

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the shareholders of Kader Holdings Company Limited (the “Company”) will be held at 12/F, 22 Kai Cheung Road, Kowloon Bay, Kowloon, Hong Kong on Friday, 28th May, 2004 at 10:30 a.m. for the following purposes:–

1. To receive and consider the Audited Financial Statements and Reports of the Directors and Auditors for the year ended 31st December, 2003.
2. To elect directors and fix their remuneration.
3. To appoint auditors and authorise the directors to fix their remuneration.
4. As special business to consider and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:–

(A) “THAT:–

- (a) subject to paragraph (b) of this Resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period of all powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) 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 and the Stock Exchange for this purpose, and that the exercise by the Directors of all powers of the Company to repurchase such shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution and the said approval be limited accordingly; and
- (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 the Bye-laws of the Company or any applicable law to be held; and
- (iii) the revocation or variation of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

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(B) “THAT:–

- (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period of all the powers of the Company to allot and issue shares in the capital of the Company or securities convertible into such shares, or options, warrants or similar rights to subscribe for any shares of the Company or such convertible securities, and to make or grant offers, agreements or 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 be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements or options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option 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) 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 subscribe for shares in the Company; or (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in the Company in lieu of the whole or part of a dividend pursuant to the Bye-laws of the Company from time to time, shall not exceed the aggregate of 20 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution and the said approval be limited accordingly;
- (d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law to be held; and
 - (iii) the revocation or variation of this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

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“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register of members on a fixed record date in proportion to their then holdings of such shares or class thereof (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 outside Hong Kong).”

- (C) “**THAT** conditional upon the passing of Resolutions No. 4(A) and 4(B) set out in the notice of the meeting of which this Resolution forms part, the general mandate granted under Resolution No. 4(B) above be extended by the addition of an amount representing the aggregate nominal amount of shares repurchased by the Company pursuant to and in accordance with the said Resolution No. 4(A) to the aggregate nominal amount of shares that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with the said Resolution No. 4(B)”

5. As special business to consider and, if thought fit, pass with or without amendments, the following resolution as Special Resolution:–

“**THAT** the Bye-laws of the Company be amended as follows:

- (A) by adding the following new definitions after the definition “corporate representative” in Bye-law 1:

“associate” shall have the same meaning as defined by the rules, where applicable, of any Designated Stock Exchange;

“Designated Stock Exchange” shall mean a stock exchange which is an appointed stock exchange for the purposes of the Companies Act in respect of which the shares are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares;

- (B) by deleting the existing definition of “Clearing House” in its entirety in Bye-law 1 and substituted by the following:

“Clearing House” shall mean a recognised clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or a clearing house or authorised shares depository 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;

- (C) by inserting the words “Without prejudice to Bye-law 89(C),” at the beginning of Bye-law 89(B);

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- (D) by adding a new sub-paragraph (C) in the following wordings to Bye-law 89:
“Where any member is, under the rules of any Designated Stock Exchange, 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.”
- (E) by deleting the words “in respect of any contract or arrangement in which he is directly or indirectly interested” and substituting therefor the words “on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest” in Bye-law 108(B)(ii);
- (F) (i) by inserting the words “or his associates” immediately after the words “giving to him” in Bye-law 108(B)(ii)(a); and (ii) by inserting the words “or any of his associates” immediately after the words “lent by him” and immediately after the words “undertaken by him” in Bye-law 108(B)(ii)(a);
- (G) by deleting the words “himself” and substituting therefor the words “or his associates has himself/themselves” in Bye-law 108(B)(ii)(b);
- (H) by deleting Bye-law 108(B)(ii)(c) in its entirety and substituting therefor a new Bye-law 108(B)(ii)(c) in the following wordings:
 - “(c) 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 associates is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;”
- (I) (i) by deleting the word “is” immediately after the words “other company in which the Director” and substituting therefor the words “or his associates is/are”; (ii) by deleting the word “is” immediately after the words “shareholder or in which the Director” and substituting therefor the words “or his associates is/are”; (iii) by deleting the words “the Director together with his associates is not” and substituting therefor the words “the Director and any of his associates are not in aggregate”; and (iv) by inserting the words “(or any third company through which his interest or that of his associates is derived)” immediately after the words “issued share capital of that company” in Bye-law 108(B)(ii)(d);
- (J) (i) by inserting the words “, their associates” immediately after the words “relates both to Directors”; and (ii) by deleting the words “as such any privilege or advantage not” and substituting therefor the words “or his associates, as such any privilege or advantage not generally” in Bye-law 108(B)(ii)(e);
- (K) (i) by inserting the words “or his associates” immediately after the word “Director” wherever it appears in Bye-law 108(B)(ii)(f); and (ii) by inserting the word “generally” immediately before the word “accorded” in Bye-law 108(B)(ii)(f);

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- (L) (i) by deleting the word “is” immediately before the word “interested” and substituting therefor the words “or his associates is/are”; and (ii) by deleting the words “his interest” and substituting therefor the words “his/their interest” in Bye-law 108(B)(ii)(g);

- (M) by deleting the words “not less than seven and not more than twenty-eight days before the date of the general meeting” in Bye-law 114 and adding the words “The length of period, during which the aforesaid notices may be given, will be at least seven days commencing no earlier than the day after the despatch of the notice of the general meeting appointed for such election and ending no later than seven days prior to the date of such meeting.” at the end of Bye-law 114.”

By Order of the Board

William Li Kai-wan

Company Secretary

Hong Kong, 16th April, 2004

Notes:

- (1) A member entitled to attend and vote at the meeting convened by this Notice is entitled to appoint one or more proxies to attend and, on a poll, to vote in his place. A proxy need not be a member of the Company.

- (2) 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 of that power of attorney or authority, shall be deposited at the Principal Place of Business of the Company at 22 Kai Cheung Road, Kowloon Bay, Kowloon, Hong Kong not less than 48 hours before the time fixed for holding the meeting or any adjourned meeting.

- (3) An explanatory statement giving the details of item nos. 4 and 5 of this Notice in relation to the proposed grant of general mandates to repurchase and issue shares of the Company, and amendments to Bye-laws of the Company will be sent to Shareholders of the Company together with the 2003 Annual Report.