
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 Fujian Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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FUJIAN HOLDINGS LIMITED

閩港控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 181)

**PROPOSALS
FOR GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SECURITIES,
AMENDMENTS TO ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

This circular is despatch together with the 2004 Annual Report of the Company.

A notice convening the Annual General Meeting of the Company to be held at 10:00 a.m. on Wednesday, 25 August, 2004 at The Boardroom, 1st Floor, South Pacific Hotel, 23 Morrison Hill Road, Wanchai, Hong Kong or any adjournment thereof is set out on pages 10 to 27 of this circular. A form of proxy for use at the annual general meeting is enclosed.

Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the registered office of the Company at Unit 3213, 32nd Floor, Cosco Tower, 183 Queen's Road Central, Hong Kong, as soon as practicable and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

Hong Kong 30 July, 2004

DEFINITIONS

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

“AGM”	The annual general meeting of the Company to be held at 10:00 a.m. on Wednesday, 25 August, 2004 at The Boardroom, 1st Floor, South Pacific Hotel, 23 Morrison Hill Road, Wanchai, Hong Kong
“2004 Annual Report”	the annual report of the Company for the financial year ended 31 March 2004
“Articles”	The articles of association of the Company
“associate(s)”	has the meaning ascribed to it under rule 1.01 of the Listing Rules
“Board”	the board of Directors or a duly authorised committee thereof
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities
“Company”	Fujian Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under rule 1.01 of the Listing Rules
“Directors”	the directors of the Company for the time being
“General Mandate”	a general mandate to allot, issue and otherwise deal with the shares of the Company with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue at the date of the passing of the relevant resolution granting the general mandate;
“Hong Kong”	the Hong Kong Special Administrative Region of the Peoples’ Republic of China
“Latest Practicable Date”	27 July, 2004, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Committee”	the listing committee of the directors of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time

DEFINITIONS

“Repurchase Mandate”	the general and unconditional mandate proposed under ordinary resolution numbered 4(2) in the notice of AGM set out in pages 10 to 27 of this circular to be granted to the Directors to repurchase securities of the Company, the details of which are described on page 7 of this circular
“Share(s)”	ordinary share(s) of HK\$0.125 each (or such other amount as such ordinary share(s) may be divided or consolidated or converted into) in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) in issue
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholders”	has the meaning ascribed to it under rule 1.01 of the Listing Rules
“Takeover Code”	the Hong Kong Code on Takeover and Mergers
“HK\$ and cents”	Hong Kong dollar and cents respectively, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



FUJIAN HOLDINGS LIMITED

閩港控股有限公司

(Incorporated in Hong Kong with limited liability)

Executive Directors:

Wang Xiaowu (*Chairman*)

Mei Qiping

Chen Danyun

Registered office:

Unit 3213, 32nd Floor Cosco Tower,

183 Queen's Road Central,

Hong Kong

Independent non-executive Directors:

Lam Kwong Siu

Cheung Wah Fung, Christopher

30 July, 2004

To the Shareholders

**PROPOSALS
FOR GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SECURITIES,
AMENDMENTS TO ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

Dear Sir or Madam,

1. INTRODUCTION

At the AGM, ordinary resolutions will be proposed to grant to the Directors general and unconditional mandates to issue and repurchase securities of the Company since the previous general mandates granted on 10 May 2004 to the Directors will expire at the AGM and a special resolution will be proposed to amend the Articles to align the changes that will be required under the revised Listing Rules effective on 31 March 2004.

The purpose of this circular is to provide you with information regarding the proposed resolutions relating to the granting of the general mandates and amendment to the Articles to enable you to make an informed voting decision.

LETTER FROM THE BOARD

2. GENERAL MANDATES TO ISSUE SECURITIES

At the AGM, an ordinary resolution will be proposed to grant the Directors a general and unconditional mandate to allot, issue and deal with new securities of the Company up to a maximum of 20% of the aggregate nominal value of the issued share capital of the Company as at the date of passing such resolution. Another ordinary resolution will be proposed to increase the aforesaid 20% limit by the amount of any securities of the Company repurchased by the Company under the authority of the Repurchase Mandate up to a maximum of 10% of the aggregate nominal value of the issued share capital of the Company as at the date of passing of such resolution.

3. GENERAL MANDATES TO REPURCHASE SECURITIES

At the AGM, an ordinary resolution will be proposed that the Directors be granted the Repurchase Mandate to exercise all powers of the Company to repurchase securities not exceeding 10% of the aggregate nominal value of the issued share capital of the Company as at the date of passing of such resolution. The Company's authority is restricted to the purchase of the Company's securities on the Stock Exchange and otherwise in accordance with the Listing Rules.

In accordance with the Share Repurchase Rules, which regulate the repurchase by companies with a primary listing on the Stock Exchange of their own securities, the Company is required to send to Shareholders an explanatory statement containing information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution to approve the purchase by the Company of its own Shares. This explanatory statement is set out in the Appendix I to this circular.

4. AMENDMENTS TO THE ARTICLES

At the AGM, a special resolution will be proposed to amend the Articles. With the coming into force of the amendments to the Listing Rules on 31 March 2004, the Directors proposed to amend the Articles so as to align the changes that will be required under the revised Listing Rules. The main areas of the proposed amendments are as follows:

- (a) definition of recognized clearing house shall be revised in accordance with the Securities and Future Ordinance (as referred to Article 2).
- (b) where the Company has actual knowledge, any Shareholder who is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to vote 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 (as referred to Article 82).
- (c) any matter in which not only the Director but also his associates (as defined in the Listing Rules) has interest, such Director shall abstain from voting at the board meeting of the Company for the purpose of approving such matter and such Director shall not be counted in the quorum of the relevant board meeting (as referred to Article 100).

LETTER FROM THE BOARD

- (d) a minimum of 7 days' period is required for lodgment by Shareholder of a notice to nominate a Director (other than the retiring Director) and for the lodgment by the nominated person of a notice to indicate his willingness to be elected and such notice 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 7 days before the date of such meeting (as referred to Article 105).

In addition, the Board proposes to amend the Articles of Association to provide that the Company may by ordinary resolution remove any Director in accordance with the Companies (Amendment) Ordinance which has come into effect since 13th February 2004 (as referred to Article 107).

The full text of the proposed amendments to the Articles is set out in Resolution No. 5 of the notice of AGM.

5. ANNUAL GENERAL MEETING

Notice of the AGM to be held at 10:00 a.m. on Wednesday, 25 August, 2004 at The Boardroom, 1st Floor, South Pacific Hotel, 23 Morrison Hill Road, Wanchai, Hong Kong, is set out on pages 10 to 27 of this circular. The resolutions relating to the Issue Mandate, the Repurchase Mandate and the amendments to the Articles are set out in full in the notice of AGM in Appendix II. The proposed resolutions relating to the Issue Mandate and the Repurchase Mandate do not require any shareholder to abstain from voting. The Substantial Shareholders of the Company, HC Technology Capital Company Limited, have indicated that they intend to vote in favour of the resolution in respect of the Repurchase Mandate at the AGM

A form of proxy for the AGM is enclosed with this circular. Whether or not you intend to be present at the meeting, you are requested to complete the proxy form and return it to the Company's registered office at the address stated therein and in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the meeting. The completion of a form of proxy will not preclude you from attending and voting at the said meeting in person.

6. PROCEDURE BY WHICH A POLL MAY BE DEMANDED

Pursuant to Article 73 of the Articles of Association, 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 taken as may from time to time be required under the Listing Rules or any other applicable laws, rules and regulations or unless a poll is (before or on the declaration of the result of the show of hands) demanded by :

- (a) the Chairman; or
- (b) at least three members present in person or by proxy for the time being entitled to vote at the meeting; or
- (c) any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

LETTER FROM THE BOARD

- (d) any member or members present in person 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 the shares conferring that right; and a demand for a poll by a person as proxy for a member shall be as valid as if the demand were made by the member himself.

Unless a poll is so taken as required under the Listing Rules or any other applicable laws, rules and regulations or unless a poll be so demanded and the demand is not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.

7. RECOMMENDATION

The Directors believe that the granting of the Issue Mandate, the Repurchase Mandate and the amendments to the Articles are in the best interests of the Company and the Shareholders as a whole and recommend you to vote in favor of such resolutions at the AGM.

8. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquires, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

Yours faithfully,
By order of the Board
Fujian Holdings Limited
WANG XIAOWU
Chairman

APPENDIX I EXPLANATORY STATEMENT ON SHARE REPURCHASE

This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of securities of the Company up to a maximum of 10 percent of the issued share capital of the Company as at the date of passing resolution number 4 (“Ordinary Resolution”) referred to in the notice convening the AGM dated 30 July 2004.

1. SHAREHOLDERS’ APPROVAL

The Share Repurchase Rules provide that all on-market share repurchase made by the Company with and its primary listing on the Stock Exchange must be of fully paid up shares and approved in advance by an ordinary resolution, either by way of a general mandate or by special approval in relation to specific transactions.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued and fully paid-up share capital of the Company comprised 520,000,000 Shares.

Subject to the passing of the Ordinary Resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would allowed to repurchase a maximum of 52,000,000 Shares.

3. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. Such repurchase may, depending on market conditions and funding arrangement at the time, lead to an enhancement of the net assets and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

4. FUNDING OF REPURCHASES

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles and the Laws of Hong Kong.

The Directors do consider that there may be impact on the working capital and the gearing of the company as compared with the position disclosed in the Company’s latest published audited accounts for the year ended 31 March 2004, if any mandate to repurchase securities is exercised in full during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in any circumstances, have a material adverse effect on the working capital and the gearing which in the opinion of the Directors of the Company is from time to time appropriate for the Company to do so.

APPENDIX I EXPLANATORY STATEMENT ON SHARE REPURCHASE

5. SHARE PRICES

Trading in the shares of the Company was suspended from 16 February 2001 to 16 December 2003 and was resumed on 17 December 2003. The highest and lowest prices for the Shares having trade on the Stock Exchange in each of the previous eight months immediately prior to the Latest Practicable Date after the resumption of trading were as follows:–

	Shares	
	Highest HK\$	Lowest HK\$
2003:		
December	0.82*	0.28*
2004:		
January	0.42*	0.33*
February	0.38*	0.25*
March	0.36*	0.28*
April	0.32*	0.24*
May	0.25	0.18
June	0.155	0.238
July (up to the Latest Practicable Date)	0.22	0.229

* Every 10 shares of HK\$0.0125 each was consolidated into one share of HK\$0.125 each pursuant to the special resolution passed on 11 May 2004. The share prices prior to this date were adjusted to conform with the comparative figures.

6. DISCLOSURE OF INTERESTS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchase pursuant to the Repurchase Mandate in accordance with the Listing Rules and the Laws of Hong Kong.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates presently intend to sell Shares to the Company or its subsidiaries under the Repurchase Mandate in the event that the Repurchase Mandate is approved by its Shareholders.

The Company has not been notified by any connected persons (as defined under the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company or its subsidiaries, or that they have undertaken not to do in the event that the Repurchase Mandate is approved by its Shareholders.

7. TAKEOVER CODE

If on the exercise of the power to repurchase securities pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company will increase, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeover Code.

APPENDIX I EXPLANATORY STATEMENT ON SHARE REPURCHASE

As at the Latest Practicable Date, the Substantial Shareholders of the Company, HC Technology Capital Company Limited (“HC Tech”), hold a total of 53.7% of the Company’s issued share capital.

In the event that the Directors exercise in full the power to repurchase securities under the Repurchase Mandate, is so approved, and if there is no change in the issued share capital of the Company between the Latest Practicable Date and prior to the repurchase of securities under the Repurchase Mandate, the shareholding of HC Tech would be increased to approximately 59.67%. Such an increase would give rise to an obligation of HC Tech to make a mandatory offer under Rule 26 of the Code. However, the Directors have no intention to repurchase shares to such an extent which will result in an obligation to make a mandatory offer under Rule 26 of the Code and in the number of Shares held by the public being reduced to less than 25%.

8. SHARES REPURCHASES MADE BY COMPANY

No purchases of shares have been made by the Company itself in the six months prior the Latest Practicable Date, whether on the Stock Exchange or otherwise.

**FUJIAN HOLDINGS LIMITED****閩港控股有限公司**

(Incorporated in Hong Kong with limited liability)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders of the Company will be held at 10:00 a.m. on Wednesday, 25 August, 2004 at The Boardroom, 1st Floor, South Pacific Hotel, 23 Morrison Hill Road, Wanchai, Hong Kong for the following purposes:

1. To receive, consider and adopt the audited financial statements and the reports of the directors and auditors for the year ended 31 March 2004;
2. To re-elect retiring directors and authorise the board to fix the remuneration of the directors;
3. To appoint auditors and to authorise the board 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:

(1) **“THAT:**

- (a) subject to sub-paragraph (c) of this resolution, the exercise by the directors of the Company during the relevant period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the relevant period to make or grant offers, agreements and options which 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) by the directors pursuant to the approval in sub-paragraph (a) of this resolution, otherwise than pursuant to a right issue shall not exceed twenty per cent of the aggregate nominal amount of the issued share capital of the Company, and this 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;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held;
- (iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution in general meeting; and

“right issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (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 any recognised regulatory body or any Stock Exchange).”

- (2) **“THAT:**

- (a) subject to sub-paragraph (b) below, the exercise by the directors of the Company during the relevant period of all the powers of the Company to purchase its own securities, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the shares to be repurchased by the Company pursuant to paragraph (a) of this resolution during the relevant period shall not exceed 10 per cent of the shares of the Company in issue at the date of this resolution; 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 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 on which the authority set out in this resolution is revoked or varied by way of ordinary resolution in general meeting.”

- (3) “**THAT**, conditional upon the resolutions 4(1) and 4(2) in the notice convening this meeting being passed, the aggregate nominal amount of the number of shares which are repurchased by the Company after this resolution becoming effective (up to maximum of 10 per cent of the issued share capital of the Company in issue at the date of this resolution) 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 of the Company pursuant to the resolution 4(1) in the said notice referred to above.”
5. As special business, to consider and, if thought fit, pass the following resolution as a Special Resolution:
- “**THAT** the Article of Association of the Company be and are hereby amended in the following manner:
- (1) Article 2
- (a) by deleting the definition of “associate” in its entirety and substituting therefore the following new definition:
- “associate” in relation to any Director, shall have the same meaning as defined under Rule 1.01 of the Listing Rules.
- (b) by adding the following definition immediately after the definition of “the Chairman”:
- “Clearing house” shall mean a “recognised clearing house” within the meaning of Part 1 Schedule 1 to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and any amendments thereto or re-enactments thereof for the time being in force;
- (c) by adding the following definitions immediately after the definition of “dollars”:
- “electronic communications” shall mean a communication sent by electronic transmission in any form through any medium;
- “Listing Rules” means the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited as amended from time to time;
- (d) by adding the following definition immediately after the definition of “register”:
- “relevant financial documents” shall have the same meaning as defined under the Companies Ordinance.

- (e) by adding the following definition immediately after the definition of “shareholders”:

“special notice” in relation to a resolution shall have the meaning ascribed thereto in Section 116C of the Companies Ordinance;

- (f) by adding the following definition immediately after the definition of “the Stock Exchange”:

“summary financial report” shall have the same meaning as defined under the Companies Ordinance.

- (g) by deleting the definition of “writing” or “printing” in its entirety and substituting therefore the following new definition:

“writing” or “printing” shall include written or printed or printed by lithography or printed by photography or typewritten or produced by any other modes of representing words or figures in a visible form or, to the extent permitted by, and in accordance with all applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or partly in one visible form and partly in another visible form;”

- (h) by adding the new paragraph before the last paragraph:

“References to a document being executed include references to its being executed under hand or under seal or, to the extent permitted by, and in accordance with the Companies Ordinance and other applicable laws, rules and regulations, by electronic signature or by any other method. References to a document, to the extent permitted by, and in accordance with the Companies Ordinance and other applicable laws, rules and regulations, include references to any information in visible form whether having physical substance or not;”

- (2) Article 3(a)

by deleting Article 3(a) in its entirety and substituting therefore the following:

“The share capital of the Company at the date of adoption of these Articles is divided into shares of HK\$1.00 each. Pursuant to various resolutions passed on 3 November 2003, the share capital of the Company is divided into shares of HK\$0.0125; and pursuant to various resolutions passed on 10 May 2004, the share capital of the Company is divided into shares of HK\$0.125 each.”.

(3) Article 15

by adding the words “within a prescribed period as required under the Companies Ordinance and/or the Listing Rules after” after the word “or” in the third line of Article 15 and deleting the words “without payment” in the second line, (or within such other period as the conditions of issue shall provide)” in the third and fourth lines and “after the first” in the ninth line of Article 15;

(4) Article 36

by deleting the Article 36 in its entirety and substituting therefore the following:

“All transfers of shares may be effected by transfer in writing in the usual common form or in such other form as the Board may accept. In the case of a corporate transferor or transferee, the transfer may be executed by such mechanical form of signature as the Board may approve in the case of any particular company subject to such conditions as the Board may think fit to impose;

(5) Article 37

by deleting Article 37 in its entirety and substituting therefore the following:

“The instrument of transfer of any share shall be executed by or on behalf of the transferor and by or on behalf of the transferee, and shall be executed with a manual signature or machine imprinted signature by or on behalf of the transferor or transferee provided that in the case of execution by machine imprinted signature by or on behalf of the transferor or transferee, the Company shall have previously been provided with a list of specimen signatures of the authorised signatories of such transferor or transferee and the Board shall be reasonably satisfied that such machine imprinted signature corresponds to one of those specimen signatures. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof. Nothing in these Articles shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.”

(6) Article 42

by adding the words “within a prescribed period as required under the Companies Ordinance and/or the Listing Rules” after the word “issued” in the third line of Article 42 and deleting the words “without charge” in the third and last lines of Article 42;

(7) Article 73

(a) by adding the words “unless a poll is taken as may from time to time be required under the Listing Rules or any other applicable laws, rules and regulations or” before the word “unless” in the second line of the first paragraph of Article 73;

- (b) by inserting the sentence “; and a demand for a poll by a person as proxy for a member shall be as valid as if the demand were made by the member himself.” at the end of Article 73 (iv);
- (c) by inserting the words “a poll is so taken as required under the Listing rules or any other applicable laws, rules and regulations or unless” after the word “Unless” at the beginning of the second paragraph of Article 73;

(8) Article 78

- (a) by adding the words “the Listing Rules or any other applicable laws, rules and regulations or” after the words “Subject to” in the first line of Article 78;
- (b) by adding the words “or representatives (as the case maybe)” after the word “representative” in the fifth line of Article 78;
- (c) by inserting a new paragraph as Article 78A:

“If a clearing house (or its nominee(s)) is a member of the Company, it may authorise or appoint such person(s) as it thinks fit to act as its representative(s) or proxy(ies) at any meeting of the Company or at any meeting of any class of members of the Company provided that, if more than one person is so authorised or appointed, the authorisation or instrument of proxy shall specify the number and class of shares in respect of which each such person is so authorised or appointed. A person so authorised or appointed under the provisions of this Article shall be entitled to exercise the same powers on behalf of the clearing house (or its nominee(s)) which he represents as that clearing house (or its nominee(s)) could exercise as if such person were an individual member of the Company including, where applicable, the right to vote individually on a show of hands notwithstanding any contrary provisions contained in these Articles.”

(9) Article 82

By adding the following new paragraph and its marginal note as Article 82(c):

- | | |
|---|--|
| Voting in contravention
to Listing Rules | (c) Where any member is, under the 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.”; |
|---|--|

(10) Article 89

by deleting Article 89(b) in its entirety

(11) Article 93

by adding the sentence “ Section 153 B(1) of the Companies Ordinance shall not apply to an alternate Director appointed pursuant to these Articles.” at the end of paragraph (c) of Article 93:

(12) Article 99

by adding the words “ an ordinary resolution of the Company under Article 107” after the word “by” in the first line and deleting the words “notice in writing served upon him signed by all his co-Directors” in the first and second lines of paragraph (vi) of Article 99 (a).

(13) Article 100

(a) by adding the words “interested or has an associate who is interested” and “ or the interest of his associate” after the word “is” in the first line and the word “interest” in the fourth line respectively and deleting the word “interested” in the second line of paragraph (g) of Article 100;

(b) by adding the words “or any of his associates” after the word “he” in the first line of paragraphs (i) and (ii), replacing the word “interest” with “interested” in the first line and adding the words “or them” after the word “him” in the third line of paragraph (ii) of Article 100(g);

(c) by deleting Article 100(h) in its entirety and substituting therefore the following:

(h) A Director shall not vote (or be counted in the quorum at a meeting) in relation to any resolution relating to any contract or arrangement or other proposal in which he has an interest which (taken together with any interest of any of his associates) is to his knowledge a material interest and, if he purports to do so, his vote shall not be counted, 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:

(i) 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;

- (ii) 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;
 - (iii) where the Company or any of its subsidiaries is offering securities in which offer the Director or any of his associates is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which any of them is to participate;
 - (iv) 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;
 - (v) 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;
 - (vi) 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 to the employees to which the fund or scheme relates;
 - (vii) 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 to the employees to whom the contract relates; and
 - (viii) any contract for the purchase or maintenance for any Director or Directors of insurance against any liability.
- (d) By deleting Article 100(i) in its entirety and substituting therefore the following:

A company shall be deemed to be a company in which a Director and any of his associate(s) in aggregate own 5 per cent. or more if and so long as (but only if so long as) he and his associate(s) in aggregate are (either directly or indirectly) the holders of or beneficially interested in 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 party through which the interest of the Director or that of his associate is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or any of his associates as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the interest of the Director or any of his associate(s) is 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 any of his associate(s) is interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.

- (e) by deleting the words “together with any of his associates hold”, and “that Director” in the first and third lines respectively of Article 100(j) and substituting therefore that words “and any of his associate(s) in aggregate own” and “he” respectively;
- (f) by adding the words ‘or any of his associate(s)’ immediately after ‘(other than the Chairman of meeting)’, “concerned”, “meeting” and “Chairman” in the third, ninth, eleventh and fifteenth lines of Article 100(k) respectively;
- (g) by deleting Article 100(l) in its entirety;

(14) Article 105

- (a) by adding the words “by a member of the Company”, “lodged with the registered office of” and “The minimum length of the period of such notice shall be” after the words “writing”, “have been” and “Company” in the third and sixth lines of Article 105 respectively and deleting the words “given to”, “at least” and “before the date of the general meeting” in the sixth and seventh lines in Article 105 respectively.
- (b) by adding the sentence “The period for lodgement of such notices shall commence no earlier than the day after the dispatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting” at the end of Article 105.

(15) Article 107

By deleting Article 107 in its entirety and substituting therefore the following Article and its marginal note:

Power to remove Director by ordinary resolution	107. The Company may by ordinary resolution remove any Director (including a Managing Director or other Executive Director) before the expiration of his period of office notwithstanding anything in these Articles or
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in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract of service between him and the Company). Special notice is required of a resolution to remove a Director or to appoint somebody in place of a Director so removed at the general meeting at which he is removed in accordance with the Companies Ordinance. Any person so elected and appointed to fill the vacancy of a removed Director shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

(16) Article 163

By deleting Article 163 in its entirety and substituting therefore the following Article and its marginal note:

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| Relevant financial documents and summary financial report | 163.(a) The Board shall from time to time in accordance with the provisions of the Companies Ordinance cause to be prepared and laid before the Company at its annual general meeting the relevant financial documents. |
| | (b) Subject to paragraph (c) of this Article, the Company shall in accordance with the Companies Ordinance and any other applicable laws, rules and regulations, deliver or send to every entitled person a copy of the relevant financial documents of the Company or a copy of the summary financial report in place of a copy of the relevant financial documents from which the report is derived, not less than twenty-one days before the date of the general meeting of the Company concerned (or such other time as is permitted under the Companies Ordinance and any other applicable laws, rules and regulations). Provided that this Article shall not require |

a copy of these documents to be sent to more than one of the joint holders of any shares or debentures or to any member of, or any holder of debentures, who is not entitled to receive notices of general meetings of the Company and of whose address the company is unaware, but any member or holder of debentures of the Company to whom a copy of these documents has not been sent, shall be entitled to receive a copy of these documents free of charge on application at the registered office of the Company.

- (c) Where any entitled person has, in accordance with the Companies Ordinance and any other applicable laws, rules and regulations, agreed to his having access to the relevant financial documents and/or the summary financial report of the Company on the Company's computer network as mentioned in Article 168(v) or, to the extent permitted by, and in accordance with the Companies Ordinance and any other applicable laws, rules and regulations, in any other manner (including any other form of electronic communication) instead of being sent the documents or report, as the case may be (an "assenting person"), the publication or making available by the Company, in accordance with the Companies Ordinance and any other applicable laws, rules and regulations, on the Company's computer network referred to above of the relevant financial documents and/or the summary financial report throughout the period beginning not less than twenty-one days before the date of the general meeting of the Company concerned and ending on such date in accordance with the Companies Ordinance and any other applicable laws, rules and regulations (or such other period or time as is permitted under the Companies

Ordinance and other applicable laws, rules and regulations) shall be treated as having sent a copy of the relevant financial documents or a copy of the summary financial report to an assenting person in satisfaction of the Company's obligations under paragraph (b) of this Article.

(17) Article 167, 168, 169 and 170

By deleting Articles 167, 168, 169 and 170 in their entirety and substituting therefore the following new Articles and their marginal notes:

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| Address for notice. | 167. Every entitled person shall register with the Company an address either in Hong Kong or elsewhere to which notices can be sent and if any member shall fail so to do, notice may be given to such member by sending the same in any of the manners hereafter mentioned to his last known place of business or residence, or if there be none, by posting the same for one day at the registered office of the company or by posting the same on the website of the Company or any other electronic means. In the case of the joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register of members and notice so given shall be sufficient notice to all the joint holders. |
| Service of notices. | 168. Any notice or document (including any "corporate communication" as defined in the Listing Rules), whether or not to be given or issued under the Companies Ordinance, other applicable laws, rules and regulations or these presents from the Company, may be served or delivered by the Company upon any entitled person:

<div style="margin-left: 40px;"><p>(i) personally;</p><p>(ii) by sending it through the post in a prepaid envelop or wrapper addressed to such person at his registered place of address;</p></div> |

- (iii) by advertisement in English in at least one English language newspaper and in Chinese in at least one Chinese language newspaper being in each case a newspaper published daily and circulating generally in Hong Kong and specified or permitted for this purpose by the Companies Ordinance and any other applicable laws, rules and regulations, and for such period as the Board shall think fit to the extent permitted by, and in accordance with the Companies Ordinance and other applicable laws, rules and regulations;
- (iv) by sending or transmitting it as an electronic communication to such person at any telex or facsimile transmission number or electronic address or computer network or website supplied by him to the Company for the giving of notice or document from the Company to him to the extent permitted by, and in accordance with the Companies Ordinance and other applicable laws, rules and regulations;
- (v) by publishing it on the Company's computer network and giving to such person a notice in accordance with the Companies Ordinance, any other applicable laws, rules and regulations stating that the notice or other document is available there (a "notice of publication") to the extent permitted by, and in accordance with the Companies Ordinance and any other applicable laws, rules and regulations. The notice of publication may be given to such person by any of the means set out in paragraphs (i) to (iv) or (vi) of this Article; or

- (vi) by sending or otherwise making available to such person through such means to the extent permitted by, and in accordance with, the Companies Ordinance and any other applicable laws, rules and regulations.

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.

When notice deemed to be served.

169.(a) Any notice or other document (including any “corporate communication” as defined in the Listing Rules) given or issued by or on behalf of the Company:

- (i) if served or delivered in person, shall be deemed to have been served or delivered at the time of personal service or delivery, and in proving such service or delivery, a certificate in writing signed by the Secretary (or other officer of the Company or such other person appointed by the Board) that the notice or document was so served or delivered shall be conclusive evidence therefore;
- (ii) if served or delivered by post, shall be deemed to have been served or delivered on the day following that on which the envelop or wrapper containing the same is put into a post office situated within Hong Kong, and in proving such service or delivery, it shall be sufficient to prove that the envelop or wrapper containing the notice or document was properly prepaid, addressed and put into such post office. A certificate in writing signed by the Secretary (or such other officer of the Company or such other person appointed by the Board) that the envelope or wrapper containing the notice or other document was so prepaid, addressed and put into such post office shall be conclusive evidence therefore;

- (iii) if sent or transmitted as an electronic communication in accordance with Article 168 (iv) or through such means in accordance with Article 168 (vi), shall be deemed to have been served or delivered at the time of the relevant dispatch or transmission. A notice or document published in the company's computer network in accordance with Article 168(v), shall be deemed to have been served or delivered on the day following that on which a notice of publication is sent to the entitled person. In proving such service or delivery, a certificate in writing signed by the Secretary (or such other officer of the Company or such other person appointed by the Board) as to the fact and time of such service, delivery, dispatch, transmission or publication shall be conclusive evidence provided that no notification that the electronic communication has not reached its recipient has been received by the sender, except that any failure in transmission beyond the sender's control shall not invalidate the effectiveness of the notice or document being served; and
- (iv) if served by advertisement in newspaper in accordance with Article 168(iii), shall be deemed to have been served on the day on which such notice or document is first published.

Choice of language.

- (b) Subject to the Companies Ordinance and any other applicable laws, rules and regulations, any notice or other document (including but not limited to the documents referred to in Article 163 and "corporate communication" as defined in the Listing Rules) may be given by the Company in the English language only, in the Chinese language only or in both. Where a person has in accordance with the Companies Ordinance and any other applicable laws, rules and regulations consented to receive notices

and other documents (including but not limited to the documents referred to in Article 163 and any corporate communication as defined in the Listing Rules) from the company in the English language only or the Chinese language only but not both, it shall be sufficient for the Company to serve on or deliver to him any such notice or document in such language only in accordance with these presents unless and until there is a notice of revocation or amendment of such consent given or deemed to have been given by such person to the Company in accordance with the Companies Ordinance and any other applicable laws, rules and regulations which shall have effect in respect of any notice or document to be served on or delivered to such person subsequent to the giving of such notice of revocation or amendment.

Service of notice to persons entitled on death, mental disorder or bankruptcy of a member.

170. A notice or document may be given by or on behalf of the Company to the person(s) entitled to a share in consequence of death, mental disorder or bankruptcy of a member in such manner as provided in Article 168 in which the same might have been give if the death, mental disorder or bankruptcy had not occurred.

(18) Article 172

By deleting the words “by post or left at the registered address of any member in pursuance of these presents” in the first and second lines of Article 172 and substituting therefore the words “to any member in such manner as provided in Article 168”;

(19) Article 173

By deleting the words “written or printed” in Article 173 and substituting therefore the words “ written, printed or made electronically”;

(20) Article 178

(a) by deleting the words “paragraph (c) of the provision to” in the fourth line of paragraph (a) of Article 178 and substituting therefore the words “paragraph (2) of ”;

- (b) by deleting the words “ Section 165 of” in the first line of paragraph (b) of Article 178 and substituting therefore the words “the provisions of and so far as may be permitted by”;
- (c) by adding following new paragraph as Article 178(c):
 - (c) Subject to the provisions of and so far as may be permitted by the Companies Ordinance, the Company may purchase and maintain for any officer of the Company:
 - (i) insurance against any liability to the Company, a related company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for fraud) of which he may be guilty in relation to the Company or a related company; and
 - (ii) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or a related company.

In this Article 178(c), “related company” means any company that is the Company’s subsidiary or holding company or a subsidiary of the Company’s holdings company.

By Order of the Board
Fujian Holdings Limited
Man Miu Sheung
Company Secretary

Hong Kong, 30 July, 2004

Notes:

1. Any member of the Company entitled to attend and vote at the meeting by the above notice is entitled to appoint another person as his proxy to attend and vote on his behalf. A member who is the holder of two or more shares of the Company may appoint more than one proxy to attend and vote on his behalf at the meeting. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy, together with any power of attorney or other authority (if any) under which it is signed or a certified copy of such power of attorney or other authority, **MUST** be deposited at the registered office of the Company at Unit 3213, 32nd Floor Cosco Tower, 183 Queen's Road Central, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude members from attending and voting in person at the meeting or any adjournment thereof should they so wish.
3. Where there are joint holders of any share, any one of such persons may vote at the meeting either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of such joint holding.
4. A form of proxy for use at the meeting is enclosed herewith.