

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** an Annual General Meeting of Heshun Holdings Company Limited (the “Company”) will be held at Tang Room, 4/F, Furama Hotel, One Connaught Road Central, Hong Kong on Thursday, 31 May 2001 at 3:30 p.m. for the following purposes:—

1. To receive and consider the audited financial statements and the reports of the Directors and Auditors for the year ended 31 December 2000;
2. To re-elect Directors and to authorize the Board of Directors to fix Directors’ remuneration;
3. To re-appoint Auditors and to authorize the Board of Directors to fix Auditors’ remuneration;

As Special Business, to consider and, if thought fit, pass with or without amendments, the following resolutions 4, 5, 6 as an Ordinary Resolution:

4. **“THAT:—**
  - (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
  - (c) the aggregate nominal value of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) an issue of shares upon the exercise of the subscription rights under 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 or (iii) an issue of shares in lieu of the whole or part of the dividend on shares of the Company in accordance with the Bye-laws of the Company, shall not exceed 20% of the aggregate nominal value of the share capital of the Company in issue at the date of passing of this resolution and the said approval shall be limited accordingly; 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 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 any applicable laws or the Bye-laws of the Company to be held; and
- (iii) the revocation or variation of this Resolution by an ordinary resolution of the members of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares whose names appear on the register of members on a fixed record date in proportion to their then holdings of such 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 any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

5. **“THAT:—**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase the shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares 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 value of the share capital of the Company in issue at the date of passing this Resolution, and the said approval shall 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 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 any applicable laws or the Bye-laws of the Company to be held; and
  - (iii) the revocation or variation of this Resolution by an ordinary resolution of the members of the Company in general meeting.”
6. “**THAT** subject to the passing of ordinary resolutions Nos. 4 and 5 set out in the Notice convening this meeting being duly passed the general mandate granted to the Directors to allot, issue and deal with additional shares pursuant to ordinary resolution No. 4 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 shares repurchased by the Company under the authority granted pursuant to ordinary resolution No. 5 set out in the Notice convening this meeting, provided that such amount of Shares shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution.”
7. To transact any other business.

By Order of the Board

**Law Fei Shing**  
*Company Secretary*

Hong Kong, 9 April 2001

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Notes:—

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. In order to be valid, a form of proxy, together with any 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 share registrar, Standard Registrars Limited at 5/F, Wing On Center, 111 Connaught Road Central, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. An explanatory statement containing further details regarding items 4 to 6 above will be despatched to shareholders together with the 2000 Annual Report.