

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting of Peace Mark (Holdings) Limited (the "Company") will be held at Boardroom, World Trade Centre Club, 38th Floor, World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong on 29th September, 2000 at 4:00 p.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 31st March, 2000.
2. To re-elect the directors of the Company (the "Directors") and to authorise the Directors to fix their remuneration.
3. To re-appoint auditors for the ensuing year and to authorise the Directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass with or without modification the following resolutions as Ordinary Resolutions:

(A) **"THAT**

- (a) subject to paragraph (c) of this Resolution, and without prejudice to Resolution 4(B) set out in the Notice of this Meeting, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal in shares of HK\$0.10 each in the capital of the Company (the "Shares") and to make or grant offers, agreements and options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements or options which would or 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 given in paragraph (a) of this Resolution, otherwise than pursuant to:

- (i) a Rights Issue (as defined in paragraph (d) of this Resolution);
- (ii) any scrip dividend scheme or similar arrangements implemented in accordance with the Bye-laws of the Company; or
- (iii) an issue of Shares under the Company's share option scheme or any similar arrangements for the time being in force for the grant or issue to employees or directors of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares;

shall not exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of this Resolution, and the said approval shall be limited accordingly; and

- (d) for the purposes of this Resolution:

"Relevant Period" means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the date upon which the authority set out in this Resolution is revoked or varied by way of ordinary resolution in general meeting of the Company; and

"Rights Issue" means an offer of Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of such 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 recognized regulatory body or any stock exchange in, any territory outside Hong Kong)."

(B) **"THAT**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined in Resolution 4(A)(d) set out in the Notice of this Meeting) of all the powers of the Company to purchase securities of the Company on The Stock Exchange of Hong Kong Limited or on any other exchange on which the securities of the Company may be listed and which is recognized by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited, subject to and in accordance with all applicable laws, and in accordance with the provisions of, and in the manner specified in, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited be and the same is hereby generally and unconditionally approved; and
- (b) the aggregate nominal amount of the securities of the Company to be purchased or agreed conditionally or unconditionally to be purchased by the Directors pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company at the date of this Resolution, and the said approval shall be limited accordingly."

(C) **"THAT**

- (a) Subject to paragraph (c) of this Resolution, and without prejudice to Resolution 4(A) set out in the Notice of this Meeting, the exercise by the Directors during the Relevant Period (as defined in Resolution 4(A) (d) set out in the Notice of this Meeting) of all the powers of the Company to allot, issue and deal in securities of the Company in the aggregate nominal amount of those securities of the Company repurchased pursuant to Resolution 4(B) set out in the Notice of this Meeting and to make or grant offers, agreements and options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements or options which would or might require the exercise of such power after the end of the Relevant Period; and
- (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 given in paragraph (a) of this Resolution, otherwise than pursuant to:

- (i) a Rights Issue (as defined in paragraph 4(A) (d) set out in the Notice of this Meeting);
- (ii) any scrip dividend scheme or similar arrangements implemented in accordance with the Bye-laws of the Company; or
- (iii) an issue of Shares under the Company's share option scheme or any similar arrangements for the time being for the grant or issue to employees or directors of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares;

shall not exceed the aggregate nominal amount of share capital repurchased under Resolution 4(B) above, and the said approval shall be limited accordingly."

By Order of the Board
Tsang Kwong Chiu, Kevin
Company Secretary

Hong Kong, 23rd August, 2000

Notes:

1. A member entitled to attend and vote at the Annual General Meeting may appoint one or more proxies to attend the meeting and on a poll to vote instead of him. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notorially certified copy of such power or authority, must be deposited at the Company's Share Registrar in Hong Kong, Secretaries Limited at 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong for registration not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. The Register of Members of the Company will be closed from 26th September to 29th September, 2000, both days inclusive, for the purpose of establishing entitlement of shareholders to vote at the forthcoming Annual General Meeting.
4. A circular containing details regarding Resolutions numbered 4(A), 4(B) and 4(C) set out in this Notice will be sent to shareholders of the Company as soon as practicable.