

**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 **PANVA GAS HOLDINGS LIMITED**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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# **PANVA GAS HOLDINGS LIMITED**

**百江燃氣控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8132)**

**PROPOSALS INVOLVING GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES  
ADOPTION OF A NEW SHARE OPTION SCHEME AND  
TERMINATION OF THE EXISTING SHARE OPTION SCHEME  
AMENDMENTS TO THE EXISTING ARTICLES OF ASSOCIATION  
AND  
RE-ELECTION OF RETIRING DIRECTORS**

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The notice convening an annual general meeting of the Company to be held at the Board Room, 28th Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong at 11:00 a.m. on Tuesday, 26 April 2005, is set out on pages 27 to 36 of this circular. Whether or not you are able to attend the meeting in person, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the meeting (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting at the meeting (or any adjournment thereof) should you so wish.

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

\* For identification purpose 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 traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to 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, the following expressions have the following meanings unless the context requires otherwise:*

“AGM Notice”	the notice for convening the Annual General Meeting set out on pages 27 to 36 of this circular
“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at the Board Room, 28th Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong, on Tuesday, 26 April 2005 at 11:00 a.m., notice of which is set out on pages 27 to 36 of this circular
“Annual Report”	the annual report of the Company for the year ended 31 December 2004
“Articles of Association”	the articles of association of the Company as amended, supplemented or modified from time to time
“Board”	the board of Directors
“Company”	Panva Gas Holdings Limited (Stock Code: 8132), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“Directors”	the directors of the Company
“Existing Share Option Scheme”	the existing share option scheme adopted by the Company pursuant to the resolutions of the then sole shareholder dated 4 April 2001
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Grantee”	any Participant who accepts an offer in accordance with the terms of the New Share Option Scheme or (where the context permits) the legal personal representative(s) entitled to any such Option in consequence of the death of the original Grantee
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	24 March 2005, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

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## DEFINITIONS

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“New Share Option Scheme”	the new share option scheme to be adopted by the Company, summary of the principal terms of which is set out in Appendix II to this circular
“Offer Date”	the date on which an offer of the grant of an Option is made by the Board to Participant in accordance with the New Share Option Scheme, which date must be a business day
“Option(s)”	a right to subscribe for Shares pursuant to the terms of the New Share Option Scheme
“Option Period”	a period to be determined by the Board at its absolute discretion and notified by the Board to each Grantee as being the period during which an Option may be exercised, such period to expire not later than 10 years after the date of the grant of the Option
“Participant”	means any (i) employees of the Company (whether full-time or part-time) or any of its Subsidiaries (as defined under the GEM Listing Rules) or associated companies; (ii) chief executive, directors (whether executive directors or non-executive directors or independent non-executive directors) of the Company or any of its Subsidiaries or associated companies; (iii) any shareholder of any member of the Company or any of its subsidiaries or associated companies; (iv) suppliers of goods and/or services to the Company or any of its Subsidiaries or associated companies; (v) any customers of the Company or any of its Subsidiaries or associated companies; (vi) any person or entity that provides research, development or other technical support to the Company or any of its Subsidiaries or associated companies; (vii) any adviser (technological, technical, financial, legal or otherwise) or consultants engaged by the Company or any of its Subsidiaries or associated companies; and (viii) joint venture partner or counterparty to any business operation or business arrangements of the Group; provided that the Board shall have absolute discretion to determine whether one falls within the aforesaid categories
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	fully paid-up share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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## DEFINITIONS

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“Sinolink”	Sinolink Worldwide Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent



# PANVA GAS HOLDINGS LIMITED

## 百江燃氣控股有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8132)**

*Executive Directors:*

Ou Yaping (*Chairman*)  
Tang Yui Man, Francis (*Vice chairman*)  
Chen Wei (*Managing Director*)  
Li Fujun  
Shen Lian Jin  
Zhang Keyu

*Non-Executive Directors:*

Fok Kin-ning, Canning  
To Chi Keung, Simon  
*(alternate director to  
Fok Kin-ning, Canning)*

*Independent Non-Executive Directors:*

Cheung Hon Kit  
Li Xiao Ru  
Ge Ming

*Registered office:*

Ugland House, P.O. Box 309,  
George Town, Grand Cayman  
Cayman Islands  
British West Indies

*Head office and principal place of  
business in Hong Kong:*

28th Floor  
Vicwood Plaza  
199 Des Voeux Road Central  
Hong Kong

31 March 2005

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS INVOLVING GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES  
ADOPTION OF A NEW SHARE OPTION SCHEME AND  
TERMINATION OF THE EXISTING SHARE OPTION SCHEME  
AMENDMENTS TO THE EXISTING ARTICLES OF ASSOCIATION  
AND  
RE-ELECTION OF RETIRING DIRECTORS**

### INTRODUCTION

The purpose of this circular is to provide you with information in respect of, and to seek your approval for the proposals involving general mandates to issue and repurchase Shares, adoption of the New Share Option Scheme, termination of the Existing Share Option Scheme, amendments to the existing Articles of Association and the re-election of retiring Directors at the Annual General Meeting.

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## LETTER FROM THE BOARD

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### GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 21 April 2004, resolutions of the Shareholders were passed giving general unconditional mandates to the Directors to:

- (i) allot, issue and otherwise deal with Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of such resolution;
- (ii) to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolution; and
- (iii) add to the general mandate for issuing Shares as mentioned in paragraph (i) above an amount representing the total nominal amount of the share capital of the Company repurchased by the Company under the general mandate granted to the Directors to repurchase Shares as mentioned in paragraph (ii) above.

The above general mandates will lapse at the conclusion of the Annual General Meeting. It is therefore proposed to seek your approval of the ordinary resolutions to be proposed at the Annual General Meeting to give fresh general mandates to the Directors.

### ANNUAL GENERAL MEETING

At the Annual General Meeting, separate ordinary resolutions will be proposed to give to the Directors fresh general mandates to:

- (i) allot, issue and otherwise deal with Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of ordinary resolution no. 3 (“Resolution No. 3”) in the AGM Notice; and
- (ii) to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of ordinary resolution no. 4 (“Resolution No. 4”) in the AGM Notice (“Repurchase Mandate”);

during the period from the date of the passing of Resolution No. 3 and Resolution No. 4 up to: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws of the Caymans Islands to be held; or (c) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by Resolution No. 3 and/or Resolution No. 4, whichever occurs first; and



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## LETTER FROM THE BOARD

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- (iii) to add to such general mandate so granted to the Directors to allot, issue and deal with Shares an amount representing the aggregate nominal amount of the share capital of the Company (up to a maximum of 10% of the aggregate nominal amount of the then issued share capital of the Company) repurchased under the Repurchase Mandate. The relevant resolution is set out as ordinary resolution no. 5 (“Resolution No. 5”) in the AGM Notice.

### **EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE**

An explanatory statement containing all relevant information relating to the proposed Repurchase Mandate is set out in Appendix I to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate.

### **ADOPTION OF A NEW SHARE OPTION SCHEME AND TERMINATION OF THE EXISTING SHARE OPTION SCHEME**

Owing to the changes of the GEM Listing Rules in relation to share option schemes, the Board considers that it is appropriate to adopt the New Share Option Scheme to replace the Existing Share Option Scheme so that the provisions of the New Share Option Scheme will be in line with such changes in the GEM Listing Rules.

The Board considers that in order to encourage the Participants to perform their best in achieving the goals of the Group and at the same time allow the Participants to enjoy the results of the Company attained through their effort and contribution, it is important that the Group should continue to provide such Participants with an additional incentive by offering them an opportunity to obtain an ownership interest in the Company and to reward them for contributing to the long term success of the business of the Group. The Board therefore proposes to recommend to the Shareholders at the AGM to approve the adoption of the New Share Option Scheme and simultaneously terminate the Existing Share Option Scheme.

It is proposed that subject to the approval of the Shareholders and the approval by the shareholders of Sinolink respectively for the adoption of the New Share Option Scheme, the Existing Share Option Scheme will be terminated upon the adoption of the New Share Option Scheme after all conditions precedent as referred to in the paragraph below under the heading “Conditions precedent of the New Share Option Scheme” have been fulfilled. Operation of the New Share Option Scheme will commence after all the conditions precedent as referred to in paragraph below under the heading “Conditions Precedent of the New Share Option Scheme” have been fulfilled. A summary of the principal terms of the rules of the New Share Option Scheme is set out in Appendix II to this circular.

As at the Latest Practicable Date, there are 43,199,000 outstanding options and 1,512,000 options lapsed under the Existing Share Option Scheme. The Board confirms that prior to the AGM, it will not grant any further options under the Existing Share Option Scheme.

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## LETTER FROM THE BOARD

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Upon termination of the Existing Share Option Scheme, no further options may be offered but in all other respects the provisions of the Existing Share Option Scheme shall remain in force. The above outstanding options granted under the Existing Share Option Scheme shall continue to be valid and subject to the provisions of the Existing Share Option Scheme. Therefore, the adoption of the New Share Option Scheme will not in any event affect the terms of the grant of such outstanding options that has already been granted under the Existing Share Option Scheme.

As at the Latest Practicable Date, the number of Shares in issue are 942,250,891 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of the adoption of the New Share Option Scheme, the number of Shares issuable pursuant to the New Share Option Scheme and any other share option schemes of the Company on the date of adoption of the New Share Option Scheme will be 94,225,089 Shares, being 10% of the Shares in issue on the date of adoption of the New Share Option Scheme.

### CONDITIONS PRECEDENT OF THE NEW SHARE OPTION SCHEME

The adoption of the New Share Option Scheme is subject to the following conditions:

- (i) the approval of the Shareholders for the termination of the Existing Share Option Scheme;
- (ii) the approval of the Shareholders for the adoption of the New Share Option Scheme;
- (iii) the GEM Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of the Options granted under the New Share Option Scheme to the extent of 10 per cent. of the total number of Shares in issue as at the date of the approval of the New Share Option Scheme;
- (iv) the approval of the New Share Option Scheme by shareholders of Sinolink at the annual general meeting of Sinolink to be held on around 18 May 2005; and
- (v) such other conditions precedent required for the purposes of complying with Rule 23.02 of the GEM Listing Rules.

Subject to the fulfillment of the above conditions precedent, the Directors will have the right to grant Options to subscribe for Shares, which when aggregated with any securities subject to any other share option schemes of the Company in issue representing up to 10% of the total number of Shares in issue as at the date of approval of the New Share Option Scheme, unless the Company obtains a fresh approval from its Shareholders to renew the 10% limit and on the basis that the maximum number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company in issue shall not exceed 30 per cent. of the issued share capital of the Company from time to time.

Application will be made to the Stock Exchange for the approval of the listing of, and permission to deal, in the Shares to be issued pursuant to the exercise of the Options granted under the New Share Option Scheme.

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## LETTER FROM THE BOARD

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### **EXPLANATION OF THE TERMS OF THE NEW SHARE OPTION SCHEME**

In Appendix II on pages 15 to 22 of this circular, you will find a summary of the principal terms of the New Share Option Scheme. By offering the Options to the Participants in such flexible terms under the New Share Option Scheme, in particular, there is no minimum period for which an Option must be held before it can be exercised and no performance target is needed to be achieved by the Participants before Options can be exercised and the exercise price of the Options will be determined on a fair basis, such Participants may exercise their Options at anytime within the Option Period to acquire a monetary gain or ownership interest in the Company which may in turn provide a further incentive to the Participants to better serve the Group.

### **VALUE OF THE OPTIONS**

The Directors consider that it is inappropriate to state the value of the options that can be granted pursuant to the New Share Option Scheme as if they had been granted on the Latest Practicable Date prior to its adoption by the Shareholders given that a number of variables which are necessary for the calculation of the value of the options cannot be ascertained at this stage. Such variables include the exercise price, exercise period, interest rate, expected stock price volatility and other variables. However, in the event that the New Share Option Scheme is adopted by the Shareholders and options are granted thereunder, the value of the options will be given in the interim report and annual report of the Company as required by the GEM Listing Rules.

### **AMENDMENTS TO THE EXISTING ARTICLES OF ASSOCIATION**

The Directors would also like to amend certain of its existing Articles of Association. Your attention is drawn to the special resolution no. 7 (“Resolution no. 7”) in the AGM Notice. The Stock Exchange has announced certain amendment to the GEM Listing Rules relating to corporate governance issues which become effective on 31 March 2004 subject to certain transitional arrangements.

The amended GEM Listing Rules include, inter alia, provisions to (i) alter the extent to which a Director is permitted or prohibited to vote on board resolution on certain kinds of contracts/arrangements/proposals; and (ii) stipulate clearly the time period for the lodgment of the notice(s) concerning proposal for the election of Directors.

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## LETTER FROM THE BOARD

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In the circumstances, in order to comply with the aforesaid requirements and to bring the Articles of Association up to date in line with the current practice in Hong Kong, it is proposed at the AGM to amend the Articles of Association by Resolution no. 7. A brief description to the proposed amendments to the existing Articles of Association is set out as follows:

- (a) Article 2 To provide or amend certain definitions for the purpose of clarification.
- (b) Articles 5, 72 and 96 To replace “recognized clearing house” with “clearing house” in light of the amended definition of “clearing house” referred to in Article 2.
- (c) Articles 16, 20, 41 and 43 To revise those provisions on the amount payable for new share certificates, replacement of share certificates and registration of instrument of transfer to the effect that the fee shall be such sum as the Board may from time to time determine but subject to the maximum amount as the Stock Exchange may from time to time determine.
- (d) Article 80 To reflect the requirement of voting by poll under the GEM Listing Rules.
- (e) Article 85 To clarify that each proxy or representative appointed or authorized by a Shareholder which is a clearing house (or its nominee) shall have one vote on a show of hands.
- (f) Article 89 To reflect the restriction on voting by Shareholders whom the Company has knowledge is restricted from voting, as required by the amended Appendix 3 of the GEM Listing Rules.
- (g) Article 107 To be consistent with the provisions of the amended Appendix 3 of the GEM Listing Rules so that subject to certain exceptions, a Director shall abstain from voting at the board meeting on any contract, arrangement or proposal in which he or any of his associates has/have a material interest nor shall be counted towards the quorum of the relevant board meeting.
- (h) Article 112(c)(i) To delete reference to Article 107(f) for the definition of “associates” as such definition will be provided in Article 2.
- (i) Article 116 To amend the relevant section of this article to consistent with paragraph A.4.2 of the code on Corporate Governance Practices as set out in Appendix 15 of the GEM Listing Rules.
- (j) Article 120 To be consistent with the amended Appendix 3 of the GEM Listing Rules which stipulates the minimum seven-day period for lodgment by a Shareholder of the notice to nominate a director and the nomination shall commence no earlier than the day after the dispatch of the notice of the meeting appointed for such election and end no later than seven days before the date of such meeting.

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## LETTER FROM THE BOARD

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### RE-ELECTION OF RETIRING DIRECTORS

Subject to Resolution no. 7 as referred to in the AGM Notice being passed by the Shareholders, in accordance with Article 99 of the existing Articles of Association and Article 116 of the amended Articles of Association of the Company, Messrs. Shen Lian Jin, Ge Ming, Chen Wei, Cheung Hon Kit, Tang Yui Man Francis and Li Fujun, will retire at the Annual General Meeting and, being eligible, would offer themselves for re-election.

Details of the retiring directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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: (i) the information contained in this circular is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this circular misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

### ACTION TO BE TAKEN

The AGM Notice is set out on page 27 to 36 of this circular.

A form of proxy for the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the Annual General Meeting in person, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjourned meeting (as the case may be) should you so wish.

### DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the New Share Option Scheme will be available for inspection at the principal place of business of the Company at 28th Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong during normal business hours up to and including the date which is 14 days from the date of despatch of this circular.

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## LETTER FROM THE BOARD

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### RIGHT TO DEMAND A POLL

Pursuant to Article 80 of the existing Articles of Association of the Company, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded. A poll may be demanded by:

- (a) the Chairman of the meeting; or
- (b) at least five members present in person or by proxy and entitled to vote or who represent in the aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or
- (c) any member or members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

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

### RECOMMENDATION

The Directors are of the opinion that the proposals referred to in this circular are in the best interests of the Company and the Shareholders and therefore recommend you to vote in favour of all the Resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
By Order of the Board  
**Panva Gas Holdings Limited**  
**Chen Wei**  
*Managing Director*

This is an explanatory statement given to all Shareholders relating to Resolution No. 4 to be proposed at the Annual General Meeting authorising the Repurchase Mandate.

This explanatory statement contains all the information required pursuant to Rule 13.08 of the GEM Listing Rules which is set out as follows:

## **1. EXERCISE OF THE REPURCHASE MANDATE**

As at the Latest Practicable Date, the issued share capital of the Company comprised of 942,250,891 Shares.

Subject to the passing of Resolution No. 4 and on the basis that no further Shares are issued or repurchased by the Company prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 94,225,089 Shares during the period from the date of the passing of Resolution No. 4 as set out in the AGM Notice up to (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 Articles of Association of the Company or any applicable laws of Cayman Islands to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

## **2. REASONS FOR REPURCHASES**

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value 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 and Articles of Association and the applicable laws and regulations of the Cayman Islands. The Company may not purchase securities on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

## **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 Annual Report) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

## 5. SHARE PRICES

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

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
March 2004	4.125	3.975
April 2004	4.000	3.475
May 2004	3.450	2.650
June 2004	3.375	3.225
July 2004	3.400	3.300
August 2004	3.450	3.300
September 2004	3.350	3.325
October 2004	3.325	3.275
November 2004	3.600	3.300
December 2004	3.525	3.350
January 2005	3.475	3.325
February 2005	3.425	3.175
1 March 2005 — Latest Practicable Date	3.325	3.200

## 6. UNDERTAKING

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

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders.

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

## 7. TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.



As at the Latest Practicable Date, the number of Shares held by Sinolink, the controlling shareholder of the Company, is 550,789,987 Shares which represents approximately 58.45% of the aggregate shareholding in the Company prior to the exercise of the Repurchase Mandate. Upon exercise in full of the Repurchase Mandate, the percentage shareholding of Sinolink in the Company shall increase from approximately 58.45% to 64.95%. As Sinolink (together with its associates and other Shareholders acting in concert (within the meaning under the Takeovers Code), if any), holds more than 50% shareholding in the Company, they will not be obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors have undertaken to the Stock Exchange that they will only exercise the Repurchase Mandate to the extent that a minimum of 20% shareholding in the Company are kept in public hands.

## **8. SHARE REPURCHASES BY THE COMPANY**

No repurchases of Shares have been made by the Company in the six months preceding the Latest Practicable Date, whether on the Stock Exchange or otherwise.

The following is a summary of the principal terms of the New Share Option Scheme to be approved at the AGM. It does not form part of, nor is it intended to be part of the rules of the New Share Option Scheme and it should not be taken as affecting the interpretation of the rules of the New Share Option Scheme. The Directors reserve the right at any time prior to the AGM to make such amendments to the New Share Option Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects with the summary in this Appendix:

**1. Purpose**

The purpose of the New Share Option Scheme is for the Company to provide the people and the parties working for the interest of the Group with an opportunity to obtain equity interest in the Company, thus linking their interest with the interest of the Group and thereby providing them with incentives to work better for the interest of the Group and/or rewards for their contribution and support to the Group.

**2. Basis of Eligibility of the Participants**

The Board may, at its discretion, invite Participants to take up Options to subscribe for Shares. No performance target is required to be achieved before an Option can be exercised. In determining the basis of eligibility of each Participant, the Directors would mainly take into account of the experience of the Participant in the Group's business, the length of service of the Participant with the Group (if the Participant is an employee or a director of any member of the Group), the length of business relationship the Participant has established with the Group (if the Participant is a supplier, an adviser or a consultant engaged by or worked for of any member of the Group), the amount of support, assistance, guidance, advice, efforts and contributions the Participant has exerted and given towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Participant is likely to be able to give or make towards the success of the Group in the future.

**3. Grant of Options**

On and subject to the terms of the New Share Option Scheme, the Board shall be entitled at any time within 10 years after the adoption of the New Share Option Scheme to make an Offer to any Participant as the Board may in its absolute discretion select to subscribe for such number of Shares as the Board (subject to paragraph 5 below) determine at the Subscription Price.

**4. Conditions**

The New Share Option Scheme is conditional upon (i) the passing of an ordinary resolution by the Shareholders and the shareholders of Sinolink at their respective general meeting approving the adoption of the New Share Option Scheme and authorizing the Directors to grant Options to subscribe for Shares thereunder and to allot and issue shares pursuant to the exercise of any Options granted under the New Share Option Scheme; (ii) the passing of an ordinary resolution by the Shareholders

and the shareholders of Sinolink at their respective general meeting approving the termination of the Existing Share Option Scheme; and (iii) the GEM Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares which may be issued pursuant to the exercise of Options granted under the New Share Option Scheme.

#### 5. **Maximum number of Shares**

- (i) Subject to sub-paragraph (iv) below, the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% (“Scheme Mandate Limit”) of the total number of Shares in issue as at the date of approval of the Company unless the Company obtains a fresh approval from Shareholders pursuant to sub-paragraph (ii) below. Options lapsed shall not be counted for the purpose of calculating the Scheme Mandate Limit.
- (ii) Subject to sub-paragraph (iv) below, the Company may seek approval of Shareholders in general meeting to refresh the 10% limit set out in sub-paragraph (i) above such that the total number of Shares in respect of which options may be granted under the New Share Option Scheme and any other share option schemes of the Company in issue shall not exceed 94,225,089 Shares being 10% of the issued share capital of the Company at the date of approval to refresh such limit.
- (iii) Subject to sub-paragraph (iv) below, the Company may seek separate approval by the Shareholders in general meeting for granting Options beyond the 10% limit or, if applicable, the refreshed limit provided the Options in excess of such limit are granted only to Participants specifically identified by the Company before such approval is sought.
- (iv) Notwithstanding any other provisions of the New Share Option Scheme, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the total number of Shares in issue from time to time. No Options may be granted under any schemes of the Company if this will result in the aforesaid 30% limit being exceeded.

#### 6. **Maximum Entitlement for any one Eligible Participant**

- (i) The maximum number of Shares issued and to be issued upon exercise of the options granted and to be granted pursuant to the New Share Option Scheme and any other share option schemes of the Company to each Participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of Shares in issue.
- (ii) Any further grant of Options to a Participant in excess of the 1% limit referred to in sub-paragraph (i) above shall be subject to the separate approval of the Shareholders in general meeting, at which such Participant and his associates shall abstain from voting. A

circular shall be sent to the Shareholders with disclosure of the identity of the Participant, the number and terms of the Options granted and to be granted and any Options previously granted to such Participant. The number of Shares subject to the Options to be granted and the terms of the Options to be granted to such Participant shall be fixed before the approval of Shareholders in general meeting. The date of the board meeting of the Company for proposing such further grant shall be taken as the Offer Date for the purpose of calculating the Subscription Price.

#### 7. **Subscription price**

The subscription price in respect of each Share issued pursuant to the exercise of Options granted under the New Share Option Scheme shall be a price determined by the Board and notified to a Participant and shall be no less than the highest of (a) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the Offer Date, which must be a trading day; (b) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five consecutive trading days immediately preceding the Offer Date and (c) the nominal value of a Share.

#### 8. **Granting Options to connected persons**

- (i) Any grant of Options to a Participant who is a director, chief executive or substantial shareholder (all as defined in the GEM Listing Rules) of the Company or any of their respective associates must be approved by the independent non-executive directors of the Company (excluding any independent non-executive director who is the relevant Grantee).
- (ii) Where the Board proposes to grant Options to a Participant who is a substantial shareholder (as defined in the GEM Listing Rules) or any independent non-executive director of the Company or any of their respective associates, would result in the number of Shares issued and to be issued upon exercise of Options granted and to be granted (including Options exercised, cancelled and outstanding) to such Participant in the 12-month period up to and including the date of such grant:
  - (a) representing in aggregate more than 0.1% of the total number of Shares in issue; and
  - (b) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5,000,000,

such further grant of Options must be approved by the Shareholders on a poll in general meeting. The Company must send a circular to the Shareholders. All other connected persons (as defined in the GEM Listing Rules) of the Company abstaining from voting (except that any connected person may vote against such proposed grant at the general meeting provided that his intention to do so has been stated in the circular issued to the Shareholders).

**9. Restrictions on the time of grant of options**

Any grant of Options must not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision, until such price sensitive information has been announced pursuant to the requirements of the GEM Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of (a) the date of the Board meeting for the approval of the Company's results for any year, half-year or quarter-year period or any other interim period (whether or not required under the GEM Listing Rules) ; and (b) the deadline for the Company to publish announcement of its results for any year, half-year or quarter-year period under the GEM Listing Rules or any other interim period (whether or not required under the GEM Listing Rules), and ending on the date of the relevant results announcement, no Option may be granted.

**10. Rights are personal to grantee**

An Option shall be personal to the Grantee and shall not be assignable or transferrable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (whether legal or beneficial) in favour of any third party over or in relation to any Option or enter into any agreement to do so.

**11. Time of acceptance**

Offer shall be deemed to have been accepted, and the Option to which the Offer relates shall be deemed to have been granted, when the duplicate of the offer letter comprising acceptance of the Offer duly signed by the Grantee with the number of Shares in respect of which the Offer is accepted clearly stated therein accompanied with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within 28 days from the date of the offer.

**12. Performance target**

Unless otherwise determined by the Board, there is no minimum period for which an Option must be held before it can be exercised and there is no performance target that needs to be achieved by the Grantee before an Option can be exercised.

**13. Rights on ceasing employment/death**

- (i) In the event the Grantee dies before exercising the Option in full, and none of the events which would be a ground for termination of his employment, directorship or engagement under paragraph 13 below, the personal representative(s) of the Grantee shall be entitled within a period of 12 months from the date of death or such longer period as the Board may determine, to exercise the Option up to the entitlement of such Grantee as at the date of death (to the extent that it has become exercisable and has not already been exercised), failing which, the Option will lapse.

- (ii) In the event that the Grantee ceases to be a Participant for any reason other than on his death or the termination of his employment, directorship or engagement on one or more of the grounds set out in paragraph 13 below, the Grantee may exercise the Option up to his entitlement at the date of cessation (to the extent which has become exercisable and not already exercised) within the period of one month following the date of such cessation, which date shall be the last actual working day with the relevant member of the Group whether salary is paid in lieu of notice, failing which, the Option will lapse.

#### 14. **Rights on termination of employment, directorship or engagement**

If the Grantee of an Option ceases to be a Participant by reason of termination of his employment, directorship or engagement on the grounds that he has been guilty of misconduct, or has been in breach of a material term of the relevant employment contract, service contract, supply contract or engagement contract, or has stopped payment to creditors generally or been unable to pay his debts within the meaning of any applicable legislation relation to bankruptcy or insolvency, or has become bankrupt or insolvent, or has been served a petition for bankruptcy or winding-up, or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence concerning his integrity or honesty or (if so determined by the Board or the board of the relevant Subsidiary of the Company, as the case may be) on any other ground on which an employer, a sourcing party or an engaging party would be entitled to terminate his employment or directorship or engagement at common law or pursuant to any applicable laws or under the Grantee's employment contract or service contract with the Company or the relevant Subsidiary of the Company (as the case may be), the Option shall lapse automatically (to the extent that it has not already been exercised).

#### 15. **Rights on a general offer, compromise or arrangement**

- (i) if a general offer by way of take-over is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) with the terms of the Offer having been approved by the holders of not less than nine-tenths in value of the Shares comprised in the offer within six months from the date of the Offer and the offeror thereafter gives a notice to acquire the remaining Shares, the Grantee (or his personal representative(s)) may by notice in writing to the Company within 21 days of the notice of the offeror exercise the Option to its full extent or to the extent specified in such notice;
- (ii) if a general offer by way of scheme of arrangement is made to all the holders of Shares and has been approved by the necessary majority of holders of Shares at the requisite meetings, the Grantee (or his personal representatives) may thereafter (but only until such time as shall be notified by the Company, after which it shall lapse) exercise the Option (to the extent that it has become exercisable and has not already been exercised) to its full extent or to the extent specified in such notice;

- (iii) if a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to the Grantee on the same date as it despatches the notice which is sent to each member or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the Grantee (or his personal representative(s)) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of the date two calendar months thereafter and the date on which such compromise or arrangement is sanctioned by the Court, exercise any of his Options (to the extent that it has become exercisable and has not already been exercised) whether in full or in part. Upon such compromise or arrangement becoming effective, all Options shall lapse except insofar as previously exercised under the New Share Option Scheme.

#### **16. Rights on winding-up**

In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all Grantees and thereupon, each Grantee (or his legal personal representative(s)) shall be entitled to exercise the Option, subject to the provisions of all applicable law, within two trading days prior to the proposed general meeting of the Company, by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the Trading Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.

#### **17. Ranking of Shares**

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the articles of association of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of their allotment and issue, and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of exercise of the Option other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment and issue.

#### **18. Reorganization of capital structure**

In the event of a capitalisation issue, rights issue, sub-division or consolidation of the Shares or reduction of capital in the Company (excluding any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in respect of a transaction to which the Company is

a party), or in the event of any distribution of the Company's capital assets to the Shareholders on a pro rata basis (whether in cash or in specie) other than dividend paid out of the net profits attributable to the Shareholders for each financial year of the Company, whilst any Option remains exercisable in either case, such corresponding alterations shall be made to:

- (i) the number or nominal amount of Shares subject to the Option so far as unexercised;
- (ii) the subscription price; and/or
- (iii) the method of exercise of the Option(if applicable),

or any combination thereof, as an independent financial adviser appointed by the Company or the Auditors shall certify in writing to the directors of the Company, either generally or as regards any particular Grantee, to be in their opinion fair and reasonable, provided that any such alterations shall give a Grantee the same proportion of the issued share capital of the Company as that to which he was previously entitled, but so that no such alterations shall be made the effect of which would be to enable any Share to be issued at less than its nominal value.

#### 19. Alterations of the New Share Option Scheme

- (i) the New Share Option Scheme may be altered in any respect by resolution of the Board except that the provisions of the New Share Option Scheme relating to matters contained in Rule 23.03 of the GEM Listing Rules shall not be altered to extend the class of persons eligible for the grant of Options or to the advantage of Grantees or Participants except with the prior approval of a resolution of the Company in general meeting, with Grantees and their associates abstaining from voting. No such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the Shareholders under the articles of association for the time being of the Company for a variation of the rights attached to the Shares.
- (ii) Any change to the authority of the Board or scheme administrators in relation to any alteration to the terms of the New Share Option Scheme must be approved by the Shareholders. Any alterations to the terms and conditions of the New Share Option Scheme, which are of a material nature, shall be approved by the Shareholders, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme.
- (iii) The terms of the New Share Option Scheme, as it may from time to time be amended, must comply with the relevant requirements of Chapter 23 of the GEM Listing Rules.



**20. Cancellation of options**

With the consent of the relevant Grantee, the Board may by resolution at any time cancel any Options granted but not exercised. Where the Company cancels Options and offers to holders of such Options new Options, the offer of such new Options may only be made under the New Share Option Scheme with available Options (to the extent not yet granted and excluding the cancelled Options) within the limit approved by the Shareholders as mentioned in paragraph 4 above.

**21. Termination**

The Company by resolution in general meeting or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further Options will be offered but in all other respects the provisions of the New Share Option Scheme shall remain in full force and effect.

**22. Period of the New Share Option Scheme**

The New Share Option Scheme shall be valid and effective for a period of 10 years from the date of adoption, after which period no further Options will be granted but in respect of all Options which remain exercisable at the end of such period, the provisions of the New Share Option Scheme shall remain in full force and effect.

*The details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out as follows:*

**Mr. SHEN Lian Jin**, aged 41, is an executive director of the Company. He is also an executive director and the President of Panriver Investments Company Limited, a wholly owned subsidiary of the Company. He holds a Bachelor of Arts degree in Chinese Language from Anhui Normal University in the PRC. Mr. Shen has 15 years of experience in operational management, business administration and market development. He joined the Company in 2000 and is responsible for Panva brand building, development and management of the Company's projects. He has been an executive director since April 2004. Save as disclosed above, Mr. Shen has not held any directorship in other publicly listed companies in the past three years.

Mr. Shen has not entered into any service contract with the Company. There is no agreement for the period of his appointment but he is subject to retirement and re-election provisions in the articles of association of the Company. He is entitled to a monthly salary of HK\$17,150 and a year end discretionary bonus determined by the Board at its absolute discretion having regard to the Company's performance and the prevailing market situation. He does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Saved for the interest in 2,300,000 share options granted by the Company to subscribe for 2,300,000 Shares, representing 0.24% of the issued share capital of the Company, Mr. Shen does not have any interest in the Company's shares, within the meaning of Part XV of the SFO. He is also interested in 3,000,000 share options granted by Sinolink to subscribe for 3,000,000 shares in Sinolink, representing 0.13% of the issued share capital of Sinolink.

**Mr. GE Ming**, aged 53, is an independent non-executive Director of the Company and member of Audit Committee. Mr. Ge has more than 22 years' experience in accounting and financial management. Mr. Ge holds a Master's degree in economics from the Research Institute of Fiscal Science attached to the Ministry of Finance, the PRC and is a member of China Institute of Certified Public Accountants. Mr. Ge is an executive director from CCAFM side in CCAFM — E & Y Management Services Limited and has distinctive knowledge of the business regulatory environment in the PRC as well in Hong Kong. Save as disclosed above, Mr. Ge has not held any directorship in other publicly listed companies in the past three years.

Mr. Ge is appointed for a term of 1 year and subject to retirement and re-election provisions in the articles of association of the Company. There is no agreement as to the director's fee payable to Mr. Ge. His director's fee is to be determined by the Board with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation and to be authorized by the shareholders of the Company at the annual general meeting. He does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Saved for the interest in share options granted by the Company to subscribe for 800,000 Shares, representing 0.08% of the issued share capital of the Company, Mr. Ge does not have any interest in the Company's shares, within the meaning of Part XV of the SFO.

**Mr. CHEN Wei**, aged 43, is the managing director of the Company. He is also an executive director of Sinolink. Mr. Chen holds a Bachelor of Engineering Management degree from the Beijing Institute of Technology in the PRC. He has over 18 years of experience in engineering business administration, market development and management. Mr. Chen joined the Sinolink group of companies in February 1992 and is responsible for the overall development, management and strategic planning of the Company. He has been an executive director of the Company and Sinolink in the past three years. Save as disclosed above, Mr. Chen has not held any directorship in other publicly listed companies in the past three years.

Mr. Chen has entered into a service agreement with the Company dated 1 April 2004 for a specific term of 3 years but he is subject to the retirement and re-election provisions in the articles of association of the Company. He is entitled to a monthly salary HK\$150,000 and a two month end of year payment provided that in the relevant year in which his service agreement commenced, Mr. Chen shall be entitled to a year end payment on a pro-rata basis calculated by reference to the number of days of his service covered in the relevant year bears to the number of days in that relevant year. Mr. Chen is also entitled to a year end discretionary bonus determined by the Board at its absolute discretion having regard to the Company's performance and the prevailing market situation. He does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Mr. Chen is interested in 4,160,000 Shares and 8,040,000 share options granted by the Company to subscribe for 8,040,000 Shares, representing in aggregate of 1.29% of the issued share capital of the Company, within the meaning of Part XV of the SFO. He is also interested in 12,000,000 share options granted by Sinolink to subscribe for 12,000,000 shares in Sinolink, representing 0.51% of the issued share capital of Sinolink.

**Mr. CHEUNG Hon Kit**, aged 51, is an independent non-executive director of the Company and the chairman of Audit Committee. Mr. Cheung has over 27 years' experience in real estate development, the property business and corporate finance. Mr. Cheung graduated from the University of London with a Bachelor of Arts degree. He has worked in key executive positions in various leading property companies in Hong Kong. Currently, he is an executive director of ITC Corporation Limited and Paul Y-ITC Construction Holdings Limited and the managing director of Wing On Travel (Holdings) Limited. He is also a director of Hanny Holdings Ltd, Cyber On-Air Group Company Ltd., Skynet (International Group) Holdings Limited and Innovo Leisure Recreation Holdings Limited. He has been an independent non-executive Director of the Company in the past three years. Save as disclosed above, Mr. Cheung has not held any directorship in other publicly listed companies in the past three years.

Mr. Cheung is appointed for a term of 1 year and is subject to retirement and re-election provisions in the articles of association of the Company. There is no agreement as to the director's fee payable to Mr. Cheung. His director's fee is to be determined by the Board with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation and to be authorized by the shareholders of the Company at the annual general meeting. He does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Save for the interest in share options granted by the Company to subscribe for 800,000 Shares, representing 0.08% of the issued share capital of the Company, Mr. Cheung does not have any interest in Shares, within the meaning of Part XV of the SFO.

**Mr. TANG Yui Man Francis**, aged 42, is the vice chairman and an executive director of the Company. Mr. Tang is also the chief executive officer and an executive director of Sinolink and an executive director of Enerchina Holdings Limited (“Enerchina”), a company listed on the Stock Exchange. He has a Bachelor’s degree in Computer Studies from the University of Victoria in Canada and a Master of Business Administration degree from The City University of New York in the United States. Mr. Tang is a qualified accountant in the United States and has over 13 years of experience in management, accounting and finance. He joined the Sinolink Group in March 1998 and is responsible for corporate planning, strategic development and financial planning and management of the Company. He has been an executive director of the Company, Enerchina and Sinolink in the past three years. Save as disclosed above, Mr. Tang has not held any directorship in other publicly listed companies in the past three years.

Mr. Tang has entered into a service agreement with the Company dated 1 January 2004 for a specific term of 3 years but he is subject to retirement and re-election provisions in the articles of association of the Company. He is entitled to a monthly salary HK\$20,000 and a one month end of year payment provided that in the relevant year in which this service agreement commence, Mr. Tang shall be entitled to his year end payment on a pro-rata basis calculated by reference to the number of days of his service covered in the relevant year bears to the number of days in that relevant year. Mr. Tang is also entitled to a year end discretionary bonus determined by the Board at its absolute discretion having regard to the Company’s performance and the prevailing market situation. He does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Mr. Tang is interested in 5,440,000 Shares and 3,960,000 share options granted by the Company to subscribe for 3,960,000 Shares, representing in aggregate of 1.00% of the issued share capital of the Company, within the meaning of Part XV of the SFO. He is also interested in 19,000,000 share options granted by Sinolink to subscribe for 19,000,000 shares in Sinolink, representing 0.81% of the issued share capital of Sinolink and 22,880,000 share options granted by Enerchina to subscribe for 22,880,000 shares in Enerchina, representing 1.00% of the issued share capital of Enerchina.

**Mr. LI Fujun**, aged 42, is an executive director of the Company. He holds a Bachelor of Engineering degree from Tsinghua University and a Master of Economics degree from the University of International Business and Economics. He has 10 years of experience in project evaluation and strategic planning, investment analysis and engineering work, as well as project management and investment. Mr. Li joined the Sinolink group of companies in May 1994 and is responsible for strategic planning, investment and management of the gas fuel business of the Company. He has been an executive director of the Company in the past three year. Save as disclosed above, Mr. Li has not held any directorship in other publicly listed companies in the past three years.

Mr. Li has entered into a service agreement with the Company dated 1 April 2004 for a specific term of 3 years but he is subject to retirement and re-election provisions in the articles of association of the Company. He is entitled to a monthly salary of HK\$38,000 and a two month end of year payment provided that in the relevant year in which this service agreement commence, Mr. Li shall be entitled to his year end payment on a pro-rata basis calculated by reference to the number of days of his service covered in the relevant year bears to the number of days in that relevant year. Mr. Li is also entitled to a year end discretionary bonus determined by the Board at its absolute discretion having regard to the Company’s performance and the prevailing market situation. He does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Mr. Li is interested in 1,000,000 Shares and 2,600,000 share options granted by the Company to subscribe for 2,600,000 Shares, representing in aggregate of 0.38% of the issued share capital of the Company, within the meaning of Part XV of the SFO.

In the opinions of the Directors, other than the aforesaid matters, there is no other matters need to be brought to the attention of the shareholders of the Company in relation to the re-election of the above retiring directors.



# PANVA GAS HOLDINGS LIMITED

## 百江燃氣控股有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8132)**

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting (“Annual General Meeting”) of the shareholders of Panva Gas Holdings Limited (“the Company”) will be held at the Board Room, 28th Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong on Tuesday, 26 April 2005 at 11:00 a.m. for the following purposes:

1. to receive and consider the audited financial statements and the reports of the directors of the Company (“Directors”) and auditors for the year ended 31 December 2004;
2. to re-appoint auditors and to authorise the Directors to fix their remuneration;
3. to consider and, if thought fit, pass the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on The Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (“Stock Exchange”), the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) to allot, issue and deal with additional shares in the share 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) of this resolution shall authorise the Directors during the Relevant Period to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares of the Company) 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 pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the grant or exercise of any option under the share option scheme of the Company or any other option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the

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## NOTICE OF ANNUAL GENERAL MEETING

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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 Articles of Association of the Company in force from time to time; or (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing warrants of the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (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 Articles of Association of the Company, or any applicable law of the Cayman Islands 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 by this resolution.

“Rights Issue” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares in the Company on the register on a fixed record date in proportion to their holdings of shares (subject to such exclusion 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, 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 applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”

4. to consider and, if thought fit, pass the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its shares on the GEM or 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 (“Securities and Futures Commission”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange or of any other stock exchange as amended from time to time and all applicable laws in this regard, be and is hereby generally and unconditionally approved;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) the aggregate nominal amount of shares of the Company authorised to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
  - (c) for the 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 Articles of Association of the Company, or any applicable law of the Cayman Islands 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 by this resolution.”
5. to consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolutions nos. 3 and 4 set out in the notice convening this meeting, the unconditional general mandate granted to the Directors to allot, issue and deal with additional shares and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to resolution no. 3 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 4 set out in the notice convening this meeting, provided that such 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 the said resolution.”

6. to consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to and conditional upon (i) the GEM Listing Committee of the Stock Exchange granting approval the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any such options granted under the share option scheme of the Company (the “New Share Option Scheme”); and (ii) the approval of the New Share Option Scheme by the Shareholders of Sinolink by way of ordinary resolution at the meeting of such Shareholders, the rules of the New Share Option Scheme are contained in the document marked “A” produced to the meeting and for the purposes of identification signed by the



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## NOTICE OF ANNUAL GENERAL MEETING

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Chairman thereof, the New Share Option Scheme be and is hereby approved and adopted and the Directors be and is hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme including but without limitation:

- (i) to administer the New Share Option Scheme under which options will be granted to participants eligible under the New Share Option Scheme to subscribe for shares of the Company (“Shares”);
  - (ii) to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to modification and/or amendment;
  - (iii) to issue and allot from time to time such number of Shares as may be required to be issued pursuant to the exercise of the options under the New Share Option Scheme and subject to the Rules Governing the Listing of Securities on GEM of the Stock Exchange;
  - (iv) to make application at the appropriate time or times to the Stock Exchange and any other stock exchanges upon which the issued Shares may for the time being be listed, for listing of and permission to deal in any Shares which may hereafter from time to time be issued and allotted pursuant to the exercise of options under the New Share Option Scheme; and
  - (v) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme.”
- (b) subject to the adoption of the New Share Option Scheme, the existing share option scheme (the “Existing Share Option Scheme”) of the Company which was adopted by the Company and approved by the resolutions of the sole shareholder of the Company dated 4 April 2001 be and is hereby terminated with effect from the adoption of the New Share Option Scheme.

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

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

(a) Article 2

- (i) by inserting the following definition and its marginal note immediately after the definition of “these Articles”:

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

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) by deleting the definition of “recognised clearing house” in its entirety and inserting the following definition and its marginal note immediately after the definition of “the Chairman”:

“clearing house” means a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction;

clearing  
house

- (iii) by deleting the word “daily” in the definition of “published in the newspapers”; and
- (iv) by inserting the following sentence at the end of the definition of “subsidiary” and “holding company”:

“, but interpreting the term “subsidiary” in accordance with the definition of “subsidiary” under the Listing Rules”

(b) Article 5

by deleting the word “recognised” immediately before the words “clearing house” in the fifth line of Article 5.

(c) Article 16

- (i) by deleting the words “without payment” in the second line of Article 16;
- (ii) by adding the words “(i) in the case of an allotment, of a fee of such sum as the Board may from time to time determine but subject to the maximum amount as the Exchange may from time to time determine for every certificate after the first or (ii)” immediately after the words “upon payment,” in the eleventh and twelfth lines of Article 16;
- (iii) by deleting the words “a sum equal to the relevant” in the twelfth and the thirteen lines of Article 16 and substituting therefor the words “a fee of such sum as the Board may from time to time determine but subject to the”; and
- (iv) by deleting the words “after the first or such lesser sum as the Board shall from time to time determine” in the fourteenth to the sixteenth lines of Article 16.

(d) Article 20

by deleting the words “not exceeding such amount as may from time to time be permitted under the Listing Rules or such lesser sum as the Board may from time to time require)” in the second to the fifth lines of Article 20 and substituting therefor the words “of such sum as the Board may from time to time determine but subject to the maximum amount as the Exchange may from time to time determine”.

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## NOTICE OF ANNUAL GENERAL MEETING

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(e) Article 41

- (i) by adding the words “sum as the Board may from time to time determine but subject to the” immediately after the words “a fee of such” in the first line of paragraph (f) of Article 41; and
- (ii) by deleting the words “(or such lesser sum as the Board may from time to time require)” in the second to the fourth lines of paragraph (f) of Article 41.

(f) Article 43

by deleting the words “without charge” in the fourth line and the second last line of Article 43 respectively and substituting therefor the words “upon receipt of a fee of such sum as the Board may from time to time determine but subject to the maximum amount as the Exchange may from time to time determine” respectively.

(g) Article 72

by deleting the word “recognised” immediately before the words “clearing house” in the fifteen line of Article 72.

(h) Article 80

- (i) by adding the words “a poll is taken as may from time to time be required under the Listing Rules or any other applicable laws, rules or regulations or unless” immediately after the words “on a show of hands unless” in the second line of Article 80; and
- (ii) by adding the words “a poll is so taken as may from time to time be required under the Listing Rules or any other applicable laws, rules or regulations or unless” immediately after the word “Unless” at the beginning of the second paragraph of Article 80.

(i) Article 85

by inserting the following sentence immediately after the words “in the register.” in the third last line of Article 85:

“Notwithstanding anything contained in these Articles, where more than one proxy or representative is appointed or authorised by a member which is a clearing house (or its nominee), each such proxy or representative shall have one vote on a show of hands.”

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## NOTICE OF ANNUAL GENERAL MEETING

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(j) Article 89

by re-numbering the existing paragraph (b) of Article 89 as paragraph (c) of Article 89 and adding the following new paragraph (b) and its marginal note to Article 89:

- (b) Where the Company has knowledge that any member is, under any applicable laws and the Listing Rules from time to time, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.
- Voting in  
contravention  
of the Listing  
Rules

(k) Article 96

by deleting the word “recognised” wherever it appears immediately before the words “clearing house” in paragraph (b) of Article 96.

(l) Article 107

(i) by deleting the existing paragraph (c) of Article 107 in its entirety and substituting therefor the following new paragraph (c):

- (c) A Director shall not be entitled to vote on (nor shall be counted in the quorum in relation to) any resolution of the Board in respect of any contract or arrangement or any other proposal whatsoever in which he or any of his associates, to the knowledge of such Director, has any material interest, and if he shall do so his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters, namely:

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

(aa) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

(bb) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

(ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (iii) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in the shares of that company, provided that, the Director and any of his associates are not in aggregate beneficially interested in five per cent. or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associates is derived) or of the voting rights;
  - (iv) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries including:
    - (aa) the adoption, modification or operation of any employees' share scheme or any share incentive scheme or share option scheme under which the Director or his associate(s) may benefit; or
    - (bb) the adoption, modification or operation of a pension or provident fund or retirement, death or disability benefits scheme which relates both to Directors, their associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
  - (v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in the shares or debentures or other securities of the Company.
- (ii) by deleting the words "a Director's interest" in the second and the third lines of paragraph (e) of Article 107 and substituting therefor the words "the interest of a Director and/or his associate(s)";
  - (iii) by adding the words "and/or his associate(s)" immediately after the word "Director" in the fifth last line of paragraph (e) of Article 107; and
  - (iv) by deleting paragraph (f) of Article 107 in its entirety and substituting therefor the following new paragraph (f):
    - (f) The Company may by ordinary resolution ratify any transaction not duly authorised by reason of a contravention of this Article provided that no Director who is or whose associate(s) is/are materially interested in such transaction shall vote upon such ordinary resolution in respect of any shares in the Company in which he/they is/are interested.

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## NOTICE OF ANNUAL GENERAL MEETING

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(m) Article 112(c)(i)

by deleting the words “his Associates (as defined in Article 107(f) above)” and substituting therefor the words “his associates” in Article 112(c)(i).

(n) Article 116

by deleting the first sentence in Article 116 and substituting therefor the following sentence:

“Subject to the manner of retirement by rotation of Directors as from time to time prescribed under the Listing Rules and notwithstanding any contractual or other terms on which any Director may be appointed or engaged, at each annual general meeting one third of the Directors for the time being (or, if their number is not a multiple of three (3), 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) shall be subject to retirement at least once every three years.”

(o) Article 120

by deleting the existing Article 120 in its entirety and substituting therefor the following new Article 120 and its marginal note;

120. No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing by a member of the Company (not being the person to be proposed), entitled to attend and vote at the meeting for which such notice is given, of the intention to propose that person for election as a Director and notice in writing signed by that person of his willingness to be elected shall have been given to the Company provided that the minimum length of the period, during which such notices are given, shall be at least 7 days. The period for lodgment of such notices shall commence no earlier than the day after the dispatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.”

Notice to be  
given when  
person proposed  
for election

8. to re-elect Directors and to authorise the board of directors to fix their remuneration; and
9. to transact any other business, if necessary.

By Order of the Board  
**Panva Gas Holdings Limited**  
**LO Tai On**  
*Company Secretary*

Hong Kong, 31 March 2005

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## NOTICE OF ANNUAL GENERAL MEETING

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*Principal place of business:*

28th Floor,  
Vicwood Plaza,  
199 Des Voeux Road Central,  
Hong Kong

**Notes:**

1. A member of the Company entitled to attend and vote at the Annual General Meeting convened by the above notice is entitled to appoint one or more proxies to attend and, on a poll, vote instead of such member. A proxy need not be a member of the Company.
2. Completion and delivery of the form of proxy will not preclude a shareholder from attending and voting at the meeting if the member so desires.
3. In order to be valid, the form of proxy together with a 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 deposited with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof.



# PANVA GAS HOLDINGS LIMITED

## 百江燃氣控股有限公司\*

(Incorporated in the Cayman Islands with limited liability)

### FORM OF PROXY FOR ANNUAL GENERAL MEETING

I/We<sup>1</sup> \_\_\_\_\_

of \_\_\_\_\_

being the registered holder(s) of<sup>2</sup> \_\_\_\_\_ shares of HK\$0.10 each in the capital of Panva Gas Holdings Limited (the "Company"), **HEREBY APPOINT**<sup>3</sup> \_\_\_\_\_

of \_\_\_\_\_

or failing him, the **Chairman of the Meeting** as my/our proxy to attend the Annual General Meeting of the Company to be held at the Board Room, 28th Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong on Tuesday, 26 April 2005 at 11:00 a.m., and at any adjournment thereof, to vote for me/us as hereunder indicated, or if no such indication is given, as my/our proxy thinks fit.

	RESOLUTIONS	FOR <sup>4</sup>	AGAINST <sup>4</sup>
1.	To receive and consider the audited financial statements and the reports of the directors and auditors of the Company for the year ended 31 December 2004.		
2.	To re-appoint Deloitte Touche Tohmatsu as auditors and to authorize the board of directors to fix their remuneration.		
3.	Ordinary Resolution (To give a general mandate to the directors to allot, issue and deal with additional shares of the Company not exceeding 20 per cent. of the issued share capital of the Company.)		
4.	Ordinary Resolution (To give a general mandate to the directors to repurchase shares of the Company not exceeding 10 per cent. of the issued share capital of the Company.)		
5.	Ordinary Resolution (To extend the general mandate to the directors to allot, issue and deal with additional shares of the Company of an amount representing the aggregate nominal amount of shares repurchased by the Company.)		
6.	Ordinary Resolution (To approve and adopt the new share option scheme of the Company and terminate the existing share option scheme of the Company.)		
7.	Special Resolution (To approve the amendments to the existing articles of association of the Company.)		
8.	(i) To re-elect Mr. Shen Lian Jin as a director		
	(ii) To re-elect Mr. Ge Ming as a director		
	(iii) To re-elect Mr. Chen Wei as a director		
	(iv) To re-elect Mr. Cheung Hon Kit as a director		
	(v) To re-elect Mr. Tang Yui Man Francis as a director		
	(vi) To re-elect Mr. Li Fujun as a director		
	(vii) To authorize the board of directors to fix the remuneration of the directors		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2005 Signature<sup>5</sup> \_\_\_\_\_

Notes:

- Full name(s) and address(es) to be inserted in **BLOCK CAPITALS**.
- Please insert the number of shares registered in your name(s). If no number is inserted, this form of proxy will be deemed to relate to all the shares in the capital of the Company registered in your name(s).
- Please insert the name and address of the proxy desired. **IF NO NAME IS INSERTED, THE CHAIRMAN OF THE MEETING WILL ACT AS YOUR PROXY.** The proxy need not be a member of the Company, but must attend the meeting in person to represent you.
- IMPORTANT: IF YOU WISH TO VOTE FOR A RESOLUTION, PLEASE PLACE A "✓" IN THE RELEVANT BOX MARKED "FOR". IF YOU WISH TO VOTE AGAINST A RESOLUTION, PLEASE PLACE A "✓" IN THE RELEVANT BOX MARKED "AGAINST".** Failure to complete the boxes will entitle your proxy to cast his vote at his discretion. Your proxy will also be entitled to vote at his discretion on any resolution properly put to the meeting other than those referred to in the notice convening the meeting.
- This form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, either under seal or under the hand of an officer or attorney or other person duly authorised in writing to sign the same.
- Where there are joint registered holders of any share, any one of such persons may vote at the meeting, 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, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
- To be valid, this form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. Completion and return of the form of proxy will not preclude you from attending the meeting and voting in person.
- Any alteration made to this form of proxy must be initialled by the person who signs it.
- Completion and deposit the form of proxy will not preclude you from attending and voting at the meeting if you so wish.

\* For identification purpose only