



SUN EAST TECHNOLOGY (HOLDINGS) LIMITED

日東科技(控股)有限公司*

(incorporated in Bermuda with limited liability)

(Stock code: 365)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Sun East Technology (Holdings) Limited (the “**Company**”) will be held at Salon 5, Level 3 of JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 10 September 2004 at 3:30 p.m. (or any adjournment thereof) for the following purposes:

1. to receive, consider and adopt the audited consolidated financial statements of the Company and the reports of the directors (the “**Directors**”) and the auditors (the “**Auditors**”) of the Company thereon for the year ended 31 March 2004;
2. to approve and declare final dividends for the year ended 31 March 2004;
3. to re-elect the retiring Director;
4. to authorize the board of Directors to fix the remuneration for Directors;
5. to re-appoint Auditors and to authorize the Directors to fix their remuneration; and
6. as special business, to consider and, if thought fit, pass the following resolution as a special resolution:

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

- (a) by inserting in the existing definition of “clear days” in bye-law 1, immediately after the words “in relation to the period of a notice” the following words:
“for any meeting or otherwise”
- (b) by deleting the existing definition of “clearing house” in bye-law 1 and substituting therefor the following new definition:
““clearing house” a clearing house within the meaning of Schedule 1 of the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong) or such clearing house as recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction (where applicable).”
- (c) by adding the following new definitions to bye-law 1:
““associates” shall have the meaning ascribed to it under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited from time to time in force.
“Exchange Listing Rules” shall have the meaning ascribed to it under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited from time to time in force.
“Hong Kong” the Hong Kong Special Administrative Region of the People’s Republic of China.”
- (d) by inserting in the third line of the existing Bye-law 2(e) immediately after the words “in a visible form” the following words:
“, 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 (where applicable) comply with all applicable Statutes, rules and regulations;”
- (e) by deleting the “.” in bye-law 2(j) and substituting therefor “; and”
- (f) by adding the following new bye-law 2(k) immediately after the existing Bye-law 2(j):
“(k) references to a document being executed include references to it being executed under hand or under seal or subject to proper compliance with the Statutes, by electronic signature or by any other legally acceptable 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.”
- (g) by inserting in the second line of the existing Bye-law 3(1) immediately after the words “shares of” the following words:
“a par value of”
- (h) by deleting the existing bye-law 6 in its entirety and substituting therefor the following new Bye-law 6:
“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 any share premium account, save for the use of share premium as expressly permitted by the Act, or other undistributable reserve.”
- (i) by deleting the word “register” in the tenth line of the existing bye-law 39 and substituting therefor the word “Register”
- (j) by inserting in the second line of the existing bye-law 43(1)(a) immediately after the words “held by him and” the following words:
“, in respect of any shares that are not fully paid,”
- (k) by inserting in the eighth line of the existing bye-law 44 immediately before the words “Designated Stock Exchange” the following words:
“Designated Stock Exchange or by any means in such manner as may be accepted by the”
- (l) by inserting in the second line of the existing bye-law 46 immediately after the words “common form or in” the following words:
“a form prescribed by the Designated Stock Exchange or in”
- (m) by inserting in the third line of the existing bye-law 51 immediately after the words “Designated Stock Exchange” the following words:
“or by any means in such manner as may be accepted by the Designated Stock Exchange”
- (n) by inserting in the eighth line of the existing bye-law 66 immediately after the words “paid up on the share.” the following words:
“Each proxy shall only have one vote on a show of hands and shall be deemed to represent one Member only when making a demand for a poll in accordance with this Bye-law 66 notwithstanding that he has been appointed as proxy by and actually represents more than one Member.”
- (o) by inserting a new bye-Law 66(b) as follows:
“(b) by any of the Directors who individually or collectively (with the chairman of the relevant shareholders’ meeting of the Company) hold proxies in respect of shares holding 5% or more of the total voting rights at a particular meeting of shareholders of the Company, and if on a show of hands such meeting votes in the opposite manner to that instructed in those proxies, such directors shall have the right to demand a poll; or”
- (p) by renumbering existing bye-Law 66(b), (c) and (d) as new bye-Law 66(c), (d) and (e) respectively
- (q) by inserting “(1)” in the first line of the existing bye-Law 76 immediately after “76”
- (r) by inserting a new bye-Law 76(2) as follows:
“(2) Where any Member is, under the Exchange Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.”

- (s) by deleting the existing bye-law 84(2) in its entirety and substituting therefor 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 deleting the words “in accordance with bye-law 87” in the fifth line of the existing bye-law 86(1) and inserting in the same line immediately after the words “thereafter” the words “at any annual general meeting in accordance with bye-laws 87 and 88 or at any special general meeting”
- (u) by deleting the existing bye-law 88 in its entirety and substituting therefor the following new bye-law 88:

“88. 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 a notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his 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 provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the despatch 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.”

- (v) by deleting the existing bye-law 103(1) in its entirety and substituting therefor the following new bye-law 103(1):

“A Director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the same board meeting, but this prohibition shall not apply and a director may vote (and be counted in the quorum) in respect of any resolution concerning any one or more of the following matters:

- (a) the giving to him or any of his associates of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;
- (b) the giving to a third party of any guarantee, indemnity or security in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself or any of his associates has assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (c) where the Company or any of its subsidiaries is offering securities and the Director or any of his associates is or may be entitled to participate in the underwriting or sub-underwriting of such offer;
- (d) any contract in which he or any of his associates is interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his or their interest in shares or debentures or other securities of the Company;
- (e) any contract concerning any other company (not being a company in which the Director and any of his associates in aggregate own 5 per cent. or more) in which he or any of his associates is interested directly or indirectly as an officer or shareholder;
- (f) any contract concerning the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, their associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director or any of his associates as such any privilege or advantage not accorded generally to the class of persons to which the fund or scheme relates;
- (g) any contract for the benefit of employees of the Company or of any of its subsidiaries under which the Director or any of his associates benefits in a similar manner to the employees and which does not accord to any Director or any of his associates as such any privilege or advantage not accorded generally to the class of persons to whom the contract relates; and
- (h) any contract for the purchase or maintenance for any Director or Directors of insurance against any liability.”

- (w) by deleting the existing bye-law 103(2) in its entirety and substituting therefor the following new bye-law 103(2):

“(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 the issued shares 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 interest or that of any of his associates is derived). For the purposes 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 the interest of the Director or any of 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 or his associate(s) is/are interested only as a unit holder.”

- (x) by deleting the existing bye-law 103(3) in its entirety and substituting therefor the following new bye-law 103(3):

“(3) Where a company in which a Director and/or his associate(s) holds five (5) per cent. or more is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.”

- (y) by deleting the existing bye-law 103(4) in its entirety and substituting therefor the following new bye-law 103(4):

“(4) If any question shall arise at any meeting of the Board as to the materiality of an interest of a Director (other than the chairman of the meeting) and any of his associates or as to the entitlement of any Director (other than the chairman of the meeting) to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be referred to the chairman of the meeting and his ruling in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the Director or any of his associates concerned, so far as known to him, has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting or any of his associates and is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be decided by a resolution of the Directors (for which purpose the chairman of the meeting shall not be counted in the quorum and shall not vote on the matter) and the resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman of the meeting or any of his associates, so far as known to him, has not been fairly disclosed to the Board.”

* For identification purposes only

- (z) by deleting in the second line the word “Register” in existing bye-law 132(1) immediately after the words “Office a” and substituting therefor the word “register”
- (aa) by deleting the word “Register” in the first line of bye-law 132(2)(b) immediately after the words “contained in the” and substituting therefor the word “register”
- (bb) by deleting the word “Register” in the second line of bye-law 132(2)(b) immediately after the words “entered on the” and substituting therefor the word “register”
- (cc) by deleting the word “Register” in the first sentence in bye-law 132(3) and substituting therefor the word “register”
- (dd) regarding the existing bye-law 153,

by inserting in the first sentence thereof immediately after the words “Section 88 of the Act” the words “and bye-law 153A and bye-law 153B”; and

by inserting the word “clear” immediately after the words “twenty-one (21)” in the sixth line thereof

- (ee) by adding new Bye-laws 153A and 153B immediately after the existing Bye-law 153 as follows:
- “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 summarised financial statement derived from the Company’s full financial statements, an auditor’s report, the directors’ report and a notice informing the Member how to notify the Company should he elect to receive the full financial statements 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 full financial statements of the Company may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to a summarised financial statement, a complete printed copy of the Company’s full financial statements, auditor’s report and the directors’ report.
- 153B. The requirement to send to a person referred to in bye-law 153 the documents referred to in that Bye-law or a summarised 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 summarised 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.”
- (ff) by deleting the existing bye-law 160 in its entirety and substituting therefor the following new bye-law 160:
- “160. To the extent permitted by the Statutes and this bye-law, 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 Member 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 Member either personally or by sending it through the post in a prepaid envelope addressed to such Member 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 him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange 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. 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 deemed a sufficient service on or delivery to all the joint holders.”
- (gg) by deleting “and” at the end of bye-law 161(a);

by inserting a new bye-law 161(b) as follows:

- “(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 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;”;

by renumbering bye-law 161(b) as bye-law 161(c); and

by inserting new bye-laws 161(d) and 161(e) as follows:

- “(d) if served by advertisements in newspapers in accordance with this Bye-law, shall be deemed to have been served on the day on which the advertisement is first published; and
- (e) 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.”

- (hh) by inserting the words “or served by any means permitted by and” immediately after the words “of any Member” in the second line of bye-law 162(1)
- (ii) by inserting in the first line of bye-law 163 immediately after the words “or facsimile” the words “or electronic.”

7. 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 sub-paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares or securities convertible into shares, or options, warrants or similar rights to subscribe for any shares and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in sub-paragraph (a) above shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to options or otherwise) by the directors of the Company pursuant to the approval in sub-paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under any share option scheme or similar arrangement of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue 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 in force from time to time; or (iv) any issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution, and the authority pursuant to sub-paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes of this resolution:
- “Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda or any other applicable law to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution; and

“Rights Issue” means an offer of shares, or an offer or issue of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register of members of the Company on a fixed record date in proportion to their then holdings of shares or class thereof (subject to such exclusion or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction or any recognized regulatory body or any stock exchange).”

B. **“THAT:**

- (a) subject to sub-paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase issued shares in the capital of the Company (“Shares”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the Shares may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Act 1981 of Bermuda and all other applicable laws in this regard, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may be purchased by the Company pursuant to the approval in sub-paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to sub-paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution:
- “Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda or any other applicable law to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors of the Company by this resolution.”

C. **“THAT:**

conditional upon the resolutions numbered A and B set out in the notice convening this meeting being duly passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with shares of the Company pursuant to resolution numbered A in the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the directors of the Company pursuant to such general mandate, an amount representing the aggregate nominal amount of shares in the share capital of the Company which has been purchased by the Company under the authority granted pursuant to resolution numbered B in the notice convening this meeting, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution.”

- D. **“THAT** Mr. See Tak Wah be and is hereby appointed as an independent non-executive director of the Company and the board of directors of the Company be and is hereby authorized to make such amendments (if any) to the bye-laws of the Company as it thinks fit so as to reflect any consequential changes resulting from such appointment.”

By Order of the Board
But Tin Fu
Chairman

Hong Kong Special Administrative Region
of the People’s Republic of China

10 August 2004

As at the date of this notice, the board of directors of the Company comprises But Tin Fu, But Tin Hing, Leung Cheong, Leung Kuen, Ivan, Au Son Yiu and Goh Gen Cheung.

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal place of business:
Unit H, 1st Floor, Phase 4
Kwun Tong Industrial Centre
Nos.436-446 Kwun Tong Road
Kwun Tong
Kowloon
Hong Kong

Notes:

- (1) A member entitled to attend and vote at the annual general meeting of the Company convened by the above notice is entitled to appoint another person or his proxy to attend and, subject to the provisions of the bye-laws of the Company, vote on his behalf. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf. A proxy need not be a member of the Company.
- (2) In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of that power or authority, must be deposited at the office of the Company’s Branch Registrar 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 or adjourned meeting thereof. Completion and return of the form of proxy will not preclude any member from attending and voting in person should he so desire.
- (3) In relation to proposed resolution set out in resolution number 3 set out in this notice regarding re-election of director, Mr. But Tin Hing will retire at the meeting by rotation. He is eligible for re-election.
- (4) In relation to the proposed resolution set out in resolution numbered 6 of the above notice, approval is being sought from the shareholders for amendments to the Bye-laws of the Company to reflect, among others, the amended provisions of Appendix 3 to the Listing Rules which came into effect on 31 March 2004.
- (5) In relation to the proposed resolution set out in resolution numbered 7A of the above notice, approval is being sought from the shareholders for the grant to the directors of the Company of a general mandate to authorize the allotment and issue of shares under the Listing Rules.
- (6) In relation to the proposed resolution set out in resolution numbered 7B of the above notice, an explanatory statement containing the information necessary to enable the shareholders of the Company to make an informed decision as to how to vote on the proposed resolution as required by the Listing Rules is set out in the circular published by the Company on 10 August 2004.
- (7) In relation to the proposed resolution set out in resolution numbered 7D of the above notice, the biographical details of Mr. See Tak Wah are provided in the circular published on the Company on 10 August 2004.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 1 September 2004 to 3 September 2004, both days inclusive, during which period no share transfers shall be registered. In order to qualify for attending the annual general meeting of the Company, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company’s branch share and transfer office, 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 31 August 2004.