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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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Tingyi (Cayman Islands) Holding Corp. (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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康師傅控股有限公司*

TINGYI (CAYMAN ISLANDS) HOLDING CORP.

(在開曼群島註冊成立之有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 322)

Executive Directors:

Mr. Wei Ing-Chou

(Chairman and Chief Executive Officer)

Mr. Takeshi Ida (Vice-Chairman)

Mr. Ryo Yoshizawa (Vice Chief Executive Officer)

Mr. Wei Ying-Chiao

Mr. Wu Chung-Yi

Mr. Jun-Ichiro Ida

Hong Kong Office:

Suite 3807

38th Floor

Central Plaza

18 Harbour Road

Wanchai

Hong Kong

Independent Non-executive Directors:

Mr. Hsu, Shin-Chun

Mr. Katsuo Ko

20th April 2004

To the shareholders of the Company

Dear Sir or Madam,

PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION, GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE ITS OWN SHARES AND NOTICE OF ANNUAL GENERAL MEETING

I. Introduction

The purpose of this circular is to provide you with information regarding (i) the proposed amendments to the Articles of Association of the Company (the “Articles”); and (ii) the proposed granting of general mandates to the directors of the Company (the “Directors”) to issue and allot shares of the Company and to exercise the power of the Company to repurchase its own shares. Such proposals will be considered at the forthcoming annual general meeting of the Company to be held on 18th May 2004 at 3:00 p.m. at the Conference Room, No.15, the 3rd Avenue, Tianjin Economic-Technological Development Area, Tianjin, The People’s Republic of China (the “Annual General Meeting”).

II. Amendments to the Articles

The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) has revised the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and the new Listing Rules took effect on 31st March 2004. In addition, the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”) became effective on 1st April 2003. The board of Directors therefore proposes to make certain amendments to the Articles in compliance with the new Listing Rules and at the same time bring the Articles up to date with the SFO.

* For identification purposes only

A summary of the proposed amendments to the Articles is set out below:

Article 2	Amendments regarding adoption of the definitions of “associate” and “clearing house” within the meaning of the Listing Rules and SFO respectively
Articles 41(A) & (B)	Amendments regarding the effectiveness of imprinted signatures on behalf of any recognised clearing house on transfer deeds
New Article 74A	A new provision in respect of votes cast in contravention of the Listing Rules
Article 86A	Amendments regarding the appointment of multiple proxies or corporate representatives by a recognised clearing house and/or its nominees to attend and vote at any meetings of the shareholders
Article 89	Amendments regarding disclosure of information on proposed Directors before election at general meeting and notices to be given in relation thereto
Articles 113(E) & (F)	Amendments regarding voting of Directors at board meeting on any matter in which a Director and/or his associates has/have a material interests as required under Appendix 3 to the new Listing Rules

Specific amendments to the Articles that are proposed have been set out in the notice of Annual General Meeting which is contained in this circular.

III. **General Mandates**

1. **General Mandate to Repurchase Shares**

A resolution will be proposed at the Annual General Meeting to grant a general mandate to the Directors to exercise the powers of the Company to undertake repurchases of the Company’s fully paid up shares representing up to a maximum of 10% of the issued share capital of the Company as at the date of passing the relevant resolution (the “Repurchase Mandate”).

An explanatory statement required to be sent to you in compliance of the requirements under the Listing Rules is contained in the Appendix to this circular.

2. **General Mandate to Issue Shares**

A resolution will also be proposed at the Annual General Meeting to seek your approval to grant the Directors a general mandate to authorise the allotment and issue of shares up to 20% of the issued share capital of the Company as at the date of passing the relevant resolution (the “Issue Mandate”). In addition, a resolution will also be proposed to authorise the extension of the Issue Mandate, which would increase the limit of the Issue Mandate by adding to it the number of shares repurchased by the Company under the Repurchase Mandate.

IV. **Annual General Meeting**

A notice convening the Annual General Meeting is set out on page 5 to 8 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed herewith. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority, at the Company’s principal place of business in Hong Kong at Suite 3807, 38/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and delivery of the form of proxy will not prevent you from attending and voting at the Annual General Meeting.

V. **Recommendation**

The Directors believe that the proposed amendments to the Articles, and the proposed granting of the Issue Mandate and the Repurchase Mandate to the Directors are in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors recommend that all the shareholders should vote in favour of the resolutions to be proposed at the Annual General Meeting in respect thereof.

VI. **General**

Your attention is drawn to the Appendix to this circular.

Yours faithfully,
On behalf of the board
Wei Ing-Chou
Chairman

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to you for your consideration of the proposed Repurchase Mandate.

1. Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) *Source of Funds*

Repurchases must be made out of funds which are legally available for such purpose in accordance with the laws of the Cayman Islands and the memorandum and articles of association of the company.

(b) *Maximum number of shares to be repurchased and subsequent issues*

A maximum of 10% of the issued share capital of the company as at the date of passing the relevant resolution granting the general mandate may be repurchased on the Stock Exchange.

(c) *Shares to be repurchased*

The Listing Rules provide that the shares which are proposed to be repurchased by a company must be fully paid up.

2. Share Capital

As at 16th April 2004, being the latest practicable date prior to the printing of this document for ascertaining certain information referred to in this document (the "Latest Practicable Date"), the Company had 5,588,705,360 shares of US\$0.005 in issue.

Subject to the passing of the ordinary resolution to approve the Repurchase Mandate, and on the basis that no further shares will be issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to purchase a maximum of 558,870,536 fully paid up shares representing 10% of the issued share capital of the Company.

3. Reasons for Repurchases

Whilst the Directors do not presently intend to repurchase any shares of the Company, they believe that it is in the best interests of the Company and its shareholders to have a general authority from shareholders to enable the Directors to repurchase shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement in the value of the shares and/or earnings per share and will only be made when the Directors believe that such repurchases will benefit the Company and its shareholders.

4. Funding of Repurchases

In repurchasing shares, the Company may only apply its available cash flow or working capital facilities which will be funds legally available for such purpose in accordance with the laws of the Cayman Islands and the Memorandum and Articles of Association of the Company. Such funds include profits available for distribution and the proceeds of fresh issues of shares made for the purpose of the repurchases.

If the Repurchase Mandate were exercised in full, there could be a material adverse effect on the working capital position of the Company and its subsidiaries (the "Group") or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Group (as compared with the position disclosed in the audited consolidated accounts as at 31st December 2003). The Directors therefore do not propose to exercise the Repurchase Mandate to such an extent unless the Directors determined that such repurchases were taking account of all relevant factors, in the best interests of the Group.

5. Share Prices

The highest and lowest prices at which shares of the Company have been traded on the Stock Exchange during each of the months from May 2003 to the Latest Practicable Date were as follows:

	Price per share	
	Highest (HK\$)	Lowest (HK\$)
2003		
May	1.64	1.35
June	1.59	1.35
July	1.63	1.44
August	1.62	1.42
September	1.80	1.43
October	1.82	1.60
November	1.80	1.62
December	1.90	1.74
2004		
January	2.675	1.95
February	2.40	2.20
March	2.40	2.15
April [#]	2.375	2.175

[#] Up to and including the Latest Practicable Date.

6. Undertaking

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention to sell any shares to the Company or its subsidiaries under the Repurchase Mandate if such Repurchase Mandate is approved by the shareholders of the Company.

The Directors have undertaken to the Stock Exchange that, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the laws of the Cayman Islands.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell shares to the Company or have undertaken not to do so in the event that the Repurchase Mandate is approved by the shareholders of the Company.

7. Hong Kong Code on Takeovers and Mergers

If as a result of a share repurchase by the Company, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Accordingly, a shareholder, or a group of shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Ting Hsin (Cayman Islands) Holding Corp. ("Ting Hsin") held 1,854,827,866 shares of US\$0.005 each in the Company, representing approximately 33.1889% of the issued share capital of the Company. Ting Hsin is beneficially owned as to approximately 55.10% by Ho Te Investments Limited, as to approximately 27.91% by Wu Chung-Yi through Gishshin Venture Capital Inc. and as to the remaining 16.99% by unrelated third parties. Ho Te Investments Limited is beneficially owned as to 25% by Wei Ing-Chou, 25% by Wei Ying-Chiao, and the remaining 50% is owned by Wei Yin-Chun and Wei Yin-Heng (brothers of the above two directors) in equal proportion. In addition, Sanyo Foods Co., Ltd. ("Sanyo") also held 1,854,827,866 shares of US\$0.005 each in the Company as at the Latest Practicable Date. If the Company exercises the right to repurchase the maximum of 558,870,536 shares in the Company, the respective percentage of shareholdings held by each of Ting Hsin and Sanyo will increase from 33.1889% to 36.88%. Such increase may give rise to an obligation for Ting Hsin and Sanyo to make a mandatory offer under Rule 26 of the Takeovers Code. However, the Company may not repurchase shares which would result in the amount of shares held by the public being reduced to less than 25%. The Directors will be cautioned in exercising the Repurchase Mandate and have no intention to exercise the Repurchase Mandate to such extent which would result in Ting Hsin and Sanyo becoming obliged to make a mandatory offer.

8. Repurchases made by the Company

During the previous six months preceding the latest applicable date, the Company did not repurchase any shares of the Company through the Stock Exchange or otherwise.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING of the Company will be held at the Conference Room, No. 15, the 3rd Avenue, Tianjin Economic-Technological Development Area, Tianjin, The People's Republic of China ("PRC") on Tuesday, 18th May 2004 at 3:00 p.m. for the following purposes:

As Ordinary Business:

1. To receive and consider the audited accounts and the reports of the directors and the auditors for the year ended 31st December 2003;
2. To declare the payment of a final dividend for the year ended 31st December 2003;
3. To elect and re-elect the directors of the Company ("Directors");
4. To re-appoint Moores Rowland Mazars, Certified Public Accountants, as auditors of the Company and authorize the Directors to fix their remuneration;

As Special Business:

To consider and, if thought fit, pass with or without amendments, each of the following resolutions as special resolution or ordinary resolution (as the case may be) of the Company:

SPECIAL RESOLUTION

5. **"THAT** the Articles of Association of the Company be and are hereby amended in the following manner:
 - (a) by adding the following definition of "associate(s)" in Article 2:

""associate(s)" in relation to any Director, shall have the meaning ascribed to it under the Listing Rules;"
 - (b) by adding the following definition of "Listing Rules" in Article 2:

""Listing Rules" shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time);"
 - (c) by deleting the existing definition of "recognised clearing house" in Article 2 and substituting therefor the following:

""recognised clearing house" shall mean a recognised clearing house as referred to in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or a clearing house or authorised share depository 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;"
 - (d) by deleting the existing Article 41(A) and substituting therefor the following:

"(A) Subject to the Law, all transfers of shares may be effected by an instrument of transfer in writing in any usual or common form or in any other form acceptable to the Board and may be under hand only or if the transferor or the transferee is a recognised clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Directors may approve from time to time.";
 - (e) by deleting the existing Article 41(B) and substituting therefor by the following:

"(B) The instrument of transfer shall be executed by or on behalf of both the transferor and the transferee provided that the Directors may dispense with the execution of the instrument of transfer by the transferee in any case which they think fit in their discretion to do so. Without prejudice to Article 41(A), the Directors may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers.";
 - (f) by adding the following as a new Article 74A immediately after Article 74:

"74A Where any shareholder 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 shareholder in contravention of such requirement or restriction shall not be counted.";

(g) by deleting the existing Article 86A and substituting therefor by the following:

“86A If permitted by the Law and without limiting the generality of Article 86, if a recognised clearing house (or its nominee) is a member of the Company, it (or as the case may be, its nominee) may authorise such person or persons as it thinks fit to act as its proxy or proxies or representative or representatives 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, the proxy form or authorisation shall specify the number and class of shares in respect which each such person is so authorised. Each person so authorised under this Article shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee) which he represents as that recognised clearing house (or its nominee) could exercise if it were an individual member of the Company, and on show of hands, each such person shall be entitled to a separate vote notwithstanding any contrary provisions contained in these Articles. The number of persons a recognised clearing house (or its nominee) may appoint to act as its representative(s) shall not exceed the number of shares held by that recognised clearing house (or its nominee), being shares in respect of which there is an entitlement to attend and vote at the relevant meeting.”;

(h) by deleting the existing Article 89 and substituting therefor the following:

“89 No person, other than a retiring Director, shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting, unless notice in writing by some member (not being the person to be proposed) entitled 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 given to the Company at least 7 days before the date of the general meeting appointed for such election. The period for lodgment of the notice required under this article 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 days prior to the date of such meeting.”;

(i) by deleting the existing Article 113(E) and substituting therefor the following:

“(E) Save as otherwise provided by the Articles, a Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associates has to the knowledge of such Director a material interest, and, if he shall do so, his vote shall not be counted, but this prohibition shall not apply to any of the following proposals, contracts or arrangements, namely:

- (i) the giving of any security or indemnity either:
 - (a) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
 - (b) 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;
- (ii) any 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;
- (iii) any 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 shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in 5 per cent or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associates is derived) or of the voting rights;
- (iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or

- (b) 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 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; and
 - (v) 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.”;
- (j) by deleting the existing Article 113(F) and substituting therefor the following:

“(F) 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 his associate(s) or as to the entitlement of any Director (other than the chairman) to vote and to be included in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting, 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 or his associate(s) concerned as known to such Director has not been fairly disclosed to the other Directors. 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 be counted in the quorum but 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 or his associate(s) as known to such chairman has not been fairly disclosed to the other Directors.”;

and **THAT** any director of the Company be and is hereby authorised to take such further actions as he/she may in his/her sole and absolute discretion thinks fit for and on behalf of the Company to implement the aforesaid amendments to the existing Articles of Association of the Company.”

ORDINARY RESOLUTIONS

6. **“THAT** there be granted to the Directors an unconditional general mandate to issue, allot and deal with additional shares in the capital of the Company, and to make or grant offers, agreements and options in respect thereof, subject to the following conditions:
- (a) such mandate shall not extend beyond the Relevant Period save that the Directors may during the Relevant Period make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
 - (b) the aggregate nominal amount of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors otherwise than pursuant to
 - (i) a Rights Issue, and
 - (ii) 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 per cent of the aggregate nominal amounts of the share capital of the Company in issue as at the date of passing of this Resolution; 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;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law to be held; and
 - (iii) the revocation or variation of this Resolution by an Ordinary Resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means the allotment or issue of shares in the Company or other securities which would or might require shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company (excluding for such purpose any shareholder who is resident in a place where such offer is not permitted under the law of that place) and, where appropriate, the holders of other equity securities of the Company entitled to such offer, pro rata (apart from fractional entitlements) to their existing holdings of shares or such other equity securities.

7. “**THAT** there be granted to the Directors an unconditional general mandate to repurchase shares in the capital of the Company, and that the exercise by the Directors of all powers of the Company to purchase shares subject to and in accordance with all applicable laws, rules and regulations be and is hereby generally and unconditionally approved, subject to the following conditions:
- (a) such mandate shall not extend beyond the Relevant Period;
 - (b) such mandate shall authorize the Directors to procure the Company to repurchase shares at such prices as the Directors may at their discretion determine;
 - (c) the aggregate nominal amount of the shares repurchased by the Company pursuant to paragraph (a) of this Resolution during the Relevant Period 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; and
 - (d) 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;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law to be held; and
 - (iii) the revocation or variation of this Resolution by an Ordinary Resolution of the shareholders of the Company in general meeting.
8. “**THAT**, conditional upon the passing of Resolutions 6 and 7 set out above, the aggregate nominal amount of the shares which are repurchased by the Company pursuant to and in accordance with Resolution 7 above shall be added to the aggregate nominal amount of the shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to and in accordance with Resolution 6 above.”

By Order of the Board
Ip Pui Sum
Company Secretary

Tianjin, PRC, 20th April 2004

Notes:

1. The register of members of the Company’s Shares will be closed from 12th May 2004 to 18th May 2004, both days inclusive, for the purpose of determining a Shareholders’ list for the Meeting and proposing the payment of a final dividend. In order to qualify for the proposed final dividend, all transfer accompanied by the relevant share certificate must be lodged with HKSCC Registrars Limited not later than 4:00 p.m. on Tuesday, 11th May 2004. The directors will recommend a final dividend of US1.13 cents (HK8.79 cents) per ordinary share be paid to the shareholders whose names appear on the Registers of Members as at 18th May 2004. Dividend warrants will be mailed to shareholders on or before 31st May 2004. The dividend for shareholders in Hong Kong will be paid in Hong Kong dollars.
2. Any shareholder entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
3. For a shareholder who appoints more than one proxy, the voting right can only be exercised when a poll is taken.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing. The instrument appointing a proxy, and if such instrument is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarized copy of that power of attorney or other authority shall be deposited at Suite 3807, 38/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong not less than 48 hours before holding the Meeting.
5. Shareholders who intend to attend the meeting shall complete and lodge the reply slip set out below to show their intention to attend the meeting with the Company at Suite 3807, 38/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on or before 15th May 2004. The reply slip may be delivered to the Company by hand, by post, by cable or by facsimile.

REPLY SLIP

To: Tingyi (Cayman Islands) Holding Corp. (the "Company")

I/We⁽¹⁾ _____
of _____

(as shown in the register of members) being the registered holder(s) of⁽²⁾ _____ shares of US\$0.005 each in the capital of the Company, hereby inform the Company that I/We intend to attend (in person or by proxy) the Annual General Meeting of the Company to be held at the Conference Room, No.15 The 3rd Avenue, Tianjin Economic - Technological Development Area, Tianjin, PRC at 3:00 p.m. on 18th May 2004.

Date: _____ Signature(s): _____

- Notes:*
- 1 Please insert full name(s) and address(es) (as shown in the register of members) in block capitals.
 - 2 Please insert the number and class of shares registered in your name(s).
 - 3 In order to be valid, this completed and signed reply slip shall be delivered to the Company at Suite 3807, 38/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on or before 15th May 2004. This reply slip may be delivered to the Company by hand, by post, by cable or by facsimile.



PROXY FORM OF HOLDERS OF SHARES FOR USE AT THE ANNUAL GENERAL MEETING

The number of shares to which this proxy form relates (note 1)	
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I/We (note 2) _____
of _____
being the registered holder(s) of (note 3) _____ shares in Tingyi (Cayman Islands) Holding Corp. (the "Company"), HEREBY APPOINT THE CHAIRMAN OF THE MEETING or (note 4) _____
_____ as my/our proxy to attend and act for me/us at the Annual General Meeting of the Company to be held at the Conference Room, No. 15 The 3rd Avenue, Tianjin Economic - Technological Development Area, Tianjin, PRC at 3:00 p.m. on 18th May 2004 or at any adjournment thereof and in vote as such meeting or at any adjournment thereof in respect of the resolutions as hereunder indicated, or if no such indication is given, as my/our proxy thinks fit.

	Resolutions	For (note 5)	Against (note 5)
1.	To receive and consider the audited accounts and the reports of the directors and auditors for the year ended 31st December 2003		
2.	To declare the payment of a final dividend for the year ended 31st December 2003		
3.	To elect and re-elect the directors		
	Mr. Takeski Ida Re-appointment		
	Mr. Wei Ying-Chiao Re-appointment		
	Mr. Katsuo Ko Re-appointment		
4.	To re-appoint auditors of the Company and authorise the directors to fix their remuneration		
5.	To consider and approve the amendment for the Articles of Association of the Company		
6.	To consider and approve the general mandate for issue of shares		
7.	To consider and approve the general mandate to repurchase shares in the capital of the Company		
8.	To consider and approve that the aggregate nominal amount of shares which are repurchased by the Company shall be added to the aggregate nominal amount of the shares which may be allotted pursuant to the general mandate for issue of shares		

Dated this _____ day of _____ 2004 Signature(s) (Note 6): _____

- Notes:*
- 1 Please insert the number of shares in the Company registered in your name(s) and to which this proxy form relates. If no such number is inserted, this form of proxy will be deemed to relate to all the shares in the Company registered in your name(s).
 - 2 Please insert the name(s) and address(es) (as shown in the register of member(s)) in block capital(s).
 - 3 Please insert the number of all the shares in the Company registered in your name(s).
 - 4 If any proxy other than the Chairman is preferred, strike out "the Chairman of the Meeting" and insert the name of the proxy desired in the space provided. Each shareholder is entitled to appoint one or more proxies to attend and vote at the Meeting. The proxy needs not be a member of the Company. Any alteration made to this form of proxy must be signed by the person who signs it.
 - 5 Important: if you wish to vote for any resolution, tick in the box marked "For". If you wish to vote against any resolution, tick in the box marked "Against". Failure to tick either box will entitle your proxy to cast your vote at his discretion.
 - 6 This form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation or institution, either under the common seal or under the hand of any director or attorney duly authorised in writing.
 - 7 To be valid, this proxy form and, if such proxy form is signed by a person under a power of attorney or authority on behalf of the appointed, a notarially copy of that power of attorney or other authority, must be deposited at Suite 3807, 38/F, Central Plaza, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the Meeting.

* For identification purposes only