
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 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 Asia Standard Hotel Group Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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ASIA STANDARD HOTEL GROUP LIMITED

(泛海酒店集團有限公司) *

(incorporated in Bermuda with limited liability)

(Stock Code: 00292)

**GENERAL MANDATES TO ISSUE
SHARES AND REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS
AND
AMENDMENTS TO THE BYE-LAWS**

A letter from the Board of Directors of Asia Standard Hotel Group Limited is set out on pages 2 to 13 of this circular.

A notice convening the annual general meeting of Asia Standard Hotel Group Limited to be held on 27th August, 2004 (Friday) at Empire Hotel, Basement 2, 33 Hennessy Road, Wanchai, Hong Kong at 10:15 a.m. is set out on pages 14 to 27 of this circular.

If you are not able to attend such meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's principal office in Hong Kong at 30th Floor, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of such meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so desire.

30th July 2004

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Empire Hotel, Basement 2, 33 Hennessy Road, Wanchai, Hong Kong on 27th August, 2004 (Friday) at 10:15 a.m.
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company
“Company”	Asia Standard Hotel Group Limited
“Directors”	the directors of the Company
“General Mandates”	the Share Issue Mandate and the Repurchase Mandate to be sought at the AGM as set out in the Notice of AGM
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Share Issue Mandate”	the mandate to allot and issue Shares as set out in the Notice of AGM
“Latest Practicable Date”	26th July 2004, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notice of AGM”	the notice convening the AGM as set out on pages 14 to 27 of this circular
“Repurchase Mandate”	the mandate to repurchase Shares as described in the explanatory statement set out in Appendix I to this circular
“Share(s)”	ordinary share(s) of HK\$0.02 each in the share capital of the Company
“Shareholder(s)”	Holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



ASIA STANDARD HOTEL GROUP LIMITED

(泛海酒店集團有限公司) *

(incorporated in Bermuda with limited liability)

(Stock Code: 00292)

Directors:—

Mr. Poon Jing (Chairman)
Mr. Lim Yin Cheng
Mr. Fung Siu To, Clement
Mr. Poon Tin Sau, Robert
Mr. Wong Shu Pui

Independent non-executive Directors:—

Mr. Liang Shangli
Mr. Ip Chi Wai

Registered Office:—

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Principal Office in Hong Kong:—

30th Floor
Asia Orient Tower
Town Place
33 Lockhart Road
Wanchai, Hong Kong

30th July 2004

To the Shareholders

Dear Sirs,

**GENERAL MANDATES TO ISSUE
SHARES AND REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS
AND
AMENDMENTS TO THE BYE-LAWS**

INTRODUCTION

This circular includes information required by the Stock Exchange to be given to Shareholders on the proposals to:—

- (1) grant the General Mandates to the Directors; and

** for identification purposes only*

LETTER FROM THE BOARD

- (2) re-elect the retiring Directors; and
- (3) amend the Bye-Laws; and

to give Shareholders the Notice of AGM at which resolutions approving the above proposals will be considered and voted upon.

GENERAL MANDATES

At the annual general meeting of Shareholders held on 27th August 2003 approval was given by Shareholders for the granting of, inter alia, a general mandate to the Directors to repurchase Shares on the Stock Exchange up to 10% of the issued share capital of the Company at the date of passing the relevant resolution. In accordance with the terms of the approval, the general mandate will shortly expire on 27th August 2004 upon the conclusion of the forthcoming AGM. To keep in line with current corporate practice, the grant of fresh general mandate for the same purpose is being sought from Shareholders and an Ordinary Resolution to grant the Repurchase Mandate to the Directors will be proposed at the forthcoming AGM. The explanatory statement required by the Listing Rules to be sent to Shareholders in connection with the proposed resolution on the Repurchase Mandate is set out in Appendix I to this circular.

The Repurchase Mandate if granted to Directors will be valid for the period from the date of passing the resolution up to the date of the next annual general meeting in 2005, or the expiration of the period with which the next annual general meeting of the Company is required by the Bye-Laws of the Company or any applicable laws of to be held, or the revocation or variation of the Repurchase Mandate by an Ordinary Resolution of the Shareholders in general meeting of the Company, whichever of these three events occurs first.

Ordinary Resolutions will also be proposed (i) to grant to the Directors the Share Issue Mandate to allot and issue additional Shares up to an amount not exceeding 20% of the aggregate nominal value of the issued share capital of the Company at the date of passing such resolution and (ii) to approve in addition to the Share Issue Mandate to issue and allot Shares under (i) above of such number of Shares purchased by the Company in accordance with the Repurchase Mandate.

RE-ELECTION OF DIRECTORS

In accordance with Bye-Law 99, all Directors retiring by rotation at the AGM are Messrs. Poon Jing, Lim Yin Cheng, Fung Siu To, Clement, Poon Tin Sau, Robert, Wong Shu Pui, Liang Shangli and Ip Chi Wai, who, being eligible, offer themselves for re-election. As required by the Listing Rules, the biographical information of the above Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

LETTER FROM THE BOARD

AMENDMENTS TO THE BYE-LAWS

Following the recent changes to the Listing Rules which came into effect on 31st March 2004, it has become necessary for the Company to amend its Bye-Laws to reflect the changes required by the amended Listing Rules. The Directors also wish to take this opportunity to bring the Bye-Laws in line with the current Listing Rules, Bermuda law and standard Hong Kong practice. In addition, several other amendments are proposed to the Bye-Laws which would allow a more efficient administration and management. The following is a summary of the more significant amendments to the Bye-Laws to be proposed at the AGM:–

(1) Amendments required by new Listing Rules

The amended Appendix 3 of the Listing Rules requires that (1) a Director shall not vote on any Board resolution approving any contract, arrangement or other proposal in which he or his associates (as defined in the Listing Rules) has a material interest; (2) the minimum period of seven days during which a Shareholder may give notice to propose a person for election as a Director shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such purpose and end no later than seven days prior to the date of such meeting; and (3) if any Shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against thereon, any votes cast by such Shareholder or on his behalf in contravention of such requirement or restriction shall not be counted. The amended Bye-Laws reflect these provisions accordingly.

(2) Provisions relating to clearing houses

The Securities and Futures (Clearing Houses) Ordinance was repealed upon the commencement of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) on 1st April 2003. Accordingly, the Board proposes to amend the Bye-Laws by deleting the reference to Securities and Futures (Clearing Houses) Ordinance in the definition of “Clearing House”.

(3) Removal of Directors

In line with current Bermuda law and Hong Kong law, the Board proposes to amend the Bye-Laws to reflect the fact that a Director can be removed from his office as Director at any time in general meeting by an Ordinary Resolution (instead of a Special Resolution).

(4) Payment of dividends

Bermuda law regarding the payment of dividends out of profit has changed. Current Bermuda law provides that the Company can now pay dividends out of profits subject to certain conditions. The Board therefore proposes to amend the relevant provisions of the Bye-Laws so that the Company will have more flexibility to declare dividends and also make a distribution out of its contributed surplus (as ascertained in accordance with the Companies Act 1981 of Bermuda (the “Act”) as amended from time to time).

LETTER FROM THE BOARD

(5) Distribution of summary financial reports

Taking advantage of the flexibility now permitted under the Listing Rules, the Board further proposes that amendments be made to the Bye-Laws to allow the Company, unless otherwise notified by Shareholders in writing:–

- (a) to distribute summary financial reports to Shareholders in place of the full set of the annual reports and accounts; and
- (b) to distribute either the annual reports and accounts or summary financial reports to the Shareholders through the Company’s computer network or in any other permitted manner.

These provisions provide Shareholders with a choice, so if the Company should choose to implement these provisions, Shareholders will be entitled to continue to receive a full set of the annual reports and accounts if they choose to do so. Shareholders will also be able to elect to receive an electronic version of either the annual reports and accounts or summary financial reports, as the case may be.

(6) Corporate communications

Taking advantage of other recent changes to the Listing Rules, the Board also recommends that amendments be made to the Bye-Laws to allow the Company to offer the flexibility of sending any corporate communications (as defined in the Listing Rules) to the Shareholders by electronic means and in the English language, the Chinese language or in both languages.

(7) Amendments to allow a more efficient administration and management

- (a) Under the existing Bye-Laws, a Special Resolution is required if the Company wishes to change the nominal value of its share capital. The Board proposes to amend the Bye-Laws in order that the Company may at its general meetings by Ordinary Resolution approve any change of the nominal value of its share capital.
- (b) The existing provisions of the Bye-Laws stipulate that any use by the Company of its share premium account in the manner authorised by the Act requires the sanction of a Special Resolution. The Board proposes to amend the Bye-Laws so that in the event the Company applies its share premium in the manner authorised by the Act, for example, in paying up unissued Shares of the Company to be issued to members of the Company as fully paid bonus shares, an Ordinary Resolution will suffice.
- (c) Under the existing Bye-Laws, all Directors are required to retire from office at each annual general meeting. The Board proposes to amend the Bye-Laws so that at each annual general meeting, one-third of the Directors shall retire from office by rotation. The Directors to retire by rotation will be those who have been longest in office since their last re-election or

LETTER FROM THE BOARD

appointment and will include any Director who wishes to retire and not to offer himself for re-election. A retiring Director will be eligible for re-election.

The proposed amendments to the Bye-Laws will comply with the Listing Rules and are subject to the passing of a Special Resolution by the Shareholders at the AGM. The full text of the proposed amendments to the Bye-Laws is set out in Special Resolution No. 5 of the Notice of AGM.

PROCEDURE BY WHICH A POLL MAY BE DEMANDED

Pursuant to Bye-Law 70 of the Bye-Laws, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) be demanded:—

- (a) by the Chairman of the meeting; or
- (b) by at least three Shareholders present in person or by a duly authorized corporate representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by any Shareholder or Shareholders present in person or by a duly authorized corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (d) by any Shareholder or Shareholders present in person or by a duly authorized corporate representative or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

ANNUAL GENERAL MEETING

The Notice of AGM (as appearing on pages 14 to 27 of this circular) sets out the proposed resolutions for the Share Issue Mandate, the Repurchase Mandate, the re-election of Directors and the amendments to the Bye-Laws.

A form of proxy is herewith enclosed for use at the AGM. If you are not able to attend the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's principal office in Hong Kong at 30th Floor, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time fixed for holding the AGM. Completion and deposit of the form of proxy will not preclude you from attending and voting at the AGM if you so wish.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors believe that the proposed resolutions as set out in the Notice of AGM are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of all such resolutions at the AGM.

DOCUMENT AVAILABLE FOR INSPECTION

A copy of the existing Bye-Laws will be available for inspection at the principal office of the Company at 30th Floor, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong during normal business hours from the date of this circular up to and including 27th August 2004 and at the AGM.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in Appendices I and II to this circular.

Yours faithfully,
For and on behalf of
ASIA STANDARD HOTEL GROUP LIMITED
Poon Jing
Chairman

This appendix serves as the explanatory statement required to be sent to Shareholders by the Listing Rules in connection with the repurchase by companies with a primary listing on the Stock Exchange of their own securities. The intention of this explanatory statement is to provide Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the proposed Repurchase Mandate to be granted to the Directors, which relates to shares and warrants.

1. FUNDING OF REPURCHASE

It is envisaged that repurchase will be funded entirely from the Company's available cash flow or working capital facilities which are funds otherwise available for dividend or distribution and thus legally available for such in accordance with the provision of the memorandum of association of the Company (the "Memorandum of Association") and Bye-Laws and the laws of Bermuda. There might be a material adverse impact on the working capital or gearing levels of the Company (as compared with the position disclosed in the financial statement for the year ended 31st March 2004) in the event the Repurchase Mandate was exercised in full at any one time. 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.

2. REASONS FOR REPURCHASE

Repurchases of securities will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its earnings and/or its net assets per Share.

3. EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, the issued share capital of the Company was 5,052,108,681 Shares. Subject to the passing of the relevant ordinary resolution approving the Repurchase Mandate on the basis of 5,052,108,681 Shares in issue at the date of the AGM (assuming no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing such resolution), the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 505,210,868 Shares during the period from the passing of the resolution granting the Repurchase Mandate up to the conclusion of the next annual general meeting or the expiration of the period within which the next annual general meeting of the Company is required by the Bermuda law to be held or when revoked or varied by an Ordinary Resolution of the Shareholders in general meeting of the Company whichever occurs first.

4. SHARES PRICES

In each of the previous twelve months before the Latest Practicable Date, the highest and lowest traded prices for the Shares on the Stock Exchange were as follows: -

	Traded Market Price	
	Highest HK\$	Lowest HK\$
2003		
July	0.220	0.180
August	0.540	0.230
September	0.445	0.340
October	0.390	0.270
November	0.305	0.242
December	0.290	0.200
2004		
January	0.305	0.220
February	0.435	0.242
March	0.425	0.295
April	0.310	0.285
May	0.290	0.244
June	0.250	0.246
July (up to the Latest Practicable Date)	0.260	0.236

5. UNDERTAKING

(a) Directors, their Associates and Connected Person

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell securities to the Company.

No connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell securities to the Company nor has he/she undertaken not to sell any of the securities held by him/her to the Company in the event that the Company is authorized to make purchase of securities.

(b) Undertaking of the Directors

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchase pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of Bermuda, and in accordance with the Memorandum of Association and the Bye-Laws.

(c) Effect of Takeovers Code

If as the result of a repurchase of securities, a Shareholder's proportionate interest in the voting rights of the Company increase, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' 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, Asia Orient Company Limited together with its subsidiaries hold 3,699,148,774 Shares representing approximately 73.22% of the issued capital of the Company. Mr. Poon Jing (a Director of the Company and having controlling interest in the holding company of Asia Orient Company Limited) is personally interested in 248,937 Shares representing less than 0.01% of the issued capital of the Company. Assuming the full exercise of the power under the Repurchase Mandate, the interest of Asia Orient Company Limited together with its subsidiaries and Mr. Poon Jing in the issued share capital of the Company will be increased to approximately 81.36% and the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchase of Shares made under the Repurchase Mandate. The Directors will not repurchase Share on the Stock Exchange if the repurchase would result in the number of the listed securities which are in the hands of the public falling below 25%.

6. SHARE PURCHASE MADE BY THE COMPANY

No purchase of Shares have been made by the Company during the last six months (whether on the Stock Exchange or otherwise).

As required by the Listing Rules, the following are the particulars of the Directors to be re-elected at the AGM:

POON Jing

Aged 49. Chairman of the Company, Managing Director of Asia Standard International Group Limited (“ASI”) and Asia Orient Holdings Limited (“Asia Orient”) and is an independent non-executive director of GZI Transport Limited. Mr. Poon received his Bachelor of Commerce degree from the University of British Columbia, Canada. As at the Latest Practicable Date, Mr. Poon has personal; family and corporate interest in 3,699,397,711 Shares, 71,122,611 shares and 2,174,915,362 shares in the Company, Asia Orient and ASI respectively within the meaning of Part XV of Securities and Future Ordinance (“SFO”). There is no service contract between the Company and Mr. Poon. He is entitled to an allowance and other benefits from time to time to be reviewed and determined by the Board with reference to his experience and the remuneration level in the industry together with his work and contribution to the Company. During the financial year ended 31st March 2004, Mr. Poon received a total emolument of HK\$3,000,000. Mr. Poon is not appointed for a specific term and he is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws. He is the brother-in-law of Mr. Fung Siu To, Clement and Mr. Lim Yin Cheng, a Director and Deputy Chairman of the Company respectively and is a brother to Mr. Poon Tin Sau, Robert, the Director of the Company.

LIM Yin Cheng

Aged 59. Deputy Chairman of the Company, ASI and Asia Orient and executive director and chief executive officer of Q9 Technology Holdings Limited. Mr. Lim is a holder a Bachelor of Science (Chemical Engineering) and Doctor of Philosophy degrees. He has over 25 years of experience in engineering, project management and administration. He joined the Group in 1994. As at the Latest Practicable Date, Mr. Lim was granted 1,718,000 share options to subscribe for shares of Asia Orient at the subscription price of HK\$3.3 per share within the meaning of Part XV of SFO. There is no service contract between the Company and Mr. Lim. He is entitled to an allowance and other benefits from time to time to be reviewed and determined by the Board with reference to his experience and the remuneration level in the industry together with his work and contribution to the Company. During the financial year ended 31st March 2004, Mr. Lim received a total emolument of HK\$1,500,000. Mr. Lim is not appointed for a specific term and he is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws. He is the brother-in-law of Mr. Poon Jing, the Chairman of the Company.

FUNG Siu To, Clement

Aged 56. Director of the Company, Chairman of ASI and Asia Orient and an executive director of Q9 Technology Holdings Limited. Mr. Fung is a holder of a Bachelor of Applied Science (Civil Engineering) degree. He joined the Group in 1994 and has over 20 years of experience in project management and construction. As at the Latest Practicable Date, Mr. Fung has personal interest in

3,949,400 shares in and has options to subscribe for 1,718,000 shares of Asia Orient within the meaning of Part XV of SFO. There is no service contract between the Company and Mr. Fung. The remuneration of Mr. Fung will be determined by the Board with reference to his experience and the remuneration level in the industry together with his work and contribution to the Company. During the financial year ended 31st March 2004, Mr. Fung received no remuneration or benefit. Mr. Fung is not appointed for a specific term and he is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws. He is the brother-in-law of Mr. Poon Jing, the Chairman of the Company.

POON Tin Sau, Robert

Aged 58. Director of Food and Beverage. Mr. Poon was a restaurant entrepreneur in United States of America during the period from 1970 to 1996 and joined the Group in 1996. As at the Latest Practicable Date, Mr. Poon does not hold any interest in the Company within the meaning of Part XV of SFO. Mr. Poon has entered into a service contract with a subsidiary of the Company with no fixed term. He is entitled to remuneration and other benefits from time to time to be reviewed and determined by the Board with reference to his experience and the remuneration level in the industry together with his work and contribution to the Company. During the financial year ended 31st March 2004, Mr. Poon received a total emolument in HK\$811,000. Mr. Poon is a brother to Mr. Poon Jing, the Chairman of the Company.

WONG Shu Pui, Lawrence

Aged 49. Director of the Company. Mr. Wong has over 25 years of experience in the hotel industry and has held senior positions in a number of international hotels in Hong Kong and joined the Group in 2000. As at the Latest Practicable Date, Mr. Wong does not hold any interest in the Company within the meaning of Part XV of SFO. Mr. Wong has entered into a service contract with a subsidiary of the Company with no fixed term. He is entitled to remuneration and other benefits from time to time to be reviewed and determined by the Board with reference to his experience and the remuneration level in the industry together with his work and contribution to the Company. During the financial year ended 31st March 2004, Mr. Wong received a total emolument of HK\$840,000. Other than the relationship arising from his being a Director, Mr. Wong does not have any relationship with any other Directors, senior management, and substantial Shareholder of the Company.

LIANG Shangli

Aged 83. Mr. Liang is the founder and Chairman of Bai Hui Group Company Limited, a property development company in the PRC. Prior to establishing Bai Hui Group Company Limited in 1992, Mr. Liang worked for the Guangzhou Investment Group, a property development company in the PRC, as a chairman for over 9 years. He was Standing Committee Member of the Chinese People's Political Congress Committee, the PRC and is the Vice-Chairman of the National Industrial and Commercial Association of the PRC. He joined the Group as an independent non-executive Director in 2000 and is a member of the audit committee of the Company. Mr. Liang is also an independent non-executive director of ASI. As at the Latest Practicable Date, Mr. Liang does not have any interest in the Company

within the meaning of Part XV of SFO. There is no service contract between the Company and Mr. Liang. Mr. Liang is entitled to a director's fee from time to time to be reviewed and determined by the Board with reference to his experience and the remuneration level in the industry together with his work and contribution to the Company. During the financial year ended 31st March 2004, Mr. Liang received director's fee in the sum of HK\$20,000. Mr. Liang is not appointed for a specific term and he is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws. Save as aforesaid, Mr. Liang does not have any relationship with any other Directors, senior management, and substantial Shareholder of the Company.

IP Chi Wai

Aged 36. Independent Non-executive Director of the Company. Mr. Ip graduated from the University of Hong Kong with a bachelor's degree in law. He is a qualified solicitor in Hong Kong and has over ten years of experience in the legal profession. He was appointed as an independent non-executive Director in September 2003 and as an audit committee member. As at the Latest Practicable Date, Mr. Ip does not hold any interest in the Company within the meaning of Part XV of SFO. There is no service contract between the Company and Mr. Ip. Mr. Ip is entitled to a director's fee from time to time to be reviewed and determined by the Board with reference to his experience and the remuneration level in the industry together with his work and contribution to the Company. During the financial year ended 31st March 2004, Mr. Ip received director's fee in the sum of HK\$40,000. Mr. Ip is not appointed for a specific term and he is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws. Other than the relationship arising from his being a non-executive Director, Mr. Ip does not have any relationship with any other Directors, senior management and substantial Shareholder of the Company.

NOTICE OF ANNUAL GENERAL MEETING



ASIA STANDARD HOTEL GROUP LIMITED

(泛海酒店集團有限公司) *

(incorporated in Bermuda with limited liability)

(Stock Code: 00292)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the shareholders of Asia Standard Hotel Group Limited (the “**Company**”) will be held at Empire Hotel, Basement 2, 33 Hennessy Road, Wanchai, Hong Kong on 27th August, 2004 (Friday) at 10:15 a.m. for the purpose of considering and, if thought fit, passing the following Resolutions:

1. To receive and consider the audited financial statements and the reports of the Directors and auditors for the year ended 31st March 2004;
2. To re-elect retiring Directors and approve their remuneration;
3. To appoint auditors and authorize the board of 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 4A(c), the Directors be and are generally and unconditionally authorised to exercise during the Relevant Period (as defined in paragraph 4A(d)) all the powers of the Company to allot, issue or otherwise deal with shares of HK\$0.02 each in the capital of the Company (“**Shares**”) and securities convertible into Shares or warrants or similar rights to subscribe for Shares and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the approval in paragraph 4A(a) shall authorise 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 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 4A(a) and 4A(b), otherwise than pursuant to:–

* for identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

- (i) a Rights Issue (as defined in paragraph 4A(d));
- (ii) the exercise of rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into Shares;
- (iii) the exercise of subscription or conversion right under the terms of any warrants of the Company or any option granted under any share 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 options to subscribe for or rights to acquire Shares; and
- (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Bye-Laws of the Company;

shall not exceed 20 per cent of the aggregate nominal amount 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;

- (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; or
- (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 laws to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the board of Directors of the Company made to holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the board of 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, or in any territory outside, Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

B. “THAT

- (a) subject to paragraph 4B(b), the Directors be and are generally and unconditionally authorised to exercise during the Relevant Period (as defined in paragraph 4B(c)) all powers of the Company to repurchase Shares of the Company listed on the Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or that of any other stock exchange as amended from time to time;
- (b) the aggregate nominal amount of the Shares to be repurchased by the Company pursuant to paragraph 4B(a) 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 of this Resolution and approvals granted under paragraph 4B(a) of this Resolution shall be limited accordingly;
- (c) 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; or
- (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 laws to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by way of ordinary resolution of the shareholders of the Company in general meeting.”

- C. “THAT** conditional upon Resolutions 4A and 4B in the notice convening this meeting of which this Resolution forms part being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue or otherwise deal with Shares pursuant to Resolution 4A above be and is hereby extended by the addition to the aggregate nominal amount of the share capital which may be allotted by the Directors pursuant to such general mandate 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 4B above.”

NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT** the Bye-Laws of the Company be and are hereby amended as follows:

- (a) by substituting the existing definition of “associates” in Bye-Law 1(A) the following new definition:

““associates” shall have the meaning attributed to it in the rules of the Designated Stock Exchange;”;

- (b) by substituting the existing definition of “Clearing House” in Bye-Law 1(A) with the following new definition:

““Clearing House” shall mean a clearing house or authorized shares depository recognized 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 before the definition of “dividend” in Bye-Law 1(A) the following new definition:

““Designated Stock Exchange” shall mean a stock exchange in the Relevant Territory which is an appointed stock exchange for the purpose of the Companies Act as from time to time in force on which any share capital of the Company is listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the share capital of the Company;”;

- (d) by inserting before the definition of “HK\$” in Bye-Law 1(A) the following new definition:

““Hong Kong” shall mean the Hong Kong Special Administrative Region of the People’s Republic of China;”;

- (e) by substituting the existing definition of “Newspapers” in Bye-Law 1(A) with the following new definition:

““Newspapers”, in relation to the publication in newspapers of any notice, shall mean in English in one leading English language daily newspaper and in Chinese in one leading Chinese language daily newspaper published and circulating generally in the Relevant Territory and specified for this purpose by the Designated Stock Exchange;”;

- (f) by substituting the existing definition of ““writing” or “printing”” in Bye-Law 1(A) with the following new definition:

NOTICE OF ANNUAL GENERAL MEETING

““in writing” and “written” shall, unless the contrary intention appears, be construed as including printing, lithography, xerography, photography and other modes of representing or reproducing words or figures in a visible form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the shareholder’s election shall comply with the Statutes and other applicable laws, rules and regulations.”;

- (g) by inserting the following new paragraph immediately after the third paragraph of Bye-Law 1(B):

“References to a document being executed include references to it being executed under hand or under seal or, to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations, by electronic signature or by any other method. References to a document or notice, to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations, include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not;”;

- (h) by inserting the following words immediately after the end of Bye-Law 3:

“Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all shareholders alike.”;

- (i) by substituting the word “The” in the first line of Bye-Law 6(A) with the words “Unless otherwise determined by shareholders at a general meeting, the”;

- (j) by substituting the word “Subject to the Statutes” in the first line of Bye-Law 6(B) with the words “Subject to the Statutes and any applicable rules, codes and regulations of the Designated Stock Exchange and/or of any relevant regulatory body”;

- (k) by substituting the words “relevant stock exchange” in the second line of Bye-Law 6(C) and in the second line of Bye-Law 6(D) with the words “Designated Stock Exchange” respectively;

- (l) by substituting the words “stock exchange” in the eighth line of Bye-Law 14(B) and in the seventh and nineteenth lines of Bye-Law 15, the words “stock exchange on which the shares are listed” in the thirteenth and fourteenth lines of Bye-Law 15 and the words “stock exchange in the Relevant Territory” in the seventeenth and eighteenth lines of Bye-Law 15 with the words “Designated Stock Exchange” respectively;

NOTICE OF ANNUAL GENERAL MEETING

(m) by substituting the words “stock exchange in the Relevant Territory” in the fourth and fifth lines of Bye-Law 19 and the words “stock exchange” in the sixth line of Bye-Law 19 with the words “Designated Stock Exchange” respectively;

(n) by substituting the words “stock exchange in the Relevant Territory” in the second and third lines of Bye-Law 40(i) and the words “stock exchange” in the fourth line of Bye-Law 40(i) with the words “Designated Stock Exchange” respectively;

(o) by inserting the following words immediately after the words “prescribed by law” in the sixth line of Bye-Law 59(B):

“and the Company may always use the share premium in the share premium account in any manner authorised by the Statutes without the need to seek the approval of the shareholders”;

(p) by inserting the following words immediately after the words “this Bye-law shall be” in the fifteenth line of Bye-Law 87(B):

“deemed to have been duly authorized without further evidence of the facts and be”;

(q) by inserting the following new Bye-Law 87(C) immediately after Bye-Law 87(B):

“87. (C) Where any shareholder is, under the rules of the 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 shareholder in contravention of such requirement or restriction shall not be counted.”;	Abstention from voting
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(r) by substituting the words “a Special Resolution” in the first and second lines of Bye-Law 97(A)(vi) with the words “an Ordinary Resolution”;

(s) by substituting the words “Director together with any of his associates owns 5 per cent. or more of the issued shares of any class of the equity share capital of such company or of the voting rights of any class of shares of such company.” in the eighteenth, nineteenth, twentieth, twenty-first and twenty-second lines of Bye-Law 98(E) with the following words:

“Director together with any of his associates are in aggregate beneficially interested in five (5) per cent. or more of the issued shares of any class of the equity share capital of such company or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of any of his associates is derived).”;

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(t) by substituting the existing Bye-Law 98(F) with the following new Bye-Law 98(F):

“98. (F) Subject to the Companies Act and to these Bye-Laws, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure, or the tenure of any of his associates, of any office or place of profit or as vendor, purchaser or in any other manner whatsoever, nor shall any such contract or any other contract or arrangement in which any Director or any of his associates is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the shareholders for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director or any of his associates holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest or that of any of his associates in any contract or arrangement in which he or any of his associates is interested in accordance with Bye-Law 98(G) below.”;

(u) by substituting the existing Bye-Law 98(G) with the following new Bye-Law 98(G):

“98. (G) If to a Director’s knowledge he or any of his associates is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company, the Director shall declare the nature of his interest or the interest of any of his associates at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest or the interest of any of his associates then exists, or in any other case at the first meeting of the Board after he knows that he or any of his associates is or has become so interested. For the purposes of this Bye-Law, a general notice to the Board by a Director to the effect that :-

- (i) he or any of his associates is a shareholder or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm; or
- (ii) he or any of his associates is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with him;

shall be deemed to be a sufficient declaration of his interest or that of his associates under this Bye-Law in relation to any such contract or arrangement, provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.”;

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(v) by substituting the existing Bye-Law 98(H) with the following new Bye-Law 98(H):

“98. (H) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associates is materially interested, but this prohibition shall not apply to any of the following matters namely:–

- (i) any contract or arrangement for the giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associates or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;
- (ii) any contract or arrangement for the giving of any security or indemnity 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 whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (iii) any contract or arrangement 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;
- (iv) 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 shares or debentures or other securities of the Company;
- (v) any contract or arrangement 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 a shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in five (5) per cent or more of the issued shares or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of any of his associates is derived); or

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- (vi) any proposal concerning the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit or of a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his associates and employees of the Company or of 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.”;

- (w) by substituting the existing Bye-Law 98(K) with the following new Bye-Law 98(K):
 - “98. (K) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director or of any of his associates (other than the Chairman of the meeting) or as to the entitlement of any Director (other than such Chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the Chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned or of any of his associates as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the Chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such Chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such Chairman or of any of his associates as known to such Chairman has not been fairly disclosed to the Board.”;

- (x) by substituting the existing Bye-Law 99 with the following new Bye-Law 99:
 - “99.(i) Notwithstanding any other provisions in the Bye-laws, 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 greater than one-third) shall retire from office by rotation, provided that notwithstanding anything herein, the Chairman of the Board and/or the Managing Director of the Company shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year.

 - (ii) A retiring Director shall be eligible for re-election. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office

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since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.”;

- (y) by substituting the existing Bye-Law 103 with the following new Bye-Law 103:
- “103. 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 during a period of not less than seven days commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than seven days prior to the date of such meeting notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office.”;
- (z) by substituting the word “Ordinary” in the first line of Bye-Law 104 with the word “Special”;
- (aa) by substituting the words “and, in particular” in the fourth and fifth lines of Bye-Law 142(A) with the words “and may make distributions out of contributed surplus as the Board thinks fit and such dividends and distributions shall not be limited in any way save by the Statutes. In particular” and inserting immediately after the first sentence of Bye-Law 143(A) the sentence “Subject to the Statutes, the Board may make a distribution to the shareholders out of contributed surplus.”;
- (bb) by inserting immediately after the end of Bye-Law 162(A) the words “Every balance sheet of the Company shall be signed on behalf of the Board by two of the Directors.”;
- (cc) by substituting the words “Every balance sheet of the Company shall be signed on behalf of the Board by two of the Directors and” in the first and second lines of Bye-Law 162(B) with the words “Subject to section 88 of the Companies Act and Bye-Law 162(C),” and substituting the words “stock exchange” in the twenty-ninth, thirtieth and thirty-first lines of Bye-Law 162(C) with the words “Designated Stock Exchange”;
- (dd) by inserting the following new Bye-Laws 162(C) and 162(D) immediately after Bye-Law 162(B):
- “162. (C) To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-Law 162(B) shall be deemed satisfied in
- Notice of proposed Director to be given
- Summary Financial Statement

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relation to any person by sending to the person in any manner not prohibited by the Statutes, a summary financial statement derived from the Company's annual accounts and the Directors' report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the Directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to a summary financial statement, a complete printed copy of the Company's annual financial statement and the Directors' report thereon.

162. (D) The requirement to send to a person referred to in Bye-Law 162(B) the documents referred to in that provision or a summary financial report in accordance with Bye-Law 162(C) shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, the Company publishes copies of the documents referred to in Bye-Law 162(B) and, if applicable, a summary financial report complying with Bye-Law 162(C), on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.”;

(ee) by substituting the existing Bye-Law 167 with the following new Bye-Law 167:

“167. Any notice or document (including any “corporate communication” within the meaning ascribed thereto under the rules of the Designated Stock Exchange), whether or not, to be given or issued under these Bye-Laws from the Company to a shareholder shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such notice and document may be served or delivered by the Company on or to any shareholder either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such shareholder at his registered address as appearing in the register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by

Service of
notices

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him to the Company for the giving of notice to him or (in the case of a notice) may also be served by advertisement in the Newspapers or, to the extent permitted by the applicable laws, by placing it on the Company's website or the website of the Designated Stock Exchange, and giving to the shareholder a notice stating that the notice or other document is available there (a "notice of availability"). The notice of availability may be given to the shareholder by any of the means set out above other than by placing it on the Company's website or the website of the Designated Stock Exchange. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.";

(ff) by substituting the existing Bye-Law 169 with the following new Bye-Law 169:

"169. Any notice or other document:

When
notice
deemed to
be served

- (i) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope or wrapper containing the same, properly prepaid and addressed, is put into a post office situated within the Relevant Territory; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed, pre-paid and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed, pre-paid and put into such post office shall be conclusive evidence thereof;
- (ii) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company's website or the website of the Designated Stock Exchange, is deemed given by the Company to a shareholder on the day following that on which a notice of availability is deemed served on the shareholder;
- (iii) if served or delivered in any other manner contemplated by these Bye-Laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as

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the case may be, at the time of the relevant despatch, transmission or publication; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof; and

- (iv) may be given to a shareholder either in the English language, the Chinese language or both the English language and the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.”;

(gg) by substituting the existing Bye-Law 173 with the following new Bye-Law 173:–

“173. For the purposes of these Bye-Laws, a cable or telex or facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received.”;

(hh) by renumbering the existing Bye-Law 181 to Bye-Law 181(A);

(ii) by inserting the following new Bye-Law 181(B) immediately after Bye-Law 181(A):

“181. (B) Notwithstanding any provision contained in these Bye-Laws, the Directors may, if permitted by applicable law, authorise the destruction of documents set out in sub-paragraphs (a) to (d) of paragraph (A) of this Bye-Law and any other documents in relation to share registration which have been microfilmed or electronically stored by the Company or by the share registrar on its behalf provided always that this Bye-Law shall apply only to the destruction of a document in good faith and without express notice to the Company and its share registrar that the preservation of such document was relevant to a claim.”; and

NOTICE OF ANNUAL GENERAL MEETING

- (jj) by substituting the words “an appointed stock exchange within the meaning of the Companies Act” in the third, fourth and fifth lines of Bye-Law 183(iv) with the words “a Designated Stock Exchange”.

By Order of the Board
Lee Tai Hey, Dominic
Secretary

Hong Kong, 30th July 2004

Registered Office:—
Canon’s Court
22 Victoria Street
Hamilton HM12
Bermuda

Principal Office in Hong Kong:—
30th Floor
Asia Orient Tower
Town Place
33 Lockhart Road
Wanchai
Hong Kong

Notes:

1. *Every shareholder entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.*
2. *A form of proxy for use at the above meeting is enclosed herewith.*
3. *Where there are joint registered holders of any Shares, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such Shares as if he was solely entitled thereto provided that if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of shareholders in respect of such Shares shall alone be entitled to vote in respect thereof.*
4. *To be valid, a form of proxy, together with the 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, must be deposited at the Company’s principal office in Hong Kong at 30th Floor, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting (or any adjournment thereof).*
5. *Shareholders are recommended to read the circular of the Company containing information concerning the Resolutions proposed in this notice.*

As at the date hereof, the board of Directors of the Company comprises Mr. Poon Jing, Mr. Lim Yin Cheng, Mr. Fung Siu To, Clement, Mr. Poon Tin Sau, Robert and Mr. Wong Shu Pui as executive Directors, and Mr. Liang Shangli and Mr. Ip Chi Wai as independent non-executive Directors.

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