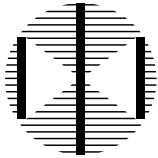

IMPORTANT

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 China-Hongkong Photo Products Holdings Limited, you should at once hand this circular to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the 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.



CHINA-HONGKONG PHOTO PRODUCTS HOLDINGS LIMITED

中港照相器材集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1123)

**PROPOSED AMENDMENTS TO THE BYE-LAWS
AND
PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES
AND
TO ISSUE NEW SHARES
AND
RE-ELECTION OF RETIRING DIRECTORS**

A notice convening an annual general meeting of China-Hongkong Photo Products Holdings Limited to be held at 8th Floor, Tsuen Wan Industrial Centre, 220-248 Texaco Road, Tsuen Wan, Hong Kong on Friday, 26 August 2005 at 10:00 a.m. is set out on pages 13 to 17 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk).

Whether or not you are able to attend the annual general meeting, please complete the accompanying form of proxy in accordance with the instruction printed thereon and return it to the Company's Share Registrar in Hong Kong, Tengis Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

28 July 2005

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DEFINITIONS

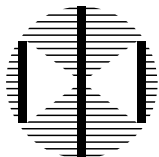
In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting”	an annual general meeting of the Company to be held at 8th Floor, Tsuen Wan Industrial Centre, 220-248 Texaco Road, Tsuen Wan, Hong Kong on Friday, 26 August 2005 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 13 to 17 of this circular, or any adjournment thereof;
“Board”	the board of Directors;
“Buyback Mandate”	as defined in paragraph 3(a) of the Letter from the Board;
“Company”	China-Hongkong Photo Products Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“Bye-laws”	the current bye-laws of the Company;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Issuance Mandate”	as defined in paragraph 3(b) of the Letter from the Board;
“Latest Practicable Date”	21 July 2005, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;

DEFINITIONS

“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	The Hong Kong Codes on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong.

LETTER FROM THE BOARD



CHINA-HONGKONG PHOTO PRODUCTS HOLDINGS LIMITED

中港照相器材集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1123)

Executive Directors:

Sun Tai Lun Dennis (*Chairman*)

Tang Kwok Tong Simon

Ng Yuk Wah Eileen

Registered Office:

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

Independent Non-executive Directors:

Au Man Chung Malcolm

Chiang Yun Rachel

Liu Hui Allan

Wong Chi Yun Allan

Li Ka Fai David

Principal Place of Business in

Hong Kong:

8th Floor

Tsuen Wan Industrial Centre

220-248 Texaco Road

Tsuen Wan

Hong Kong

28 July 2005

To the Shareholders

Dear Sir or Madam,

**PROPOSED AMENDMENTS TO THE BYE-LAWS
AND
PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES
AND
TO ISSUE NEW SHARES
AND
RE-ELECTION OF RETIRING DIRECTORS**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for (i) the amendments to the Bye-laws; (ii) the granting of the Buyback Mandate to the Directors; (iii) the granting of the Issuance Mandate to the Directors; (iv) the extension of the Issuance Mandate by adding to it the aggregate number of the issued Shares repurchased by the Company under the Buyback Mandate; and (v) the re-election of retiring directors.

LETTER FROM THE BOARD

2. PROPOSED AMENDMENTS TO THE BYE-LAWS

The Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 to the Listing Rules, subject to certain transitional arrangements, came into effect on 1 January 2005. To align the Bye-laws of the Company with the requirements of the CG Code and the amendments to the Listing Rules on 31 March 2004, the Directors proposes to seek approval from the Shareholders at the Annual General Meeting a special resolution to amend the Bye-laws. A summary of the proposed amendments is set out as follows:

- (1) Bye-law 79 is amended to require the chairman of a meeting to disclose the voting figures on a poll in accordance with Rule 13.39 of the Listing Rules.
- (2) Bye-law 101 is amended to provide that all Directors appointed to fill a casual vacancy shall be subject to election by shareholders at the first general meeting instead of the next following annual general meeting after their appointment in accordance with provision A4.2 of the CG Code.
- (3) Bye-law 110 is amended to provide that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years and to provide that Directors holding office as Chairman or Managing Director are also subject to retirement by rotation in accordance with provision A4.2 of the CG Code.
- (4) Bye-law 133 is amended to provide that the board shall meet regularly and board meetings shall be held at least 4 times a year and at least 14 day’s notice shall be given of a regular board meeting to all Directors in accordance with provisions A.1.1 and A.1.3 of the CG Code.

The proposed amendments to the Bye-laws are stated in the proposed special resolution no. 5 in the notice convening the Annual General Meeting as set out on pages 13 to 17 of this circular. A copy of the Bye-laws will be available for inspection at the Company’s principal place of business in Hong Kong at 8th Floor, Tsuen Wan Industrial Centre, 220-248 Texaco Road, Tsuen Wan, Hong Kong during normal business hours from the date hereof up to and including the date of the Annual General Meeting.

LETTER FROM THE BOARD

3. BUYBACK AND ISSUANCE MANDATES

At the annual general meeting of the Company held on 26 August 2004, general mandates were given to the Directors to exercise the powers of the Company to repurchase shares of the Company and to issue new shares of the Company respectively. Such mandates will lapse at the conclusion of the Annual General Meeting.

Ordinary resolutions will be proposed at the Annual General Meeting to approve the granting of new general mandates to the Directors:

- (a) to purchase Shares on the Stock Exchange of an aggregate nominal amount of up to 10% of the aggregate nominal amount of the issued share capital of the Company on the date of passing such resolution (the “Buyback Mandate”);
- (b) to allot, issue or deal with Shares of an aggregate nominal amount of up to 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing such resolution (the “Issuance Mandate”); and
- (c) to extend the Issuance Mandate by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the Buyback Mandate.

The Buyback Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in ordinary resolutions nos. 6 and 7 set out in the notice of the Annual General Meeting. With reference to the Buyback Mandate and the Issuance Mandate, the Directors wish to state that they have no immediate plan to repurchase or issue any Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Buyback Mandate. The explanatory statement as required by the Listing Rules in connection with the Buyback Mandate is set out in the Appendix I to this circular.

4. RE-ELECTION OF DIRECTORS

Mr Tang Kwok Tong Simon, Mr Au Man Chung Malcolm and Mr Li Ka Fai David will retire as Directors, and being eligible, offer themselves for re-election at the forthcoming Annual General Meeting. The details of Directors proposed to be re-elected at the Annual General Meeting are set out in the Appendix III to this circular.

LETTER FROM THE BOARD

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 13 to 17 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the amendments to the Current Bye-laws, the granting of the Buyback Mandate and the Issuance Mandate and the extension of the Issuance Mandate by the addition thereto of the number of Shares repurchased pursuant to the Buyback Mandate.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange (www.hkex.com.hk). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's Share Registrar in Hong Kong, Tengis Limited, at Ground Floor, 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 or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

6. RECOMMENDATION

The Directors consider that the proposed amendments to the Current Bye-Laws, the granting of the Buyback Mandate and the granting/extension of the Issuance Mandate are in the interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

7. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix I (Explanatory Statement on the Buyback Mandate), Appendix II (Procedure for the Shareholders to demand a poll at a general meeting pursuant to the Bye-laws) and Appendix III (Details of Directors proposed to be re-elected at the Annual General Meeting) to this circular.

Yours faithfully,
Sun Tai Lun Dennis
Chairman

The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Buyback Mandate.

1. REASONS FOR SHARE BUYBACK

The Directors believe that the granting of the Buyback Mandate is in the interests of the Company and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Buyback Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,163,828,377 Shares.

Subject to the passing of the ordinary resolution no. 6 set out in the notice of the Annual General Meeting in respect of the granting of the Buyback Mandate and on the basis that no Shares are issued or repurchased by the Company prior to the date of the Annual General Meeting, the Directors would be authorised under the Buyback Mandate to repurchase a maximum of 116,382,837 Shares (representing 10% of the Shares in issue as at the Latest Practicable Date) during the period in which the Buyback Mandate remains in force.

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, the Bye-laws, the laws of Bermuda and/or any other applicable laws.

The Company is empowered by its memorandum of association and the Bye-laws to repurchase Shares. The laws of Bermuda provide that the amount of capital paid in connection with a share repurchase by a company may only be paid out of either the capital paid up on the relevant shares, or the funds of the company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for such purpose.

4. IMPACT OF REPURCHASES

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 of the Company for the year ended 31 March 2005) in the event that the Buyback Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Buyback 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.

5. TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Buyback Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, Fine Products Limited, Searich Group Limited and Dr Sun Tai Lun Dennis, the Chairman of the Company, beneficially interested in 712,276,214 Shares representing approximately 61.20% of the issued share capital of the Company. Besides holding 1,000,000 shares directly, Dr Sun Tai Lun Dennis was also deemed to be interested in the Shares held by Fine Products Limited and Searich Group Limited in the Company. Fine Products Limited and Searich Group Limited are owned by two discretionary trusts set up for Dr Sun Tai Lun Dennis and/or his family members.

In the event that the Directors exercise in full the powers to repurchase Shares of the Company in accordance with the terms of the ordinary resolution to be proposed at the Annual General Meeting and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the interests of Fine Products Limited, Searich Group Limited and Dr Sun Tai Lun Dennis in the issued share capital of the Company would be increased from 61.20% to 68.00%. The Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any purchases to be made under the Buyback Mandate. The Directors have no present intention to exercise the power to repurchase Shares to the extent that the aggregate amount of the share capital of the Company in public hands would be reduced to less than 25%.

6. GENERAL

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

APPENDIX I EXPLANATORY STATEMENT ON THE BUYBACK MANDATE

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Buyback Mandate is approved by the Shareholders and exercised.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Buyback Mandate in accordance with the Listing Rules and the laws of Bermuda.

7. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have been traded on the Stock Exchange during each of the previous 12 months were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2004		
July	0.560	0.440
August	0.610	0.440
September	0.490	0.445
October	0.510	0.445
November	0.540	0.490
December	0.680	0.530
2005		
January	0.740	0.610
February	0.750	0.720
March	0.800	0.690
April	0.750	0.720
May	0.840	0.720
June	0.800	0.730
July (up to the Latest Practicable Date)	0.930	0.730

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the previous six months preceding the Latest Practicable Date (whether on the Stock Exchange or otherwise).

The following paragraphs set out the procedure by which the Shareholders may demand a poll at a general meeting of the Company (including the Annual General Meeting) pursuant to the Bye-laws.

According to Bye-law 78 of the Bye-laws, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is required by the listing rules of the Stock Exchange or (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 otherwise demanded by:—

- (a) the chairman of the meeting; or
- (b) at least three Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) a Shareholder or Shareholders present in person (or, in the case of a Shareholder 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 Shareholders having the right to vote at the meeting; or
- (d) a Shareholder or Shareholders present in person (or, in the case of a Shareholder 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.

In compliance with the Listing Rules, any vote of shareholders at a general meeting will be taken on a poll where:

- (i) the chairman of the general meeting and/or the directors individually or collectively hold proxies in respect of shares holding 5% or more of the total voting rights at the general meeting, and the meeting, on a show of hands, votes in the opposite manner to that instructed in those proxies unless it is apparent from the total proxies held that a vote taken on a poll will not reverse the vote taken on a show of hands;
- (ii) the meeting is to approve connected transactions;
- (iii) the meeting is to approve transactions that are subject to independent shareholders' approval pursuant to the Listing Rules;
- (iv) the meeting is to approve granting of options to a substantial shareholder or an independent non-executive director of the issuer, or any of their respective associates, as required under the Listing Rules; and
- (v) the meeting is to approve any other transactions in which a shareholder has a material interest and is therefore required to abstain from voting at the general meeting.

Pursuant to the Listing Rules, the details of the Directors who will retire and stand for re-election at the Annual General Meeting according to the Bye-laws are provided below.

(1) **Mr Tang Kwok Tong Simon**, aged 53, executive director of the Company

Mr Tang joined the Group in 1978 and has over 26 years' experience in the photographic products industry. He was appointed as a director of the Company on 6 July 1994.

Mr Tang holds a Bachelor of Arts degree from the University of Regina Saskatchewan, Canada. Mr Tang is the General Sales Manager of Fuji Photo Products Co., Ltd. He is responsible for the supervision of the sales and distribution activities of Fujifilm's imaging and photo finishing products in Hong Kong and Macau. He also supervises the overall branding and promotional activities of Fujifilm's products in Hong Kong and Macau and liaises with Fujifilm Japan on marketing and sales areas.

Mr Tang has entered into a service contract with the Company. The service contract has a fixed period for twelve months but can be terminated by either party on a three months' notice.

He was entitled to a director's emolument of HK\$1,030,072 for the year ended 31 March 2005. The board of directors will determine the emolument of Mr Tang with reference to the Company's performance and profitability, his duties and responsibilities, remuneration benchmark in the industry and prevailing market conditions.

Mr Tang has not held directorships in any other listed public companies in the last three years.

Mr Tang is the brother-in-law of Dr Sun Tai Lun Dennis. Except for the above, Mr Tang has no relationship with any other directors or senior management or any substantial or controlling shareholders of the Company.

At the Latest Practicable Date, Mr Tang was interested in 400,000 shares of the Company within the meaning of Part XV of the SFO.

(2) **Mr Au Man Chung Malcolm**, aged 56, independent non-executive director of the Company

Mr Au was appointed as an independent non-executive director of the Company on 6 July 1994 and has over 26 years' experience in management. Mr Au is also a member of the Audit Committee of the Company.

Mr Au holds a Bachelor of Science degree in Chemical Engineering and a Master of Science degree in Food Science both from the University of Wisconsin, USA and a Master of Business Administration degree from the University of Toronto, Canada. Mr Au also sits on the boards of Convenience Retail Asia Ltd. (stock code: 8052), Eu Yang Sang Company (listed on the Singapore Stock Exchange) and the advisory board in Asia of York International (listed on the New York Stock Exchange).

Mr Au has not entered into any service contract with the Company 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.

He was entitled to a director's fee of HK\$80,000 for the year ended 31 March 2005. The board of directors will determine the director's fee of Mr Au with reference to his duties and responsibilities with the Company.

Mr Au has no relationship with any directors or senior management or any substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr Au did not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

(3) **Mr Li Ka Fai David**, aged 50, independent non-executive director of the Company

Mr Li was appointed as an independent non-executive director of the Company on 15 September 2004. Mr Li is also a member of the Audit Committee of the Company.

Mr Li is the deputy manager partner of Li, Tang, Chen & Co. and a part-time instructor of School of Continuing Studies, The Chinese University of Hong Kong. He is also a fellow of The Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountant, U.K. as well as The Institute of Chartered Secretaries & Administrators, U.K. He is an independent non-executive director of Wanji Pharmaceutical Holdings Limited (stock code: 835) and an independent director of China Vanke Co Limited (a company listed in PRC). He is awarded the Metal of Honour (M.H.) by The Government of the Hong Kong Special Administrative Region in July 2004.

Mr Li has not entered into any service contract with the Company 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.

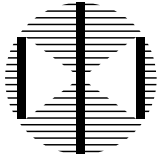
He was entitled to a director's fee of HK\$47,000 for the year ended 31 March 2005. The board of directors will determine the director's fee of Mr Li with reference to his duties and responsibilities with the Company.

Mr Li has no relationship with any directors or senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr Li did not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above the Board is not aware of any matters relating to the above proposed re-elections that need to be brought to the attention of the Shareholders.

NOTICE OF THE ANNUAL GENERAL MEETING



CHINA-HONGKONG PHOTO PRODUCTS HOLDINGS LIMITED

中港照相器材集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1123)

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Company will be held at 8th Floor, Tsuen Wan Industrial Centre, 220-248 Texaco Road, Tsuen Wan, Hong Kong on Friday, 26 August 2005 at 10:00 a.m. for the following purposes:

1. To receive and consider the Audited Financial Statements and the Reports of the Directors and of the Auditors for the year ended 31 March 2005;
2. To declare a final dividend and a final special dividend;
3. (i) To elect Directors;
- (ii) To authorise the Board to fix Directors' remuneration; and
- (iii) To set a maximum number of Directors;
4. To appoint Messrs Ernst & Young as Auditors and to authorise the Board to fix their remuneration;
5. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as a special resolution:
 - (a) By deleting Bye-law 79 in its entirety and substituting therefor the following:—

“79. If a poll is demanded as aforesaid, it shall (subject as provided in Bye-law 80) 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 thirty days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman directs. No notice need to be given of a poll not taken immediately. If a poll is duly demanded, the results of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting shall announce the results of the poll in accordance with the requirements of the Designated Stock Exchange. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting or the taking of the poll, whichever is the earlier.”

NOTICE OF THE ANNUAL GENERAL MEETING

(b) By deleting Bye-law 101 in its entirety and substituting therefor the following:—

“101. The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board, or, subject to the Statutes and to Bye-law 112, as an addition to the Board. Any Director appointed to fill a casual vacancy or as an addition to the existing Board shall hold office only until the first general meeting of the Company after his or her appointment and shall be eligible for re-election at the meeting. In case the aforesaid Director retires at an annual general meeting, he or she shall not be taken into account in determining the number of Directors to retire at that meeting.”

(c) By deleting Bye-law 110 in its entirety and substituting therefor the following:—

“110. Unless and until the Company in a general meeting shall otherwise determine, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from office by rotation, provided that every Director (including those appointed for a specific term or holding office as Chairman or Managing Director) shall be subject to retirement by rotation at least once every three years or within such other period as the Designated Stock Exchange may from time to time prescribe or within such other period as the laws of such jurisdiction applicable to the Company.”

(d) By deleting Bye-law 133 in its entirety and substituting therefor the following:—

“133. The Directors shall meet regularly together with the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit. Unless otherwise determined by the Board, board meetings shall be held at least four times a year at approximately quarterly intervals. For regular board meetings, notice of at least 14 days or of such length of time as the Designated Stock Exchange may from time to time prescribe or as required under the laws of such jurisdiction applicable to the Company shall be given to allow all Directors an opportunity to attend. For all other board meetings, reasonable notice shall be given.”

6. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

(a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;

NOTICE OF THE ANNUAL GENERAL MEETING

- (b) the total nominal amount of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of passing this resolution and the said approval shall be limited accordingly; and
 - (c) for the purpose 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held.”;
7. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorised and 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 is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors to make or grant offers, agreements and options during the Relevant Period 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 agreed conditionally or unconditionally to be allotted by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company; and
 - (iii) any scrip dividend scheme 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,

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shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company on the date of passing this resolution and this 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held;

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognised regulatory body or any stock exchange).”; and

8. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolutions nos. 6 and 7 set out in the notice convening this meeting, the general mandate referred to in resolution no. 7 above be and is hereby extended by the addition to the aggregate nominal amount of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of shares purchased by the Company pursuant to the mandate referred to in resolution no. 6 above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing this resolution.”.

By order of the Board
Chan Wai Kwan Rita
Company Secretary

Hong Kong, 28 July 2005

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Notes:

- (a) The register of members will be closed from Tuesday, 23 August 2005 to Friday, 26 August 2005, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed dividends, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrars in Hong Kong, Tengis Limited, at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 22 August 2005.
- (b) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or (if holding two or more shares) proxies to attend and, in the event of a poll, vote on his behalf. A proxy need not be a member of the Company.
- (c) 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 such power or authority, must be lodged with the Company's Share Registrars in Hong Kong, Tengis 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 fixed for holding the Meeting.
- (d) In relation to the proposed resolution 3 above, it is proposed that Mr Tang Kwok Tong Simon, Mr Au Man Chung Malcolm and Mr Li Ka Fai David, the retiring Directors, be re-elected as Director of the Company. Particulars relating the proposed Directors who are subject to re-election are set out in Appendix III to the circular to Shareholders dated 28 July 2005.