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

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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 your 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 Kerry Properties Limited, you should at once hand this circular and 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.

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.

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## **KERRY PROPERTIES LIMITED**

*(Incorporated in Bermuda with limited liability)*

**嘉里建設有限公司\***

*website: [www.kerryprops.com](http://www.kerryprops.com)*

**(Stock Code: 00683)**

### **PROPOSALS FOR GENERAL MANDATE TO REPURCHASE SHARES, RE-ELECTION OF DIRECTOR AND CHANGE OF BYE-LAWS, AND NOTICE OF ANNUAL GENERAL MEETING**

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Resolutions will be proposed at the Annual General Meeting of Kerry Properties Limited to be held at Atrium Room, Level 39, Island Shangri-La Hotel, Pacific Place II, Supreme Court Road, Central, Hong Kong on Tuesday, 26 April 2005 at 2:30 p.m. to approve the matters referred to in this circular.

The notice convening the Annual General Meeting together with the form of proxy for use at the Annual General Meeting are enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to Abacus Share Registrars Limited, the Company's branch share registrar and transfer office in Hong Kong, of G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting.

\* *For identification purpose only*

23 March 2005

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## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 2:30 p.m. on Tuesday, 26 April 2005 at Atrium Room, Level 39, Island Shangri-La Hotel, Pacific Place II, Supreme Court Road, Central, Hong Kong
“Bye-laws”	the bye-laws of the Company, as amended from time to time
“Company”	Kerry Properties Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“HK\$”	Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“KGL”	Kerry Group Limited
“Latest Practicable Date”	18 March 2005, being the latest practicable date for ascertaining certain information referred to in this circular prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$1.00 each in the share capital of the Company
“Share Repurchase Mandate”	a general and unconditional mandate to be given to the Directors to exercise the powers of the Company to repurchase at any time until the next annual general meeting of the Company or such earlier period as stated in the Share Resolution the Shares up to a maximum of 10 per cent. of the fully paid-up issued share capital of the Company at the date of the Share Resolution

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## **DEFINITIONS**

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“Share Resolution”	the ordinary resolution referred to in item 6B of the Notice
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	the Hong Kong Code on Takeovers and Mergers

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LETTER FROM THE BOARD

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**KERRY PROPERTIES LIMITED**

*(Incorporated in Bermuda with limited liability)*

**嘉里建設有限公司\***

website: [www.kerryprops.com](http://www.kerryprops.com)

**(Stock Code: 00683)**

*Executive Directors:*

Mr. ANG Keng Lam

*(Chairman)*

Mr. WONG Siu Kong

*(Deputy Chairman and Managing Director)*

Mr. HO Shut Kan

Mr. MA Wing Kai, William

*Independent Non-executive Directors:*

Mr. William Winship FLANZ

Mr. LAU Ling Fai, Herald

Mr. Christopher Roger MOSS, O.B.E.

*Registered Office:*

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

*Head Office and Principal Place*

*of Business in Hong Kong:*

13-14/F, Cityplaza 3

14 Taikoo Wan Road

Taikoo Shing

Hong Kong

23 March 2005

*To the shareholders and, for information only,  
the optionholders of Kerry Properties Limited*

Dear Sir or Madam,

**PROPOSALS FOR  
GENERAL MANDATE TO REPURCHASE SHARES,  
RE-ELECTION OF DIRECTOR AND  
CHANGE OF BYE-LAWS, AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with information relating to the proposed renewal of the Share Repurchase Mandate, the proposed re-election of Director who is going to retire and offer himself for re-election at the Annual General Meeting and the proposed change of Bye-laws, and to give you the notice of the Annual General Meeting.

\* *For identification purpose only*

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## LETTER FROM THE BOARD

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### 2. GENERAL MANDATE TO REPURCHASE SHARES

The latest general mandate to repurchase Shares up to a maximum of 10 per cent. of the fully paid-up issued Shares of the Company was granted to the Directors at the 2004 annual general meeting of the Company held on 20 April 2004. This general mandate will lapse at the conclusion of the Annual General Meeting unless renewed at that meeting.

Therefore, the Share Resolution will be proposed at the Annual General Meeting to approve the grant of the Share Repurchase Mandate to the Directors. The Share Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in item 6B of the notice of the Annual General Meeting.

Shareholders should refer to the explanatory statement contained in Appendix I of this circular, which sets out further information in relation to the Share Repurchase Mandate.

### 3. RE-ELECTION OF DIRECTOR

In relation to the proposed resolution no. 3 set out in the notice of the Annual General Meeting regarding re-election of director, Mr. William Winship Flanz retires in accordance with Bye-law 102(B) of the Bye-laws. Mr. Flanz, the retiring Director, being eligible, will offer himself for re-election.

Mr. Flanz has no relationship with any other Directors, senior management or substantial shareholders of the Company.

Mr. Flanz, aged 60, has been an independent non-executive director of the Company since September 2004. Mr. Flanz is a private investor, and serves as advisor to Sterling Enterprises Limited, and as senior advisor to Baring Private Equity Asia, Limited, and senior advisor to JW Childs, LLC. Mr. Flanz also serves as an independent non-executive director of each of Li and Fung (Distribution) Limited and Integrated Distribution Services Group Limited. Mr. Flanz began his career with Chase Manhattan Bank N.A., where he served as country manager for Japan, area director for the Middle East and North Africa, and later was appointed area director, responsible for all of Chase's activities in Asia Pacific. He was a founding partner of Prudential Asia Investments Limited, and subsequently a member of the Management Committee of Investcorp International Limited, and then chairman and chief executive officer of Gucci Group, N.V, before returning to Hong Kong, becoming chief executive officer of Sterling Enterprises Limited, a Hong Kong based investment company. He graduated from New York University with a Bachelor of Arts Degree in Economics. He also holds an MBA from the University of Michigan.

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## **LETTER FROM THE BOARD**

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Mr. Flanz has no interest in the Shares within the meaning of Part XV of the SFO. No service contract has been entered into between the Company and Mr. Flanz and he has not been appointed for a specific term but is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. The Company has received an annual confirmation of independence from Mr. Flanz in accordance with Rule 3.13 of the Listing Rules. The Directors have assessed his independence and concluded that Mr. Flanz is independent within the definition of the Listing Rules.

#### **4. RIGHT TO DEMAND A POLL**

Shareholders of the Company have the right to demand a poll on the resolutions proposed at the Annual General Meeting.

Pursuant to the Bye-laws, a resolution put to the vote of a general meeting of the Company shall be decided on a show of hands, but a poll may be demanded (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll):

- (i) by the Chairman of the general meeting of the Company; or
- (ii) by at least three shareholders present in person or by duly authorised corporate representative or by proxy for the time being entitled to vote at the general meeting of the Company; or
- (iii) by any shareholder or shareholders of the Company present in person or by duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders of the Company having the right to vote at the general meeting of the Company; or
- (iv) by any shareholder or shareholders of the Company present in person or by duly authorised corporate representative or by proxy and holding shares in the Company conferring a right to vote at the general meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

#### **5. CHANGE OF BYE-LAWS**

On 1 January 2005, the Listing Rules were amended by replacing the Code of Best Practice in Appendix 14 by a new Code on Corporate Governance Practices (the “CG Code”). Accordingly, the Directors proposed to amend the Bye-laws to reflect the changes required by the new CG Code. An explanation of the major proposed amendments to the existing Bye-laws is contained in Appendix II of this circular.

#### **6. ANNUAL GENERAL MEETING**

Notice of the Annual General Meeting is set out on pages 11 to 16 of this circular. At the Annual General Meeting, ordinary resolutions will be proposed to approve, inter alia, the Share Repurchase Mandate.

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## LETTER FROM THE BOARD

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A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to Abacus Share Registrars Limited, the Company's branch share registrar and transfer office in Hong Kong, of G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not prevent you from attending and voting at the Annual General Meeting if you so wish.

### 7. RECOMMENDATION

The Directors consider that the ordinary resolutions and the special resolution as set out respectively in the notice of the Annual General Meeting are all in the best interests of the Company and its shareholders. Accordingly, the Directors recommend shareholders to vote in favour of such resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
On behalf of the Board of  
**Kerry Properties Limited**  
**Ang Keng Lam**  
*Chairman*

The following is the explanatory statement required to be sent to shareholders under the Listing Rules to enable them to make an informed decision on whether to vote for or against the ordinary resolution in relation to the Share Repurchase Mandate to be proposed at the Annual General Meeting.

### **1. SHARE REPURCHASE PROPOSAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,211,990,276 fully paid-up Shares. It is proposed that up to a maximum of 10 per cent. of the fully paid-up Shares in issue at the date of passing of the Share Resolution to approve the Share Repurchase Mandate may be repurchased by the Directors. Subject to the passing of the Share Resolution, on the basis that no further Shares are issued prior to the Annual General Meeting and ignoring other restrictions, the Company would be allowed under the Share Repurchase Mandate to repurchase up to a maximum of 121,199,027 fully paid-up Shares.

### **2. REASONS FOR REPURCHASES**

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

### **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association and Bye-laws and the laws of Bermuda. The laws of Bermuda provide that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the profits that would otherwise be available for dividend or the proceeds of a fresh issue of shares made for the purpose. The premium payable on repurchase may only be paid out of either the profits what would otherwise be available for dividend or out of the share premium or contributed surplus accounts of the Company.

The Directors propose that such repurchases of Shares would be appropriately financed by the Company's internal resources and/or available banking facilities. 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 consolidated accounts contained in the annual report of the Company for the year ended 31 December 2004 and taking into account the financial position of the Company as at the Latest Practicable Date, in the event that the proposed share repurchases were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Share 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.

**4. DIRECTORS' UNDERTAKING AND CONNECTED PERSONS**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, the exercise of the power of the Company to make repurchases pursuant to the Share Resolution will be in accordance with the Listing Rules and the applicable laws of Bermuda.

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 a present intention, in the event that the Share Resolution is adopted by shareholders of the Company, to sell Shares to the Company or its subsidiaries.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares held by them to the Company, or have undertaken not to do so, in the event that the Company is authorized to make repurchases of its Shares.

**5. EFFECT OF TAKEOVER CODE**

If a shareholder's proportionate interest in the voting rights of the Company increases as a result of a share repurchase, any such increase will be treated as an acquisition for the purpose of the Takeover Code. As a result, a shareholder or a group of shareholders acting in concert (depending on the level of increase of shareholders' interests) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code. As at the Latest Practicable Date, KGL was directly or indirectly interested in 749,952,146 Shares under the SFO, which constituted approximately 61.88 per cent. of the voting rights attaching to the issued share capital of the Company. Were the Share Repurchase Mandate to be exercised in full, which is considered to be unlikely in the current circumstances, KGL would (assuming that there is no change in relevant facts and circumstances) hold approximately 68.75 per cent. of the voting rights attaching to the issued share capital of the Company. It is considered that, in the absence of any special circumstances, an obligation to make a mandatory offer as referred to above as a result of a share repurchase is unlikely to arise. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeover Code as a consequence of any repurchases pursuant to the Share Repurchase Mandate.

**6. SHARE REPURCHASES MADE BY THE COMPANY**

There was no repurchase by the Company or any of its subsidiaries of the Shares during the six months prior to the Latest Practicable Date.

## 7. MARKET PRICES

During each of the 12 months preceding the Latest Practicable Date, the highest and lowest prices at which the Shares were traded on the Stock Exchange are as follows:

Year	Month	Shares		
		Highest Price <i>HK\$</i>	Lowest Price <i>HK\$</i>	
2004	March	13.55	12.40	
	April	13.80	11.30	
	May	13.05	9.30	
	June	13.00	10.90	
	July	13.00	11.55	
	August	14.20	12.30	
	September	15.45	13.25	
	October	16.30	14.65	
	November	17.00	14.85	
	December	16.90	15.30	
	2005	January	16.80	15.30
		February	19.20	15.65

The following is an explanation of the major proposed amendments to the existing Bye-laws:

1. A new provision is added to provide that if the aggregate proxies held by the Chairman of a particular general meeting and the Directors account for 5 per cent. or more of the total voting rights at that meeting, and if on a show of hands in respect of any resolution, the meeting votes in the opposite manner to that instructed in those proxies, the Chairman of the general meeting and/or any Director holding proxies as aforesaid shall demand a poll, unless it is apparent from the total proxies held by those persons that a vote taken on a poll will not reverse the vote taken on a show of hands.
2. A new provision is added to provide that every Director shall retire from office no later than the third annual general meeting of the Company after he was last elected or re-elected.
3. The Bye-laws are amended so that Directors holding office as Chairman, Managing Director or Executive Directors are also subject to retirement by rotation.

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## NOTICE OF ANNUAL GENERAL MEETING

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# KERRY PROPERTIES LIMITED

*(Incorporated in Bermuda with limited liability)*

嘉里建設有限公司\*

website: [www.kerryprops.com](http://www.kerryprops.com)

(Stock Code: 00683)

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Kerry Properties Limited (the “Company”) will be held at Atrium Room, Level 39, Island Shangri-La Hotel, Pacific Place II, Supreme Court Road, Central, Hong Kong on Tuesday, 26 April 2005 at 2:30 p.m. for the following purposes:

1. To receive and consider the audited accounts and the reports of the directors and the auditors for the year ended 31 December 2004.
2. To declare a final dividend for the year ended 31 December 2004.
3. To re-elect a retiring director.
4. To fix directors’ fees.
5. To re-appoint the retiring auditors and to authorise the directors of the Company to fix their remuneration.
6. To consider as special business, and if thought fit, pass the following resolutions as Ordinary Resolutions with or without amendments:

### ORDINARY RESOLUTIONS

A. **THAT:**

- (a) subject to paragraph (c) below and in substitution for all previous authorities, 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 and deal with additional shares in the share capital of the Company and to make or grant offers, agreements, options and other rights, or issue warrants and other securities including bonds, debentures and notes convertible into shares of the Company, which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;

\* For identification purpose only

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options and other rights, or issue warrants and other securities, which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or to be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to or in consequence of:
  - (i) a Rights Issue (as hereinafter defined); or
  - (ii) the exercise of any option under any share option scheme or similar arrangement for the time being adopted for the grant or issue to option holders of shares in the Company; or
  - (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company; or
  - (iv) any adjustment, after the date of grant or issue of any options, rights to subscribe or other securities referred to above, in the price at which shares in the Company shall be subscribed, and/or in the number of shares in the Company which shall be subscribed, on exercise of relevant rights under such options, warrants or other securities, such adjustment being made in accordance with, or as contemplated by, the terms of such options, rights to subscribe or other securities; or
  - (v) a specified authority granted by the shareholders of the Company in general meeting,

shall not exceed the aggregate of:

- (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution; and
- (bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the 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 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution),

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## NOTICE OF ANNUAL GENERAL MEETING

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and the said approval shall be limited accordingly; and

- (d) for the purposes of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any other applicable laws of Bermuda to be held; or
- (iii) the revocation, variation or renewal of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“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 registers 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 restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).

**B. THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution and the authority pursuant to paragraph (a) above shall be limited accordingly; and

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## NOTICE OF ANNUAL GENERAL MEETING

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(c) for the purposes of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any other applicable laws of Bermuda to be held; or
- (iii) the revocation, variation or renewal of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

C. **THAT**, conditional upon the passing of Resolution No. 6B, the general mandate granted to the directors of the Company (pursuant to Resolution No. 6A or otherwise) and for the time being in force to exercise the powers of the Company to allot shares be and is hereby extended by the addition to the aggregate nominal amount of the share capital which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted by the resolution set out as Resolution No. 6B.

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

### SPECIAL RESOLUTION

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

(a) By adding the following new Bye-law 70A immediately after Bye-law 70:

“70A. Notwithstanding any other provisions of these Bye-laws:

- (a) if the aggregate proxies held by (i) the Chairman of a particular meeting, and (ii) the Directors, account for 5 per cent. or more of the total voting rights at that meeting, and
- (b) if on a show of hands in respect of any resolution, the shareholders at the meeting vote in the opposite manner to that instructed in the proxies referred to in (a) above,

the Chairman of the meeting and/or any Director holding the proxies referred to above shall demand a poll. However, if it is apparent from the

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## NOTICE OF ANNUAL GENERAL MEETING

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total proxies held by the persons referred to in (a) above that a vote taken on a poll will not reverse the vote taken on a show of hands, then no poll shall be required.”

- (b) By deleting Bye-law 99(A) in its entirety and replacing it with the following:

“(A) Every Director shall retire from office no later than the third annual general meeting after he was last elected or re-elected.”

- (c) By adding the following sentences at the beginning of Bye-law 99(B):

“At each annual general meeting, if the number of Directors retiring under Bye-law 99(A) is less than one-third (or the number nearest to but not exceeding one-third if the total number of Directors is not three or a multiple of three) of the Directors for the time being, then additional Directors shall retire from office by rotation under this Bye-law 99(B) to make up the shortfall.”

- (d) By adding the following paragraph immediately after Bye-law 99(B) and re-numbering Bye-law 99(C) as Bye-law 99(D):

“(C) A retiring Director shall be eligible for re-election. The Company at general meeting at which a Director retires may fill the vacated office.”

- (e) By adding the following paragraph immediately after Bye-law 100 (iii) and re-numbering Bye-law 100 (iv) as Bye-law 100 (v):

“(iv) such Director is required to retire from office at such meeting by virtue of the provisions in Bye-law 99(A); or”

- (f) By deleting Bye-law 113 in its entirety and replacing it with the following:

“113.A Director appointed to an office under Bye-law 111 shall be subject to the same provisions as to rotation, resignation and removal as the other Directors of the Company, and he shall ipso facto immediately cease to hold such office if he shall cease to hold the office of Director for any cause.”

By Order of the Board  
**Chow Yin Ping, Anita**  
*Company Secretary*

Hong Kong, 23 March 2005

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## NOTICE OF ANNUAL GENERAL MEETING

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*Head Office and Principal Place  
of Business in Hong Kong:*

13-14/F, Cityplaza 3  
14 Taikoo Wan Road  
Taikoo Shing  
Hong Kong

*Notes:*

1. Every member entitled to attend and vote at the above meeting (or at any adjournment thereof) is entitled to appoint up to two individuals as his proxies to attend and vote instead of him. A proxy need not be a member of the Company. The number of proxies appointed by a clearing house (or its nominee) is not subject to the aforesaid limitation.
2. Where there are joint registered holders of any share, any one of such persons may vote at the above meeting (or at any adjournment thereof), either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the registers of members of the Company in respect of such share will alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member, and several trustees in bankruptcy or liquidators of a member in whose name any share stands will for this purpose be deemed joint holders thereof.
3. In order to be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Abacus Share Registrars Limited at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, not less than 48 hours before the time appointed for the holding the above meeting (or at any adjournment thereof).
4. The registers of members of the Company will be closed from Friday, 22 April 2005 to Tuesday, 26 April 2005, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers, accompanied by the relevant share certificates, must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Abacus Share Registrars Limited at the above address not later than 4:00 p.m. on Thursday, 21 April 2005.
5. Concerning Resolution No. 6C in this notice, approval is being sought from members for an extension of the general mandate sought to be granted to the directors of the Company to allot shares by adding to it the number of shares which shall have been repurchased under the authority to be granted pursuant to Resolution No. 6B in this notice.