the exercise of subscription or conversion right under any warrants of the Company and under any securities which are convertible into shares in the capital of the Company; or (iii) the exercise of any option under the share option scheme of the Company; or (iv) any scrip dividend scheme or similar arrangements providing for the allotment of shares in lieu of the whole or a part of a dividend on shares of the Company in accordance with the bye-laws of the Company in force from time to time, shall not exceed the aggregate of:
  - (i) 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution; and
  - (ii) (if the Directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution);

and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly; and

- (d) for the purposes of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda or any other applicable laws of Bermuda to be held; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors of the Company by this Resolution;

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

5. “**THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) of this Resolution) of all powers of the Company to purchase its shares on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission (the “**SFC**”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Act 1981 of Bermuda and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares which may be purchased by the Company pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly; and
- (c) for the purposes of this Resolution, “**Relevant Period**” means the period from the date of the passing of this Resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda or any other applicable laws of Bermuda to be held; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors of the Company by this Resolution.”
  
- 6. “**THAT** conditional upon the passing of resolutions nos. 4 and 5 as set out in the notice convening the meeting of which this Resolution forms part, the directors of the Company be and they are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 4 as set out in the notice convening the meeting of which this resolution forms part in respect of the share capital of the Company referred to in sub-paragraph (ii) of paragraph (c) of such Resolution.”

To consider and, if thought fit, to pass the following resolution as a special resolution of the Company:

### SPECIAL RESOLUTION

- 7. “**THAT** the bye-laws of the Company be and are hereby amended by:
  - (a) inserting the following new definition of “associate” in bye-law 1 after the definition of “Act”:

“ “associate”the meaning attributed to it in the rules of the Designated Stock Exchange.”
  - (b) re-numbering existing bye-law 76 as bye-law 76(1);
  - (c) inserting the following as new bye-law 76(2):

“(2) Where the Company has knowledge that any Member is, under the rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.”
  - (d) substituting the word “special” with the word “ordinary” in bye-law 86(4);

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## NOTICE OF ANNUAL GENERAL MEETING

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- (e) deleting the existing bye-law 88 in its entirety and replacing therewith the following new bye-law 88:

“88. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notice(s) are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.”

- (f) deleting the existing bye-law 103 in its entirety and replacing therewith the following new bye-law 103:

“103. (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associates is materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) any contract or arrangement for giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associates or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;
- (ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (iv) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/ their interest in shares or debentures or other securities of the Company;
  - (v) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder or in which the Director and any of his associates are not in aggregate beneficially interested in five (5) per cent or more of the issued shares or of the voting rights of any class of shares of such company (or any third company through which his interest or that of any of his associates is derived); or
  - (vi) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates.
- (2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five (5) per cent. or more if and so long as (but only if and so long as) he and/or his associates, (either directly or indirectly) are the holders of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder.
- (3) Where a company in which a Director and/or his associate(s) holds five (5) per cent. or more is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.”

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## NOTICE OF ANNUAL GENERAL MEETING

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- (g) deleting the existing bye-law 159 in its entirety and replacing therewith the following new bye-law 159:

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

and **THAT** any director of the Company be and is hereby authorised to take such further actions as he/she may in his/her sole and absolute discretion thinks fit for and on behalf of the Company to implement the aforesaid amendments to the existing bye-laws of the Company.”

By Order of the Board  
**Wong Fei Tat**  
*Company Secretary*

Hong Kong, 28 September 2004

*Head office and principal place of business:*

Unit 2007-2011  
20/F MLC Millennia Plaza  
663 King's Road  
North Point  
Hong Kong

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

*The directors as at the date of this notice are:*

Executive Directors: Lee Hai Chu (*Chairman*), Tony Hoo, Tang Tsz Hoo, Chow Kwok Keung  
Independent Non-executive Directors: Kwok Ming Fai, Lam Din Kan

*Notes:*

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, with the Company Secretary at the head office and principal place of business of the Company at Unit 2007-2011, 20/F MLC Millennia Plaza 663 King's Road, North Point, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting.
3. In relation to proposed Resolutions nos. 4 and 6 above, approval is being sought from the shareholders for the grant to the Directors of the Company of a general mandate to authorise the allotment and issue of shares under the GEM Listing Rules. The Directors have no immediate plans to issue any new shares of the Company other than shares which may fall to be issued under the share option scheme or the exercise of warrants of the Company or any scrip dividend scheme which may be approved by shareholders.

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## NOTICE OF ANNUAL GENERAL MEETING

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4. In relation to proposed Resolution no. 5 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders of the Company to make an informed decision to vote on the proposed resolution as required by the GEM Listing Rules is included in the accompanying circular and will be despatched to shareholders together with the annual report for the year ended 30 June 2004.
  
5. The register of members of the Company will be closed from Wednesday, 3 November 2004 to Monday, 8 November 2004, both days inclusive, during which period no transfer of shares will be effected. All transfer document accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar and transfer office in Hong Kong, Tengis Limited, at Grand Floor, Bank of East Asia, Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:00 p.m. on Tuesday, 2 November 2004.