



中大国际

Zonda

ZHONGDA INTERNATIONAL HOLDINGS LIMITED

中大國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 909)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company will be held at Garden Rooms A & B, 2/F., Nikko Hotel, 72 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Thursday, 24 June, 2004 at 2:30 p.m. for the following purposes:

1. To receive and consider the financial statements and the reports of the Directors and Auditors for the year ended 31 December, 2003.
2. To re-elect Directors and to authorise the Board of Directors to fix the remuneration of Directors.
3. To re-appoint Auditors and to authorise 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:

ORDINARY RESOLUTIONS

A. “**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures, notes and any securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures, notes and any securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares as scrip dividends in accordance with the Bye-laws of the Company from time to time; or (iii) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any bonds, warrants, debenture, notes and any securities which carry rights to subscribe for or are convertible into shares of the Company; or (iv) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (d) 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; 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 law to be held; or
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to the holders of shares of the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (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 recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

B. “THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company and warrants issued by the Company to subscribe for shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised 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 of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares of the Company which the Directors are authorised to repurchase pursuant to the approval in paragraph (a) above during the Relevant Period (as hereinafter defined) shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution; and the warrants issued by the Company which the Directors are authorized to repurchase pursuant to the approval in paragraph (a) above during the Relevant Period (as hereinafter defined) shall not exceed 10% of the aggregate nominal amount of warrants of the Company outstanding as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier 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 law to be held; or
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

C. “THAT subject to the passing of Ordinary Resolutions Nos. 4A and 4B set out in the notice convening this meeting, the aggregate nominal amount of Shares and warrants in the capital of the Company which are repurchased by the Company under the authority granted pursuant to Ordinary Resolution No. 4B set out in the notice convening this meeting shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to Ordinary Resolution No. 4A set out in the notice convening this meeting, provided that such amount of shares shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Resolution.”

5. To consider as special business and, if thought fit, pass with or without modifications, the following resolution as an Ordinary Resolution:

ORDINARY RESOLUTION

“**THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, any shares of the Company which may fall to be issued pursuant to the exercise of any options under the existing share option scheme of the Company adopted on 8 October, 2001 (the “Scheme”), the directors of the Company be and are hereby authorized to grant further options under the Scheme provided that the total number of shares which may be issued upon exercise of options to be granted under the Scheme on or after the date of this Resolution shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution.”

6. To consider and, if thought fit, pass the following resolution as a Special Resolution of the Company:

SPECIAL RESOLUTION

“**THAT** the Bye-laws of the Company be and are hereby amended in the following manner:

- (a) Bye-law 1
 - (i) by inserting the following new definition of “associate” immediately after the definition of “Act” in existing Bye-law 1:

“associate” the meaning attributed to it in the rules of the Designated Stock Exchange.
 - (ii) by deleting the words “a recognised clearing house within the meaning of Section 2 of the Securities and Futures (Clearing Houses) Ordinance of Hong Kong or” from the definition of “clearing house” in existing Bye-law 1.
- (b) Bye-law 44

By inserting the words “or by any means in such manner as may be accepted by the Designated Stock Exchange” after the words “any Designated Stock Exchange” in the eighth line of existing Bye-law 44;

- (c) Bye-law 48
By inserting the words “of share (not being a fully paid up share)” after the word “transfer” in the first line of existing Bye-law 48(2);
- (d) Bye-law 66
By adding the words “unless a poll is taken as may from time to time be required under the rules of any Designated Stock Exchange or” immediately before the words “unless” in the eleventh line of existing Bye-law 66 (1);
- (e) Bye-law 67
By adding the words “a poll is taken as may from time to time be required under the rules of any Designated Stock Exchange or unless” immediately after the word “Unless” in the first line of Article 67;
- (f) Bye-law 76
By re-lettering the Bye-law 76 as Bye-law 76(1) and adding the following new Bye-law 76(2):
“(2) Where the Company has knowledge that any Member is, under the applicable Statutes and/or the rules and regulations 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 Member in contravention of such requirement or restriction shall not be counted.”;
- (g) Bye-law 84
By replacing existing Bye-law 84(2) with the following new paragraph:
“(2) If a Member is a clearing house (or its nominee(s), and in each case, being a corporation), it may authorize or appoint such person or persons as its thinks fit to act as its corporate representative or representatives to the extent permitted by the Companies Act at any meeting of the Company or at any meeting of any class of members of the Company provided that the authorization or appointment shall specify the number and class of shares in respect of which each such representative is so authorized or appointed. A person so authorized or appointed under the provisions of this Bye-law shall be deemed to have been duly authorized or appointed 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) could exercise as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominees(s)) in respect of the number and class of shares specified in the relevant authorization or appointment including the right to vote individually on a show of hands”;
- (h) Bye-law 86
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” and by deleting the words “special resolution” in the second line of Bye-law 86(4) and replacing them with the words “ordinary resolution”;
- (i) Bye-law 87
By deleting the following words after the word “rotation” in the third line of Bye-law 87(1):
“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”;
- (j) Bye-law 88
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 Director retiring at the meeting, shall, unless recommended by the Director for election, be eligible for election to the office of Director at any general meeting, unless Notice 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 such person for election as a Director and also a Notice signed by the person to be proposed 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 Notices are given, shall be at least seven (7) days. The period for lodgment of such Notices shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven (7) days prior to the date of such meeting.”;
- (k) Bye-law 103
By deleting Bye-law 103 in its entirety and substituting the following new Bye-law 103:
“(1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of 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 by the Company or any of its subsidiaries of any security or indemnity to the Director or his associate(s) 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 by the Company or any of its subsidiaries 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 and whether alone or jointly under a guarantee or indemnity or by the giving of security;
 - (iii) any contract or arrangement or proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his 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, arrangement or proposal 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 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
 - (vi) any proposal 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 associate(s) 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.
- (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) is/are the holder(s) 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 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 or his associate(s) is/are 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 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 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 or not to be 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 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 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 as known to such chairman has not been fairly disclosed to the Board.
- (5) The Company may by ordinary resolution ratify any transaction not duly authorised by reason of a contravention of this Bye-law provided that no Director who is or whose associate(s) is/are materially interested in such transaction, together with any of his associates, shall vote upon such ordinary resolution in respect of any shares in the Company in which they are interested.”;
- (1) Bye-law 122

By deleting the words “all the Directors” in the first line of existing Bye-law 122 and replacing them with the words “the majority of the Directors”; and

(m) Bye-law 157

By deleting the words “the Directors shall as soon as practicable convene a special general special to fill the vacancy” in the third line of existing Bye-law 157 and replacing them with the following words

“the Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Board under this Bye-law may be fixed by the Board.”

By Order of the Board
Xu Lian Guo
Chairman

Hong Kong, 28 May, 2004

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be deposited with the Company's branch registrar in Hong Kong, Standard Registrars Limited at G/F., BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude any member from attending and voting in person at the meeting if the member so wishes.
3. With regard to item no. 2 in this notice, the Board of Directors of the Company proposes that the retiring Directors, namely Mr. Li Xinzhong and Mr. Zhang Yuqing, be re-elected as Directors of the Company. Details of the said retiring Directors are set out in the Appendix II to the circular to shareholders dated 28 May, 2004.

The board of directors comprises:

Executive Directors:

Mr Xu Lian Guo (*Chairman*)

Mr Xu Lian Kuan

Mr Zhang Yuqing

Independent Non-executive Directors

Mr Guo Yao Tian

Mr Chan Wai Dune

Mr Li Xin Zhong

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