THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, 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 **HK6 Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

This circular, for which the directors of HK6 Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to HK6 Holdings Limited. The directors of HK6 Holdings Limited, 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.

HK6 HOLDINGS LIMITED
駿 陸 控 股 有 限 公 司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8206)

REFRESHMENT OF THE 10% SCHEME LIMIT ON THE GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME, PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, PROPOSED ELECTION OF DIRECTORS, PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of HK6 Holdings Limited to be held at the Meeting Room, 5th Floor, CNAC Group Building, 10 Queen's Road Central, Hong Kong on Friday, 30th July, 2004 at 4:30 p.m. is set out on pages 12 to 24 of this circular.

Whether or not you are able to attend the Annual General Meeting, you are advised to read the notice and to complete and return the enclosed form of proxy, in accordance with the instructions printed thereon, to the Hong Kong branch share registrar of HK6 Holdings Limited, Computershare Hong Kong Investor Services Limited, Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjourned meeting (as the case may be). Completion of the form of proxy and its return will not preclude you from attending, and voting at, the Annual General Meeting if you so wish.

This circular will remain at www.hkgem.com on the "Latest Company Announcements" page of the GEM website for at least 7 days from the date of its posting and on the website of the Group at www.hk6.com.

* *For identification purpose only*

25th June, 2004

CHARACTERISTICS OF GEM

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 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.

CONTENTS

DEFINITIONS

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

"10% Scheme Limit"	the maximum number of Shares which may be issued upon the exercise of all options available to be granted under the Share Option Scheme and any other share option schemes of the Company
"Articles of Association"	the existing articles of association of the Company adopted on 28th October, 2002
"Annual General Meeting"	the annual general meeting of the Company for the year ended 31st March, 2004 to be held at the Meeting Room, 5th Floor, CNAC Group Building, 10 Queen's Road Central, Hong Kong on Friday, 30th July, 2004 at 4:30 p.m.
"Board"	the board of the Directors
"Company"	HK6 Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on GEM
"Director(s)"	the director(s) of the Company
"GEM"	the Growth Enterprise Market of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Latest Practicable Date"	means 21st June, 2004, being the latest practicable date prior to the bulk print of this circular for ascertaining certain information contained herein
"Pre-IPO Share Option Scheme"	the share option scheme conditionally approved and adopted by the Company on 28th October, 2002 and became unconditional upon the listing of the Shares on GEM on 15th November, 2002, no options may be granted under this scheme after 28th October, 2002
"PRC"	the People's Republic of China

"Share(s)"	share(s) of HK$0.01 each in the issued share capital of the Company
"Shareholder(s)"	holder(s) of Share(s)
"Share Option Scheme"	the share option scheme conditionally approved and adopted by the Company on 28th October, 2002 and became unconditional upon the listing of the Shares on GEM on 15th November, 2002
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	Hong Kong Code on Takeovers and Mergers
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"%"	per cent.

HK6 HOLDINGS LIMITED
駿 陸 控 股 有 限 公 司*

(Incorporated in the Cayman Islands with limited liability)

Executive Directors:
Ms. Chan Tan Lui, Danielle *(Chairman)*
Mr. Choo Kwok How

Independent non-executive Directors:
Mr. Yip Tai Him
Ms. Guo Qi

Registered Office:
P.O. Box 309GT, Ugland House
South Church Street
Grand Cayman
Cayman Islands

Head office and principal place of business in Hong Kong:
5th Floor, CNAC Group Building
10 Queen's Road Central
Hong Kong

25th June, 2004

To the Shareholders

Dear Sir or Madam,

REFRESHMENT OF THE 10% SCHEME LIMIT ON THE GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME, PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, PROPOSED ELECTION OF DIRECTORS AND PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting. These include:

(a) the ordinary resolution to refresh the 10% Scheme Limit;

(b) the ordinary resolutions to grant general mandates to the Directors to issue and repurchase Shares;

(c) the ordinary resolutions to elect Directors who are due to retire at the Annual General Meeting; and

(d) the special resolution to amend the Articles and Association.

* *For identification purpose only*

REFRESHMENT OF THE 10% SCHEME LIMIT ON THE GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME

The Company conditionally adopted the Share Option Scheme on 28th October, 2002. The Share Option Scheme became unconditional upon the listing of the Shares on GEM on 15th November, 2002. Under the rules of the Share Option Scheme, the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the Shares in issue immediately prior to the commencement of trading of the shares on GEM, which is equivalent to 40,000,000 Shares. The 10% Scheme Limit may be refreshed from time to time pursuant to the rules of the Share Option Scheme.

Apart from the Share Option Scheme, the Company adopted the Pre-IPO Share Option Scheme on 28th October, 2002. As at the Latest Practicable Date, options carrying the rights to subscribe for up to a total of 14,900,000 Shares, representing approximately 3.73% of the Shares in issue immediately prior to the commencement of trading of the shares on GEM, have been granted under the Pre-IPO Share Option Scheme. No further options may be granted under the Pre-IPO Share Option Scheme.

Under the rules of the Share Option Scheme, among others:

(1) the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 30% of the Shares in issue from time to time.

(2) the total number of Shares which may be issued upon the exercise of all options granted under the Share Option Scheme and any other share option scheme(s) of the Company is subject to the 10% Scheme Limit.

(3) subject to paragraph (1) above and without prejudice to paragraph (4) below, the Company may seek approval of the Shareholders in general meeting to refresh the 10% Scheme Limit provided that the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the Shares in issue at the approval of the refreshed limit and, for the purpose of calculating the refreshed limit, options previously granted under the Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option schemes of the Company) will not be counted.

(4) subject to paragraph (1) above and without prejudice to paragraph (3) above, the Company may seek separate approval of the Shareholders in the general meeting to grant options beyond the 10% Scheme Limit or, if applicable, the “refreshed” limit referred to paragraph (3) above to participants specifically identified by the Company before such approval is sought.

As at the Latest Practicable Date, options carrying the rights to subscribe for up to a total of 22,100,000 Shares, representing approximately 5.52% of the Shares in issue immediately prior to the commencement of trading of the shares on GEM, have been granted under the Share Option Scheme. These options were granted to eligible participants in recognition of their contribution to the Group.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

On 17th July, 2003, an ordinary resolution was passed by the Shareholders giving the general unconditional mandates to the directors of the Company (the "Directors") to issue and repurchase shares in the Company. These general mandates will lapse at (i) the conclusion of the Annual General Meeting; (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 the Cayman Islands to be held; or (iii) when revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, whichever occurs first. Resolutions will therefore be proposed at the Annual General Meeting to renew the grant of these general mandates.

An ordinary resolution to be proposed at the Annual General Meeting relates to the granting of a general unconditional mandate to the Directors to issue new shares in the Company, not exceeding 20% of the issued share capital of the Company as at the date of the resolution (as adjusted in accordance with the resolution), for the period until (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 the Cayman Islands to be held; or (iii) when revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, whichever occurs first (the "Issue Mandate").

An ordinary resolution to be proposed at the Annual General Meeting relates to the granting of a general unconditional mandate to the Directors to exercise all powers of the Company to repurchase on GEM, shares in the Company up to 10% of the issued share capital of the Company as at the date of the resolution, for the period until (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 the Cayman Islands to be held; or (iii) when revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, whichever occurs first (the "Repurchase Mandate"). The explanatory statement required under Rule 13.08 of the GEM Listing Rules to provide the shareholders of the Company with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate is set out in the Appendix I to this circular.

An ordinary resolution to be proposed at the Annual General Meeting relates to the extension of the general unconditional mandate to be granted to the Directors to issue new shares in the Company by adding to it the number of shares of the Company repurchased under the Repurchase Mandate, if any. The Directors and the Company have no present intention to fully exercise the mandate for issuing and repurchasing the shares of the Company.

The full text of these resolutions is set out in the notice of Annual General Meeting on pages 12 to 24 of this circular.

PROPOSED ELECTION OF DIRECTORS

In accordance with Articles 95 and 112 of the Articles of Association, Ms. Chan Tan Lui, Danielle and Mr. Choo Kwok How shall retire at the Annual General Meeting and, being eligible, offer themselves for re-election. Details of the above Directors who are required to be disclosed by the GEM Listing Rules as recently amended by the Stock Exchange are set out in Appendix II to this circular.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Stock Exchange has announced amendments to the GEM Listing Rules which came into effect on 31st March, 2004 subject to certain transitional arrangements. In order to comply with the amended provisions of Appendix 3 to the GEM Listing Rules, a special resolution for amending the articles of association of the Company will be proposed at the Annual General Meeting. Details of the proposed amendments to the articles of association of the Company are set out in the notice of Annual General Meeting on pages 12 to 24 of this circular.

ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at the Meeting Room, 5th Floor, CNAC Group Building, 10 Queen's Road Central, Hong Kong on Friday, 30th July, 2004 at 4:30 p.m. is set out on pages 12 to 24 of this circular.

PROXY ARRANGEMENT

A form of proxy for use at the Annual General Meeting is enclosed. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and returned, together with the power of attorney or other authority (if any) under which it is signed (or a copy which has been certified by a notary) to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the 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 prevent you from attending and voting in person at the Annual General Meeting if you so wish.

RECOMMENDATION

The Directors consider that the proposed resolutions set out in the notice of Annual General Meeting are all in the best interests of the Company and its shareholders and therefore recommend you to vote in favour of all of these resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
On behalf of the Board
Chan Tan Lui, Danielle
Chairman

This appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Late Practicable Date, the number of ordinary shares of HK$0.01 each in the share capital of the Company (the "Shares") in issue was 400,000,000 Shares.

Subject to the passing of resolution no. 4B as set out in the Notice of Annual General Meeting set out in this circular (the "Resolution") approving the Repurchase Mandate and on the basis that no Shares will be issued or repurchased after the Latest Practicable Date and up to the date of passing the Resolution, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 40,000,000 Shares during the period from the date of passing the resolution no. 4B as set out in the Notice of Annual General Meeting 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 the Cayman Islands to be held; or (iii) the revocation or variation of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

2. REASONS FOR REPURCHASE

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

3. FUNDING OF REPURCHASES

Repurchases pursuant to the Repurchase Mandate would be financed entirely from the Company's available cash flow or working capital facilities. Any repurchases will only be funded out of funds of the Company legally available for the purposes in accordance with its memorandum of association and articles of association and the laws of the Cayman Islands.

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 Annual Report for the year ended 31st March, 2004) 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 the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. DISCLOSURE OF INTERESTS

None of the Directors and, to the best of their knowledge, have made all reasonable enquiries, none of their respective associates (as defined in the GEM Listing Rules), have any present intention, if the Repurchase Mandate is exercised, to sell any Shares to the Company or its subsidiaries.

No connected persons (as defined in the GEM Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to sell any Shares to the Company, in the event that the Repurchase Mandate is exercised.

6. DIRECTORS' 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 and the applicable laws of the Cayman Islands.

7. SHARE PRICES

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

	Share Prices (per Share)	
	Highest	**Lowest**
	HK$	*HK$*
2003		
June	0.140	0.140
July	0.135	0.128
August	0.110	0.110
September	0.120	0.105
October	0.115	0.104
November	N/A	N/A
December	0.070	0.030
2004		
January	N/A	N/A
February	0.043	0.037
March	0.105	0.038
April	0.145	0.080
May	N/A	N/A
From 1st June, 2004 to the Latest Practicable Date	0.064	0.005

8. CONSEQUENCES UNDER THE TAKEOVERS CODE

If the Repurchase Mandate were exercised in full, the shareholding percentage of the Substantial Shareholders of the Company (based on the number of Shares they held as at the Latest Practicable Date) before and after such repurchase would be as follows:

Substantial Shareholders	Number of Shares held	Before repurchase	After repurchase
Superhero Limited *(Note)*	107,079,195	26.77%	29.74%
Ms. Chan Tan Lui, Danielle *(Note)*	107,319,195	26.83%	29.81%
Mr. Fu Shing Ki	97,001,144	24.25%	26.94%
Ms. Chan Wong Kam Fung, Cecilia	71,265,798	17.82%	19.80%

Note: Superhero Limited is a company wholly-owned by Ms. Chan Tan Lui, Danielle. By virtue of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, Ms. Chan Tan Lui, Danielle is deemed to have interest of 107,079,195 shares in the Company held by Superhero Limited in addition to 240,000 shares in the Company held by herself.

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 the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Ms. Chan Tan Lui, Danielle, who is the largest Shareholder, is interested in approximately 26.83% of the existing issued share capital of the Company. In the event the Directors exercise the Repurchase Mandate in full, the interest of Ms. Chan Tan Lui, Danielle in the issued ordinary share capital of the Company would be increased to approximately 29.81%. To the best of the knowledge and belief of the Directors, such increase would not give rise to an obligation to make a mandatory offer under the Takeovers Code.

Save for the aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases under the Repurchase Mandate. The Company will not repurchase Shares to the extent which would result in the percentage of the Shares held by the public Shareholders being reduced to less than 25% of the issued share capital of the Company.

9. SHARE PURCHASE MADE BY THE COMPANY

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

The following are the particulars of the Directors (as required by the GEM Listing Rules) proposed to be elected at the Annual General Meeting:

1. **Ms. Chan Tan Lui, Danielle**, aged 35, joined the Group in January 2000. She is one of the founders of the Group and the Chairman of the Company responsible for the general management of the Group. She is also the director of Hong Kong Financial Institute Limited, hk6.com Limited and HK6 Media Limited. Ms. Danielle Chan was born and raised in Beijing and is well known of her sporting achievements. She was awarded her Degree of Bachelor of Arts in Sports Studies by University of Canberra, Australia. She has been heavily involved in the strategic planning and management of the Group's business especially in exploring new business opportunities in China. Ms. Chan has entered in a service contract with the Company. Her employment under the service contract shall be continuous subject to termination by either party to the contract serving written notice to the other to terminate such employment to take effect three months from the date of service of such notice. Ms. Chan does not have any relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. Ms. Chan has a personal interest of 240,000 shares of the Company and 6,500,000 underlying shares of the Company, and a corporate interest of 107,079,195 of the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. The director's emoluments are determined by reference to the Company's performance, the remuneration benchmark in the industry and the prevailing market conditions.

2. **Mr. Choo Kwok How**, aged 35, joined the Group in May 2000, is also the director of Hong Kong Financial Institute Limited, hk6.com Limited and HK6 Media Limited, the wholly-owned subsidiaries of the Company. He is responsible for the management of the IT Department and Content Department's daily operations and implementation of strategies for the operations. Mr. Choo holds a Degree of Bachelor of Arts in Economics and Social Studies from The University of Manchester and a Degree of Master of Science in Finance from The University of Leicester. Mr. Choo has entered into a service contract with the Company. His employment under the service contract shall be continuous until 7th June, 2007 subject to termination by either party to the contract serving written notice to the other to terminate such employment to take effect three months from the date of service of such notice. Mr. Choo does not have any relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. Mr. Choo has a personal interest of 3,500,000 underlying shares of the Company and a family interest of 100,000 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. The director's emoluments are determined by reference to the Company's performance, the remuneration benchmark in the industry and the prevailing market conditions.

HK6 HOLDINGS LIMITED
駿 陸 控 股 有 限 公 司*

(Incorporated in the Cayman Islands with limited liability)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of HK6 Holdings Limited (the "Company") will be held at the Meeting Room, 5th Floor, CNAC Group Building, 10 Queen's Road Central, Hong Kong, on Friday, 30th July, 2004 at 4:30 p.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and the auditors for the year ended 31st March, 2004.

2. To re-elect directors and to authorise the board of directors to fix their remuneration.

3. To re-appoint Glass Radcliffe Chan, now practice under the name of Baker Tilly Hong Kong Limited, as the auditors and to authorise the board of directors to fix their remuneration.

4. To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

   A. "**THAT**:

      (a) subject to paragraph (c), the exercise by the directors of the Company during the Relevant Period 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 power be and is hereby general and unconditionally approved;

      (b) the approval in paragraph (a) shall authorize the directors of the Company 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 amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a), otherwise then pursuant to (i) a Right Issue or (ii) the exercise of the subscription rights under the share option scheme of the Company or (iii) an issue of shares as scrip dividends pursuant to the memorandum and articles of

* *For identification purpose only*

association of the Company from time to time shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and

(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 the next annual general meeting of the Company is required by the memorandum and articles of association of the Company or any applicable law of the Cayman Islands 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.

"Rights Issue" means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the law of, or the requirements of any recognized regulatory body or any stock exchange in any territory applicable to the Company)."

B. "**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, be and is hereby general and unconditionally approved;

(b) the aggregate nominal amount of shares of the Company purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of 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 the next annual general meeting of the Company is required by the memorandum and articles of association of the Company or any applicable law of the Cayman Islands 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."

C. "**THAT** conditional upon resolution no. 4B above being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the directors as mentioned in resolution no. 4B above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution no. 4A above."

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

"**THAT** the total number of shares of the Company to be allotted and issued pursuant to the grant or exercise of any options under the share option scheme of the Company adopted on 28th October, 2002 (the "Share Option Scheme") and any other share option schemes of the Company (excluding options previously granted, outstanding, cancelled, lapsed in accordance with the Share Option Scheme as at the date of passing of this resolution) be and is hereby subject to a maximum limit equal to 10% of the shares of the Company in issue as at the date of passing this resolution ("10% Scheme Limit") and THAT the directors of the Company be and are hereby unconditionally authorised, at their discretion, to grant options up to the 10% Scheme Limit and to exercise all the powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options in accordance with the rules of the Share Option Scheme."

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

"**THAT** the Articles of Association be amended as follows:

(a) The existing interpretation of "recognised clearing house" in Article 2 be deleted and replaced with the following new interpretation:

"**recognised clearing house**	"recognised clearing house" shall mean a "recognised clearing house" within the meaning of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any amendments thereto or reenactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;"

(b) The existing interpretation of "subsidiary and holding company" in Article 2 be deleted and replaced with the following new interpretation:

"**subsidiary and holding company**	"subsidiary" and "holding company" shall have the meanings attributed to such terms in the Companies Ordinance, but interpreting the term "subsidiary" in accordance with the definition of "subsidiary" under the rule 1.01 of the Listing Rules;"

(c) The existing Article 4 be deleted and replaced with the following new Article:

"**Issue of shares**	Subject to the provisions of these Articles and to any direction that may be given by the Company in general meeting and without prejudice to any special rights conferred on the holders of any shares or attaching to any class of shares, any share may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, and to such persons at such times and for such consideration as the Board may determine provided always that where the Company issues shares which do not carry voting

rights, the word "non-voting" shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting". Subject to the Law and to any special rights conferred on any shareholders or attaching to any class of shares, any share may, with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company or the holder thereof is, liable to be redeemed. No shares shall be issued to bearer for so long as a recognised clearing house (in its capacity as such) is a member of the Company; "

(d) The existing Article 76 be deleted and replaced with the following new Article:

"**Right to demand a poll and what is to be evidence of the passing of a resolution where poll not demanded**

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 or otherwise required under the Listing Rules. A poll may be demanded by:

(a) the Chairman of the meeting; or

(b) at least five members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and entitled to vote; or

(c) any member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and representing 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

(d) any member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and holding shares 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 required or demanded and, in the latter case, 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."

(e) The existing Article 77(a) be deleted and replaced with the following new Article:

"**Poll** (a) If a poll is required or demanded as aforesaid, it shall (subject as provided in Article 78) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was required or demanded as the Chairman directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was required or demanded. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting at which the poll was demanded or the taking of the poll, whichever is earlier."

(f) The existing Article 79 be deleted and replaced with the following new Article:

"**Chairman to have casting vote**

In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is required or demanded, shall be entitled to a second or casting vote."

(g) The following Article 81A be inserted immediately after Article 81:

"**Abstain from voting as required under the Listing Rules**

81A. Where any member is, under the Listing Rules, 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."

(h) The existing paragraphs (c) and (f) under Article 103 be deleted and replaced with the following new paragraphs (c) and (f):

"**Director may not vote where he has a material interest**

(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 approving any contract or arrangement or any other proposal whatsoever in which he or any of his Associates (as defined below in paragraph (f)) has any material interest, and if he shall do 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:

Director may vote in respect of certain matters

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

(aa) to the Director or any of his Associate(s) (as defined below in paragraph (f)) 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 any of his Associate(s) (as defined below in paragraph (f)) 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 any of his Associate(s) (as defined below in paragraph (f)) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(iii) any proposal concerning any other company in which the Director or his Associate(s) (as defined below in paragraph (f)) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or any of his Associate(s) (as defined below in paragraph (f)) is/are beneficially interested in the shares of that company, provided that the Director and any of his Associates (as defined below in paragraph (f)) 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 any of his Associates (as defined below in paragraph (f)) 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 any of his Associate(s) (as defined below in paragraph (f)) 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 (as defined below in paragraph (f)) and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or any of his Associate(s) (as defined below in paragraph (f)) 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 any of his Associate(s) (as defined below in paragraph (f)) 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 shares or debentures or other securities of the Company."

"**Definition of "Associate(s)**"

(f) For the purpose of paragraph (c), "Associate(s)" means, in relation to any Director:

(i) his spouse;

(ii) any child or step-child, natural or adopted, under the age of 18 years of such individual or of his spouse (together with (f)(i) above, the "family interests");

(iii) the trustees, acting in their capacity as such trustees, of any trust of which he or any of his family interests is a beneficiary or, in the case of a discretionary trust, is (to his knowledge) a discretionary object and any company ("trustee-controlled company") in the equity capital of which the trustees, acting in their capacity as such trustees, are directly or indirectly interested so as to exercise or control the exercise of 30 per cent. (or such other amount as may from time to time be specified in the HK Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary (together, the "trustee interests");

(iv) a holding company of a trustee-controlled company or a subsidiary of any such holding company;

(v) any company in the equity capital of which he, his family interests, any of the trustees referred to in (f)(iii) above, acting in their capacity as such trustees, and/or any trustee interests taken together are directly or indirectly interested so as to exercise or control the exercise of 30 per cent. (or such other amount as may from time to time be specified in the HK Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company; and

(vi) any other person who would be deemed to be an "Associate" of the Director under the Listing Rules."

(i) The existing Article 116 be deleted and replaced with the following new Article:

"**Notice to be given when person proposed for election** 116. No person other than a retiring Director shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless, during the period of at least seven days commencing no earlier than the day after the dispatch of the notice of the meeting appointed for such election and ending no later than seven days prior to the date of such meeting, there has been given to the Secretary 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 his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected."

(j) The existing Article 159(b) be deleted and replaced with the following new Article:

"**Annual report of Directors and balance sheet to be sent to members etc.** (b) Copies of those documents to be laid before the members of the Company at an annual general meeting shall not less than 21 days before the date of the meeting be sent together with the notice of the annual general meeting in the manner in which notices may be served by the Company as provided herein to every member of the Company and every holder of debentures of the Company, provided that the Company shall not be required to send copies of those documents to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures;"

By Order of the Board
Chan Tan Lui, Danielle
Chairman

Hong Kong, 25th June, 2004

NOTICE OF ANNUAL GENERAL MEETING

Head Office and Principal Place of Business:
5th Floor, CNAC Group Building
10 Queen's Road Central
Hong Kong

Registered Office:
P.O. Box 309GT, Ugland House
South Church Street
Grand Cayman
Cayman Islands

Notes:

1. Any member entitled to attend and vote at the above meeting of the Company shall be entitled to appoint another person as his proxy to attend, subject to the provisions of the articles of association of the Company, vote in his stead. A member who is the holder of two or more shares may appoint more than one proxy to represent him to vote on his behalf at the above meeting. A proxy need not be a member of the Company.

2. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and returned, together with the power of attorney or other authority (if any) under which it is signed (or a copy which has been certified by a notary) to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the above meeting or any adjourned meeting (as the case may be).

3. The Register of Members of the Company will be closed from 23rd July, 2004 to 30th July, 2004, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending the forthcoming Annual General Meeting, all transfer accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on 22nd July, 2004.

4. Delivery of a form of proxy shall not preclude a member from attending and voting in person at the meeting and in such event, the form of proxy shall be deemed to be revoked.