

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Kiu Hung International Holdings Limited (“the Company”) will be held at Tower Club, Penthouse, Tower II, Silvercord, 30 Canton Road, Kowloon, Hong Kong on Friday, 25 May 2001 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited accounts and the Reports of the Directors and Auditors for the year ended 31 December 2000.
2. To re-elect Directors and authorise the board to fix their remuneration.
3. To re-appoint Auditors and authorise the board to fix their remuneration.
4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions each as Ordinary Resolutions:

“**THAT:**

- (a) subject to paragraph (c), the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot and issue shares or securities convertible into such shares or options or warrants or similar rights to subscribe for any shares in the Company and to make an offer or agreement or grant an option which would or might require shares to be allotted and issued be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the Directors of the Company to make an offer or agreement or grant an option during the Relevant Period (as defined below) which would or might require shares to be allotted and issued either during or after the end of the Relevant Period (as defined below);
- (c) the aggregate nominal amount of shares allotted or agreed to be allotted by the Directors of the Company pursuant to the approval in paragraphs (a) and (b), otherwise than pursuant to (i) a rights issues, (ii) the exercise of the conversion rights under the terms of any securities which are convertible into shares of the Company; (iii) any 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 Company; (iv) the exercise of rights of subscription under the terms of any warrants issued by the Company; or (v) 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 shall not exceed 20 per cent. of the aggregate nominal existing issued share capital of the Company; and

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- (d) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:
- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution; or
 - (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 to be held; or
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the members of the Company in general meeting;

“right issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company on the register of members of the Company on a fixed record date and, where appropriate, the holders of other equity securities of the Company entitled to be offered therein, in proportion to their then holdings of such shares or other equity securities (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

5. As special business, to consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

“THAT:

- (a) the exercise by the Directors of the Company during the Relevant Period of all powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws, and/or requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company purchased by the Company pursuant to the approval of paragraph (a) during the Relevant Period should not exceed 10 per cent. of the aggregate nominal amount of shares of the Company in issue and the said approval be limited accordingly; and

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- (c) for the purposes of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earlier of:
- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution;
 - (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 to be held; and
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the members of the Company in general meeting,"
6. As special business, to consider and, if thought fit, with or without amendments, the following resolution as an Ordinary Resolution:

"THAT:

subject to the passing of the resolutions 4 and 5 above, the general mandate granted to the Directors of the Company to allot and deal with additional shares pursuant to resolution 4 above be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to resolution 5 above, provided that such amount of shares so repurchased shall not exceed 10 per cent. of the aggregate nominal amount of the issued capital of the Company at the date of this resolution."

By Order of the Board
Chan Kwok Yuen, Elvis
Company Secretary

Hong Kong, 25 April 2001

Notes:

1. A member entitled to attend and vote at the above meeting is entitled to appoint one or more than one proxy to attend and vote on his behalf. A proxy need not be a member of the Company.
2. In order to be valid, the forms 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 deposited at the Company's branch share registrar, Tengis Limited of 4th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong not less than 48 hours before the time fixed for holding the meeting.
3. With reference to ordinary resolution 5 of the above notice, the directors of the Company wish to state that they have no immediate plans to repurchase any existing shares or to issue any new shares of the Company. Approval is being sought from members of the Company as a general mandate pursuant to the Companies Ordinance and the Listing Rules.