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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 licensed securities dealer 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 **Recruit Holdings Limited**, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or the 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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**RECRUIT HOLDINGS LIMITED**

才庫媒體集團有限公司\*

*(continued in Bermuda with limited liability)*

(Stock code: 8073)

**PROPOSED GENERAL MANDATES TO ISSUE SHARES AND  
REPURCHASE ITS OWN SHARES,  
AMENDMENTS OF BYE-LAWS AND  
RE-ELECTION OF RETIRING DIRECTORS**

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A notice dated 18th February 2005 convening the annual general meeting of Recruit Holdings Limited to be held at 26th Floor, 625 King's Road, North Point, Hong Kong, on Friday, 18th March, 2005 at 10:00 a.m. is set out on pages 11 to 14 of this circular. Whether or not you intend to attend such meeting, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrars of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting or any adjourned meeting if they so wish.

This circular will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the "Latest Company Announcements" page for at least 7 days from the date of posting.

18th February 2005

*\*For identification only*

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## CHARACTERISTICS OF GEM

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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 trade on GEM may be more susceptible to high market volatility than securities traded on the Main Board 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 the GEM website in order to obtain up-to-date information on GEM listed issuers.**

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 26/F, 625 King’s Road, North Point, Hong Kong on Friday, 18th March 2005 at 10:00 a.m.
“AGM Notice”	the notice dated 18th February 2005 convening the AGM as set out on pages 11 to 14 of this circular
“associate”	the same meaning ascribed thereto in the GEM Listing Rules
“Board”	the Board of Directors
“Bye-laws”	the Bye-laws of the Company
“Company”	Recruit Holdings Limited, a company continued in Bermuda with limited liability and the Shares of which are listed on GEM
“Director(s)”	Director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM as may be amended, modified or supplemented from time to time
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	14th February 2005, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the AGM Notice
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.20 each in the capital of the Company
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to allot, issue and deal with Shares during the relevant period as set out in Ordinary Resolution No. 4 up to a maximum of 20% of issued share capital of the Company as at the date of passing Ordinary Resolution No. 4
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to repurchase Shares during the relevant period as set out in Ordinary Resolution No. 5 up to a maximum of 10% of issued share capital of the Company at the date of passing Ordinary Resolution No. 5

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## DEFINITIONS

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“Shareholder(s)”	Shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	the Hong Kong Code on Takeover and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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LETTER FROM THE BOARD

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**RECRUIT HOLDINGS LIMITED**

才庫媒體集團有限公司\*

(continued in Bermuda with limited liability)

(Stock code: 8073)

*Executive Directors:*

Lau Chuk Kin (Chairman)  
Ho Suk Yi

*Non-Executive Directors:*

Wan Siu Kau  
Lee Ching Ming, Adrian  
Peter Stavros Patapios Christofis  
Lam Mei Lan

*Independent Non-Executive Directors:*

Ling Ching Man, Eleanor  
Cheng Ping Kuen, Franco  
Tyen Kan Hee, Anthony

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Principal place of business*

*in Hong Kong:*

26th Floor  
625 King's Road  
North Point  
Hong Kong

18th February 2005

*To the Shareholders*

Dear Sir and Madam,

**PROPOSED GENERAL MANDATES TO ISSUE SHARES AND  
REPURCHASE ITS OWN SHARES,  
AMENDMENTS OF BYE-LAWS AND  
RE-ELECTION OF DIRECTORS**

**1. INTRODUCTION**

The purpose of this document is to provide Shareholders with details regarding the proposed renewal of the general mandates to allot, issue and deal with Shares and to repurchase Shares, the proposed re-election of retiring directors of the Company and the proposed amendments of Bye-laws to be dealt with at the AGM.

**2. GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**

At the AGM separate ordinary resolutions will be proposed to renew the general mandates given to the Directors (i) to allot, issue and otherwise deal with Shares or options, warrants or similar rights to subscribe for any Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of such resolution; (ii) to repurchase Shares the aggregate nominal amount of which does not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of such resolution; and (iii) adding to the general mandate for the issue of Shares granted to the Directors any Shares representing the aggregate nominal amount of any Shares repurchased by the Company.

\* For identification only

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## LETTER FROM THE BOARD

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Under the GEM Listing Rules, the general unconditional mandates granted on 26th April 2004 will lapse at the conclusion of the coming AGM, unless renewed at the AGM. Ordinary Resolutions Nos. 4, 5 and 6 will be proposed at the AGM to renew these mandates. With reference to these resolutions, the Directors have no present intention to repurchase any Shares pursuant to the relevant mandates.

The Share Repurchase Mandate would continue in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or the Companies Act 1981 of Bermuda or any other applicable law of Bermuda to be held or until the Share Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever is the earliest.

An explanatory statement to provide Shareholders with information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolutions concerning the Share Repurchase Mandate is set out in Appendix I to this circular.

### **3. AMENDMENTS TO THE BYE-LAWS**

The Directors propose to make certain amendments to the Bye-laws to clarify provisions regarding the term of office of Directors in light of the recent changes in the corporate governance practice. The full text of the proposed amendments to the Bye-laws is set out in special resolution no. 7 in the AGM Notice.

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

In accordance with Bye-laws 86(2) and 87 of the Bye-laws, Ms Ho Suk Yi, Mr. Wan Siu Kau, Ms Lam Mei Lan and Mr. Tyen Kan Hee, Anthony will retire at the AGM and, being eligible, would offer themselves for re-election.

Brief biographical details of the retiring directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

### **5. RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules as may be amended, modified or supplemented from time to time for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (a) the information contained in this circular is accurate and complete in all material respects and not misleading; (b) there are no other matters the omission of which would make any statement in this circular misleading; and (c) 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.

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

Set out on pages 11 to 14 of this circular is the AGM Notice convening the AGM at which, inter alia, Ordinary Resolutions will be proposed to approve the Share Issue Mandate, the Share Repurchase Mandate, the extension of the Share Issue Mandate and the re-election of retiring Directors and a special resolution will be proposed to approve the amendments of Bye-laws.

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## LETTER FROM THE BOARD

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A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend such meeting, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrars of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding such meeting. Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the AGM if they so wish.

### 7. PROCEDURE FOR DEMANDING A POLL

Subject to the requirements under the GEM Listing Rules, pursuant to Bye-law 66 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 (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 demanded by:

- (a) the chairman of such meeting; or
- (b) 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) any 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) any 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.

### 8. RECOMMENDATION

The Board is of the opinion that the proposals referred to above are in the best interests of the Company and its Shareholders and therefore recommend you to vote in favour of the relevant resolutions to be proposed at the AGM.

Yours faithfully,  
By Order of the Board  
**Ho Suk Yi**  
*Director*



This explanatory statement relates to an ordinary resolution proposed to be passed at the AGM for the grant of a general mandate to the Board to repurchase Shares of the Company through GEM. It contains all the information required pursuant to Rule 13.08 of the GEM Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against such ordinary resolution.

## 1. REGULATIONS OF THE GEM LISTING RULES

### (a) Source of funds

Repurchases must be funded out of funds legally available for the purpose in accordance with the memorandum of continuance and Bye-laws of the Company and the Companies Act 1981 of Bermuda (the "Companies Act"). A listed company may not repurchase its own securities on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange.

### (b) Connected parties

Under the GEM Listing Rules, a company shall not knowingly repurchase shares from a connected person (as defined under the GEM Listing Rules) and a connected person shall not knowingly sell his shares to the company. As at the Latest Practicable Date and to the best of the knowledge of the Directors who have made all reasonable enquires, none of the Directors or their associates had a present intention to sell Shares to the Company.

## 2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 272,500,000 Shares of HK\$0.20 each.

If Ordinary Resolution no. 5 is passed at the AGM, and assuming that no Shares are issued or repurchased by the Company prior to the date of the AGM, up to 27,250,000 Shares, representing 10% of the issued share capital of the Company may be repurchased by the Company.

## 3. REASONS FOR REPURCHASES

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

## 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 the audited financial statements contained in the 2004 annual report of the Company) in the event that the Share Repurchase Mandate is exercised in full. 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 or the gearing levels of the Company and its subsidiaries which in the opinion of the Directors are appropriate from time to time.

**5. UNDERTAKING**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, it will exercise the Share Repurchase Mandate in accordance with the GEM Listing Rules, the memorandum of continuance and Bye-laws of the Company and the applicable laws of Bermuda.

**6. EFFECT OF THE 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 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 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 Rules 26 and 32 of the Takeover Code. The Directors are not aware of any consequence which would arise under the Takeover Code as a result of any repurchase of Shares if the Share Repurchase Mandate is exercised in full.

As at the Latest Practicable Date and to the best knowledge of the Directors, City Apex Limited ("City Apex"), who held approximately 65.30% of the issued share capital of the Company, was the only substantial shareholder of the Company, having interests in 10% or more of the issued share capital of the Company. City Apex is beneficially owned as to 77% by ER2 Holdings Limited ("ER2"). Mr. Lau Chuk Kin and Mr. Wan Kiu Kau, directors of the Company, are interested in approximately 67% and 12% of the issued share capital of ER2 respectively. In the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the ordinary resolution to be proposed at the AGM, the shareholding of City Apex Limited in the Company would be increased to approximately 72.56% and such increase would not give rise to an obligation to make a mandatory offer under the Takeover Code.

Assuming that there is no issue of Shares between the date of this circular and the date of a repurchase, an exercise of the Share Repurchase Mandate, whether in whole or in part, may result in the Shares being held by the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. The Directors have no intention to exercise the Share Repurchase Mandate to an extent which may result in a public shareholding of less than such minimum percentage.

**7. SHARE REPURCHASE MADE BY THE COMPANY**

No purchase of Shares has been made by the Company in the six months preceding the Latest Practicable Date, whether on GEM or otherwise.

**8. CONNECTED PERSONS**

As at the Latest Practicable Date, none of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their respective associates, had any present intention to sell any of the Shares to the Company or its subsidiaries if the Share Repurchase Mandate is approved at the AGM and is exercised.

As at the Latest Practicable Date, no "connected person" (as defined in the GEM Listing Rules) had notified the Company that he has a present intention to sell any of the Shares to the Company, or has undertaken not to do so, if the Share Repurchase Mandate is approved at the AGM and is exercised.

## 9. SHARE PRICES

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

	Share Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2004</b>		
February	0.680A	0.320A
March	0.620A	0.360A
April	0.520A	0.260A
May	0.340A	0.260A
June	0.400A	0.280A
July	0.360A	0.220A
August	0.340A	0.260A
September	0.320	0.248
October	0.560	0.280
November	0.500	0.400
December	0.450	0.400
<b>2005</b>		
January	0.450	0.400
February (up to and including the Latest Practicable Date)	0.720	0.430

- A: Such share prices of the Shares have been adjusted as a result of the reorganization of the capital of the Company by way of (a) a rights issue of the Company as announced by the Company on 27th February 2004 which came into effect on 27th April 2004 and (b) a share consolidation as announced on 19th July 2004 and which came into effect on 27th August 2004.

*The details of the retiring directors proposed to be re-elected at the AGM are set out as follows:*

**Ms Ho Suk Yi**, aged 37, was appointed as an Executive Director of the Company in June 2004. She is also the Qualified Accountant and the Company Secretary of the Group. Ms. Ho holds a bachelor's and master's degree in accountancy and is a member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. She has extensive experience in auditing, finance and accounting. Ms. Ho does not hold and has not held any directorships in other listed companies in the last three years.

Ms. Ho is not connected with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Ms. Ho had share options granted by the Company, pursuant to its share option scheme to subscribe for 500,000 shares of the Company within the meaning of Part XV of the SFO.

There is no fixed or proposed length of service with the Company. She is subject to retirement by rotation and re-election in accordance with the Bye-laws. The employment contract with the Group shall continue until terminated by either party giving not less than one-month written prior notice without payment of compensation (other than statutory compensation). Total remuneration for the year ended 31st December 2004 amounted to HK\$516,000, including salary and the mandatory provident fund contribution. The remuneration was determined and approved by the Board with reference to her contribution in terms of experience, duties and her expertise and will be reviewed on an annual basis.

**Mr. Wan Siu Kau**, aged 53, was appointed as a Non-Executive Director in January 2003 and then appointed as an Executive Director of the Company in July 2003. He was re-designated as a Non-Executive Director of the Company in September 2004. Mr. Wan has over 15 years of experience in the executive search industry and holds a Master of Business Administration Degree from the Chinese University of Hong Kong. Mr. Wan is the Managing Partner of Amrop Hever, Hong Kong and an independent non-executive director of Wai Kee Holdings Limited, a company listed on the Stock Exchange of Hong Kong Limited. Save as disclosed above, Mr. Wan does not hold and has not held any directorships in other listed companies in the last three years.

As at the Latest Practicable Date, Mr. Wan is a director of ER2, a substantial shareholder of the Company. Mr. Wan is interested in 12% of the issued share capital of ER2. Save as disclosed herein, Mr. Wan did not have any interests in the shares of the Company within the meaning of Part XV of the SFO nor did he have any relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. There is no fixed or proposed length of service with the Company. He is subject to retirement by rotation and re-election in accordance with the Bye-laws. A director's fee of HK\$30,000 was paid for his services for the year ended 31st December 2004. The director's fee was determined and approved by the Board with reference to his contribution in terms of time, effort and his expertise and will be reviewed on an annual basis.

**Ms Lam Mei Lan**, aged 38, was appointed as an Executive Director in October 2002. She resigned her executive role but continues to serve on the board as a Non-Executive Director in July 2003. Ms Lam is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants respectively. Ms Lam has over 16 years of experience in finance and had held senior financial position in various main board listed companies in Hong Kong. Ms. Lam is now the Financial Administrator of The Salvation Army Hong Kong and Macau Command. Save as disclosed above, Ms. Lam does not hold and has not held any directorships in other listed companies in the last three years.

As at the Latest Practicable Date, Ms. Lam did not have any interests in the shares of the Company within the meaning of Part XV of the SFO nor did she have any relationship with any directors, senior

management, management shareholders, substantial shareholders or controlling shareholders of the Company. There is no fixed or proposed length of service with the Company. She is subject to retirement by rotation and re-election in accordance with the Bye-laws. A director's fee of HK\$30,000 was paid for her services for the year ended 31st December 2004. The director's fee was determined and approved by the Board with reference to her contribution in terms of time, effort and her expertise and will be reviewed on an annual basis.

**Mr. Tyen Kan Hee, Anthony**, aged 49, was appointed as an Independent Non-Executive Director of the Company in September 2004. Mr. Tyen holds a Doctoral degree in Philosophy and a Master degree in Business Administration, both from the Chinese University of Hong Kong. He is an associate member of the Hong Kong Institute of Certified Public Accountants, a fellow member of both the Association of Chartered Certified Accountants and the Institute of Chartered Secretaries and Administrators, and a member of the Chinese Institute of Certified Public Accountants. He is currently a practising certified public accountant in Hong Kong and has over 27 years of experience in auditing, accounting, management and company secretary. Mr. Tyen is also currently an independent non-executive director of Value Convergence Holdings Limited, a company listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong. Save as disclosed above, Mr. Tyen does not hold and has not held any directorships in other listed companies in the last three years

As at the Latest Practicable Date, Mr. Tyen did not have any interests in the shares of the Company within the meaning of Part XV of the SFO nor did he have any relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. Mr. Tyen has entered into a service contract with the Company for a period of one year commencing from 8 September 2004. He is entitled to a director's fee of HK\$60,000 per annum. The director's fee was determined and approved by the Board with reference to his contribution in terms of time, effort and his expertise and will be reviewed on an annual basis.

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## NOTICE OF ANNUAL GENERAL MEETING

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### RECRUIT HOLDINGS LIMITED

才庫媒體集團有限公司\*

*(continued in Bermuda with limited liability)*

(Stock code: 8073)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT the annual general meeting of the members of Recruit Holdings Limited (the “Company”) will be held at 26/F, 625 King’s Road, North Point, Hong Kong on Friday, 18th March 2005 at 10:00 a.m. for the following purposes:-**

### Ordinary Business

1. To receive and consider the audited financial statements and the reports of the directors and auditors of the Company and its subsidiaries for the year ended 31<sup>st</sup> December 2004;
2. (A) To re-elect directors; and  
(B) To authorise the directors to fix their remuneration for the year ending 31<sup>st</sup> December 2005.
3. To re-appoint auditors and authorise the directors to fix their remuneration;

### Special Business

4. As special business, to consider and, if thought fit, pass the following resolution, with or without amendments, as an ordinary resolution:-

“THAT:-

- (A) subject to paragraph (C) below, pursuant to the Rules (the “Listing Rules”) Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and otherwise deal with unissued shares (the “Shares”) in the capital of the Company or securities convertible into Shares and to make or grant offers, agreement and options which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which 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 (whether pursuant to options or otherwise) by the directors of the Company pursuant to the approval in paragraph (A) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company in force from time to time; or (iv) the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed 20 per cent. of the aggregate

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## NOTICE OF ANNUAL GENERAL MEETING

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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

(D) for the purpose 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 law of Bermuda to be held; and
- (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, 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 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. As special business, to consider and, if thought fit, pass the following resolution, with or without amendments, as an ordinary resolution:-

“THAT

- (A) subject to paragraph (B) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all powers of the Company to purchase Shares in the capital of the Company on GEM of the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (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) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority granted 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 law 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. As special business, to consider and, if thought fit, pass the following resolution, with or without amendments, as an ordinary resolution:-

“THAT conditional upon the resolutions set out in items 4 and 5 in the notice convening this meeting being duly passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot and issue Shares pursuant to the resolution set out in item 4 in the notice convening this meeting 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 and issued 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 purchased by the Company under the authority granted pursuant to the resolution set out in item 5 in the notice convening this meeting, provided that such an amount 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.”

7. As special business, to consider and, if thought fit, pass the following resolution as a special resolution:

“THAT bye-law 89 of the bye-laws of the Company be amended in the following manner:

- (A) the word “or” be deleted from bye-law 89(5);
- (B) the full stop at the end of bye-law 89(6) be deleted and replaced by a semi-colon;
- (C) the following be inserted as new bye-laws 89(7), 89(8) and 89(9):

89 (7) is removed from office by notice in writing served upon him at his last address signed by not less than two-thirds in number (or, if such number is not a round number, the nearest smaller round number) of the Directors (including himself) then in office;

89 (8) is appointed for a fixed term, the term expires; or

89 (9) is not re-elected as a Director if he retires by rotation at a general meeting in accordance with these Bye-laws.

8. To transact any other business of the Company.

By Order of the Board  
Ho Suk Yi  
Company Secretary

Hong Kong, 18th February 2005

Principal Office:  
26th Floor, 625 King’s Road  
North Point,  
Hong Kong.

Registered Office:  
Clarendon House  
2 Church Street  
Hamilton HM 11, Bermuda

Notes:

1. Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in his instead and any member who is the holder of 2 or more shares in the



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## NOTICE OF ANNUAL GENERAL MEETING

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Company is entitled to appoint more than one proxy to attend and vote in his stead. A proxy need not be a member of the Company.

2. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority must be deposited at the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending the meeting should you so wish.
3. As at the date of this notice, the Board comprises Lau Chuk Kin and Ho Suk Yi as executive Directors, Wan Siu Kau, Lee Ching Ming, Adrian, Peter Stavros Patapios Christofis and Lam Mei Lan as non-executive Directors and Ling Ching Man, Eleanor, Cheng Ping Kuen, Franco and Tyen Kan Hee, Anthony as independent non-executive Directors.

\* For identification purposes only

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