



K & P INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 675)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the members of the Company will be held at Ballroom B, 2nd Floor, Langham Hotel, 8 Peking Road, Tsimshatsui, Kowloon, Hong Kong on Friday, 11 June 2004 at 10:00 a.m. for the following purposes:

1. To receive and consider the Audited Financial Statements and the Reports of the Directors and of the Auditors for the year ended 31 December 2003;
2. To re-elect Director, to authorise the Board to fix the Directors' remuneration and to set a maximum number of Directors;
3. To re-appoint Auditors and to authorise the Board to fix their remuneration;
4. To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT

- (a) the exercise by the Directors during the Relevant Period of all the powers of the Company to purchase its shares, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
 - (b) the total nominal amount of the shares to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of this Resolution, and the said approval shall be limited accordingly; and
 - (c) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next Annual General Meeting of the Company;
 - (ii) the revocation or variation of the authority given under this Resolution by Ordinary Resolution of the members in general meetings; and
 - (iii) 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.”;
5. To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT

- (a) the exercise by the Directors during the Relevant Period of all the powers of the Company to issue, allot and dispose of additional shares of the Company and to make or grant offers, agreements and options which would or might require shares to be allotted, issued or disposed of during or after the end of the Relevant Period be and is hereby generally and unconditionally approved, provided that, otherwise than pursuant to a rights issue where shares are offered to members on a fixed record date in proportion to their then holdings of shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong) or any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and/or any eligible grantee pursuant to the scheme of shares or rights to acquire shares of the Company, or any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company, the total nominal amount of additional shares issued, allotted, disposed of or agreed conditionally or unconditionally to be issued, allotted or disposed of (whether pursuant to an option or otherwise) shall not in total exceed 20% of the total nominal amount of the share capital of the Company in issue on the date of this Resolution and the said approval shall be limited accordingly; and
- (b) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next Annual General Meeting of the Company;
 - (ii) the revocation or variation of the authority given under this Resolution by Ordinary Resolution of the members in general meetings; and
 - (iii) 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.”; and

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT the general mandate granted to the Directors of the Company and for the time being in force to exercise the powers of the Company to issue, allot and otherwise dispose of additional shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby extended by total nominal amount of shares in the capital of the Company which has been repurchased by the Company since the granting of such general mandate pursuant to the exercise by the Directors of the Company of the powers of the Company to purchase such shares, provided that such amount shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of this Resolution.”.

7. 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 in the following manner:–

- (a) by inserting the following new definition in bye-law 1:
- ““associate” the meaning attributed to it in the rules of the Designated Stock Exchange.”;
- (b) by deleting from the definition of “clearing house” in bye-law 1, the words “a recognised clearing house within the meaning of Section 2 of the Securities (Clearing House) Ordinance of Hong Kong or”;
- (c) by inserting the following words at the end of bye-law 2(e):–
- “, 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 Member’s election comply with all applicable Statutes, rules and regulations”;
- (d) by deleting from bye-law 2(g), the words “save that “company” shall, where the context permits, include any company incorporated in Bermuda or elsewhere”;
- (e) by replacing the full stop “.” appearing at the end of bye-law 2(j) with a semi-colon “;”, by inserting the word “and” immediately after the semi-colon and by inserting the following new bye-law 2(k):–
- “references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document 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.”
- (f) by substituting the existing bye-law 6 with the following new bye-law 6:–
- “The Company may from time to time by special resolution, subject to any confirmation or consent required by law, reduce its authorised or issued share capital or, save for the use of share premium as expressly permitted by the Act, any share premium account or other undistributable reserve.”
- (g) by inserting after the words “Subject to Sections 42 and 43 of the Act,” appearing in the beginning of bye-law 9, the words “these Bye-laws, and to any special rights conferred on the holders of any shares or attaching to any class of shares,” and to inserting the following sentence at the end of bye-law 9:–
- “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 Members alike.”;
- (h) by substituting in bye-law 12(1), the words “Subject to the Statutes, and these Bye-laws” with the following words:–
- “Subject to the Act, these Bye-laws, any direction that may be given by the Company in general meeting”;
- (i) by deleting bye-law 12(3);

- (j) by substituting the words “a sum equal to the relevant maximum amount as the Designate Stock Exchange may from time to time determine or such lesser sum” appearing in bye-law 18 with the words “such reasonable out-of-pocket expenses”;
- (k) by renumbering the existing bye-law 25(1) as a new bye-law 25;
- (l) by deleting bye-law 25(2);
- (m) by substituting the word “Newspapers” with the words “any other newspapers” appearing in bye-law 44 and by inserting, in bye-law 44, after the words “in accordance with the requirements of any Designated Stock Exchange”, the following words:–

“or by any means and in such manner as may be accepted by the Designated Stock Exchange”;
- (n) by inserting after the words “Subject to these Bye-laws, any Member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in” appearing at the beginning of bye-law 46, the following words:–

“a form prescribed by the Designated Stock Exchange or in”;
- (o) by substituting the words “in the Newspapers” with the words “any other newspapers” appearing in bye-law 51 with the words “, where applicable, any other newspapers” and by inserting, in bye-law 51, after the words “in accordance with the requirements of the Designated Stock Exchange”, the following words:–

“or by any means and in such manner as may be accepted by the Designated Stock Exchange”;
- (p) by inserting after the words “No business” appearing in bye-law 61(2), the words “other than the appointment of a chairman of a meeting”;
- (q) by substituting the existing bye-law 66 of the Company’s bye-laws with the following new bye-law 66:–

“66. Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a show of hands every Member present in person (or being a corporation, is present by a representative duly authorised under Section 78 of the Act), or by proxy shall have one vote and on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. Notwithstanding anything contained in these Bye-laws, where more than one proxy is appointed by a Member which is a clearing house (or its nominee (s)), each such proxy shall have one vote on a show of hands. A resolution put to the vote of a 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 demanded:

 - (a) by the chairman of such meeting; or

- (b) by at least three Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by a 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 not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or
- (d) by a 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 in the Company 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 shares conferring that right.

A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a Member.”;

- (r) by re-numbering the existing bye-law 76 as bye-law 76(1) and by inserting the following new bye-law 76(2):–

“(2) Where the Company has knowledge that any Member is, under the rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.”;

- (s) by substituting the existing bye-law 84(2) of the Company’s bye-laws with the following new bye-law 84(2):–

“(2) Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including the right to vote individually on a show of hands.”;

- (t) by substituting the existing bye-law 86(1) with the following new bye-law 86(1):–

“(1) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2). There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting. The Directors shall be elected or appointed in the first place at the statutory meeting of Members and thereafter at the annual general meeting in accordance with Bye-law 87 or at any special general meeting and shall hold office until the next appointment of Directors or until their successors are elected or appointed. Any general meeting may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.”;

- (u) by substituting the words “ordinary resolution of” appearing in bye-law 86(2) with the words “authorization by”;
- (v) by substituting the words “Subject to any provision to the contrary in these Bye-laws, the “ appearing at the beginning of bye-law 86(4) with the word “The”;
- (w) by substituting the words “special resolution” with the words “ordinary resolution” appearing in bye-law 86(4);
- (x) by substituting the existing bye-law 86(5) with the following new bye-law 86(5):–

“(5) A vacancy on the Board created by the removal of a Director under the provisions of subparagraph (4) above may be filled by the election or appointment by the Members at the meeting at which such Director is removed to hold office until the next appointment of Directors or until their successors are elected or appointed or, in the absence of such election or appointment such general meeting may authorise the Board to fill any vacancy in the number left unfilled.”;

- (y) by deleting the words “not less than seven (7) days before the date appointed for the meeting there shall have been lodged” appearing in bye-law 88 and inserting the following words at the end of bye-law 88 before the full stop “.”:–

“shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that the period for lodgment of such Notice(s) shall commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.”;

- (z) by deleting the words “whereupon the Board resolves to accept such resignation” at the end of bye-law 89(1);
- (aa) by substituting the existing bye-law 103 with the following new bye-law 103:–

“103.(1) 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 associate 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 and any of his associate(s) 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
 - (vi) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, 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 accorded generally to the class of persons to which such scheme or fund relates.
- (2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five (5) per cent. or more if and so long as (but only if and so long as) he and/or his associates, (either directly or indirectly) are the holders of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his/their interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder.
- (3) Where a company in which a Director and/or his associate(s) holds five (5) per cent. or more is/are materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.
- (4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or that of his associate(s) as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting and not

being counted in the quorum, 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 and/or his associate(s) (as the case may be) concerned 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 be counted in the quorum and 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 and/or his associate(s) (as the case may be) as known to such chairman has not been fairly disclosed to the Board.”;

- (bb) by deleting bye-law 103(5);
- (cc) by inserting after the words “Directors may participate in any meeting of the Board by means of a conference telephone” appearing in the beginning of bye-law 116(2), the word “, electronic”;
- (dd) by inserting after the words “be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held” appearing at the end of the first sentence in bye-law 122, the words “and further provided that no Director is aware of or has received any objection to the resolution from any Director”;
- (ee) by re-numbering the existing bye-law 136 as bye-law 136(1) and by inserting the following new bye-law 136(2):–
 - “(2) 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 (e) of paragraph (1) 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.”;
- (ff) by inserting, in bye-law 153, after the words “Subject to Section 88 of the Act”, the following words:–
 - “and Bye-law 153A”;
- (gg) by inserting the words “and at the same time as the notice of the annual general meeting” after the words “at least twenty-one (21) days before the date of the annual general meeting” in bye-law 153;
- (hh) by inserting the following new bye-law 153A:–
 - “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 153 shall be deemed satisfied in 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."

(ii) by inserting the following new bye-law 153B:–

"The requirement to send to a person referred to in Bye-law 153 the documents referred to in that provision or a summary financial report in accordance with Bye-law 153A 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 153 and, if applicable, a summary financial report complying with Bye-law 153A, 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."

(jj) by substituting the words "fourteen (14) days" with the words "twenty-one (21) days" appearing in bye-law 154(2);

(kk) by deleting the word "given" appearing in the first line of bye-law 160 and by inserting, in bye-law 160, the following:–

(a) after the words "Any Notice" appearing at the beginning of bye-law 160, the following words:–

"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";

(b) after the words "cable, telex or facsimile transmission message", the words "or other form of electronic transmission or communication";

(c) after the words "by transmitting it to any such address or transmitting it to any telex or facsimile transmission number", the words "or electronic number or address or website"; and

(d) after the words "or the Newspapers and in accordance with the requirements of the Designated Stock Exchange", the words "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 member 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 Member by any of the means set out above.";

(ll) by deleting the word "and" appearing at the end of bye-law 161(a), by renumbering the existing bye-law 161(b) as a new bye-law 161(c), by deleting the existing bye-law 161(c) and by inserting the following new bye-law 161(b):–

"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 Member on the day following that on which a notice of availability is deemed served on the Member;"

- (mm) by deleting the words “other than by advertisement in appointed newspapers or Newspapers” appearing at the beginning of the new bye-law 161(c);
- (nn) by substituting the words “relevant despatch or transmission” appearing in new bye-law 161(c) twice with the words “relevant despatch, transmission or publication” each time;
- (oo) by inserting the following new bye-law 161(d):–
- “may be given to a Member either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.”;
- (pp) by inserting, in bye-law 163, after the words “a cable or telex or facsimile”, the following words:–
- “or electronic”;
- and
- (qq) by deleting the words “(not being a Director)” and substituting the word “respecting” with the words “in respect of” appearing in bye-law 168.”

By Order of the Board
Chung Yik Cheung, Raymond
Secretary

Hong Kong, 29 April 2004

Notes:

- (a) The Register of Members will be closed from Tuesday, 8 June 2004 to Friday, 11 June 2004, both days inclusive, during which period no transfer of shares can be registered. In order to qualify for attending the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Branch Registrars in Hong Kong, Tengis Limited at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:00 p.m. on Monday, 7 June 2004.
- (b) A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and, in the event of a poll, vote on his behalf. A proxy need not be a member of the Company.
- (c) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Company’s Branch Registrars in Hong Kong, Tengis Limited at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the meeting.
- (d) An explanatory statement containing further details regarding items 4 to 7 above and details of the retiring Director who will be proposed to be re-elected at the Annual General Meeting will be sent to members together with the circular dated 30 April 2004.

As at the date of this announcement, the Board comprises Mr. Lai Pei Wor, Mr. Chan Yau Wah and Mr. Chung Yik Cheung, Raymond as executive Directors, and Mr. Tsao Kwang Yung, Peter and Mr. Kung Fan Cheong as independent non-executive Directors.

“Please also refer to the published version of this announcement in The Standard”.