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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 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 Capital Prosper Limited, 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 transferee.

CAPITAL PROSPER LIMITED
興 旺 行 有 限 公 司 *

(incorporated in Bermuda with limited liability)

PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES, AMENDMENTS TO THE BYE-LAWS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of the Company be held at Ming Room I, 4/F, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Tuesday, 8 June 2004 at 3:00 p.m. is set out on pages 10 to 17 of this circular. A form of proxy for use at the annual general meeting (or any adjournment thereof) of the Company is enclosed. Whether or not you intend to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible to the head office and principal place of business of the Company at Unit A9, 3/F, Block A, Hong Kong Industrial Center, 489-491 Castle Peak Road, Kowloon, Hong Kong and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment should you so wish.

30 April 2004

* *For identification purpose only*

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DEFINITIONS

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

"Annual General Meeting"	the annual general meeting of the Company to be held at Ming Room I, 4/F, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Tuesday, 8 June 2004 at 3:00 p.m.;
"associates"	shall have the meaning ascribed thereto in the Listing Rules;
"Board"	the board of Directors of the Company or a duly authorized committee thereof;
"Company"	Capital Prosper Limited, an exempted Company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange;
"Directors"	the directors of the Company from time to time;
"General Mandates"	the Repurchase Mandate and the Share Issue Mandate;
"Group"	the Company and its subsidiaries;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Latest Practicable Date"	27 April 2004, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange;
"Repurchase Mandate"	the proposed general mandate to be granted to the Directors to permit the repurchase of Shares of up to a maximum of 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate;

"Share(s)"	share(s) of HK$0.01each in the capital of the Company;
"Securities and Futures Ordinance"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
"Shareholders"	registered holders of the Shares.
"Share Issue Mandate"	the proposed general mandate to be granted to the Directors to permit the allotment and issue of new Shares in the Company equal in aggregate up to a maximum of 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited; and
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers.

CAPITAL PROSPER LIMITED
興 旺 行 有 限 公 司 *

(incorporated in Bermuda with limited liability)

Executive Directors:
Leung Wai Ho *(Chairman)*
Wong Chung Shun *(Deputy Chairman)*

Independent Non-executive Directors:
Lam Lee G
Lam Kwok Cheong

Registered Office:
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Head office and principal place of business in Hong Kong:
Unit A9, 3/F, Block A
Hong Kong Industrial Center
489-491, Castle Peak Road
Kowloon, Hong Kong

30 April 2004

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES, AMENDMENTS TO THE BYE-LAWS AND NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

At the special general meeting of the Company held on 25 June 2003, general mandates were given to the Directors to issue and allot Shares and to exercise the powers of the Company to repurchase its own Shares. These general mandates will lapse at the conclusion of the forthcoming annual general meeting. It is therefore proposed to renew the general mandates to issue and allot Shares and to repurchase Shares at the Annual General Meeting.

* *For identification purpose only*

The purpose of this circular is to provide you with information regarding (a) the proposed renewal of the general mandates to issue and allot Shares and to repurchase Shares and the amendments to the Bye-Laws; and (b) provide the Shareholders with the notice of the Annual General Meeting at which the necessary ordinary and special resolutions will be proposed to consider and, if though fit, to approve the proposed renewal of General Mandates and the extension of the Share Issue Mandate to the Board and the amendments to the Bye-Laws.

2. GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors authority to repurchase, as fully paid Shares, of up to 10% of the share capital of the Company in issue as at the date of passing of the resolution granting the Repurchase Mandate.

The Repurchase Mandate will, if granted, remain in effect until the earliest of (i) conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws of the Company or any applicable law to be held; and (iii) its revocation or variation by an ordinary resolution of the Shareholders in general meeting.

An explanatory statement in relation to the Repurchase Mandate as required by the relevant provisions of the Listing Rules is set out in the Appendix to this circular.

3. GENERAL MANDATE TO ISSUE NEW SHARES

At the Annual General Meeting, an ordinary resolution will also be proposed that the Directors be given a general mandate to allot, issue and deal with shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the resolution granting the Share Issue Mandate.

The Share Issue Mandate will, if granted, remain effective until the earliest of (i) the conclusion of the next general meeting of the Company; (ii) the expiration of period within which the next annual general meeting of the Company is required by the Bye-Laws of the Company or any applicable law to be held; and (iii) its revocation or variation by an ordinary resolution of the Shareholders in general meeting.

In addition, if the Repurchase Mandate is granted, an ordinary resolution will be proposed at the Annual General Meeting providing that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Share Issue Mandate.

With respect to the Share Issue Mandate, the Directors wish to state that they have no present intention of exercising the Share Issue Mandate to allot Shares in the share capital of the Company.

4. AMENDMENTS TO THE BYE-LAWS

With the coming into effect of the Securities and Futures Ordinance on 1 April 2003, the Securities and Futures (Clearing Houses) Ordinance (Chapter 420 of the Laws of Hong Kong) (the "repealed Ordinance") was repealed. As the Bye-laws of the Company have made reference to the repealed Ordinance, the Directors propose to amend the Bye-laws of the Company so as to bring them in line with the changes brought upon by the enactment of the Securities and Futures Ordinance.

Besides, the amendments to the Listing Rules relating to corporate governance issues have taken effect on 31 March 2004. These corporate governance issues include, among other things, disclosure of information on proposed directors before election at general meeting and notices to be given in relation thereto, voting of members at general meeting and of directors at board meeting on any matter in which their respective associates have a material interest.

In order to bring the Bye-Laws in line with the changes brought upon by the amendments to the Listing Rules, the Directors propose to amend the Bye-laws accordingly.

The full text of the proposed amendments to the Bye-laws is set out in special resolution number 7 of the notice of the Annual General Meeting set out on pages 13 to 16 of this circular.

5. ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting is set out on pages 10 to 17 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, among other things, (a) the grant of the General Mandates to the Board; (b) the extension of the Share Issue Mandate to the Board by the addition of the number of securities of the Company repurchased pursuant to the Repurchase Mandate; and (c) the amendments to the Bye-laws.

A form of proxy is enclosed for the use by the Shareholders at the Annual General Meeting. Shareholders are requested to complete and return the form of proxy to the Principal Place of business of the Company in Hong Kong at Unit A9, 3/F, Block A, Hong Kong Industrial Center, 489-491 Castle Peak Road, Kowloon, Hong Kong as soon as possible, but in any event not later than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a Shareholder from attending the Annual General Meeting and voting in person should you so wish.

6. RESPONSIBILITY STATEMENT

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

7. RECOMMENDATIONS

The Directors believe that the Repurchase Mandate, the Share Issue Mandate and the extension of the Share Issue Mandate and the amendments to the Bye-Laws are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the relevant ordinary and special resolutions as set out in the notice of the Annual General Meeting on pages 10 to 17 of this circular. They intend to vote in favour of all of such resolutions in respect of their own .

Yours faithfully,
By order of the Board
Leung Wai Ho
Chairman

This is the explanatory statement required to be sent to Shareholders under Rule 10.06(1)(b) of the Listing Rules on the Stock Exchange relating to the repurchase of shares on the Stock Exchange by a company whose primary listing is on the Stock Exchange.

1. SHARE CAPITAL

As at 27 April 2004, being the latest practicable date prior to the printing of this document (the "Latest Practicable Date"), the issued share capital of the Company comprised 1,278,540,000 Shares.

Subject to the passing of the proposed ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase up to a maximum of 127,854,000 Shares.

2. REASONS FOR REPURCHASES

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

3. FUNDING OF REPURCHASES

Repurchases pursuant to the Repurchase Mandate would be financed entirely from the Company's available cash flow or working capital facilities. Any repurchase will be made out of funds of the Company legally available for such purpose in accordance with the applicable laws of Bermuda and the memorandum of association and the bye-laws of the Company.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report for the year ended 31 December 2003) in the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Group or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Group.

4. DISCLOSURE OF INTEREST

None of the Directors, to the best of their knowledge having made all reasonable enquiries, nor any of their associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if it is approved by the Shareholders of the Company.

No connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell any Shares to the Company or they have undertaken not to sell any of the Shares held by them to the Company in the event that the Company is authorized to exercise the Repurchase Mandate.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

6. EFFECT OF THE HONG KONG CODE ON TAKEOVERS AND MERGERS

If as a result of a repurchase of Shares a Shareholders' proportionate interest in the voting rights of the Company increase, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code issued by the Securities and Future Commission, as amended from time to time. Accordingly, when a Shareholder, or a group of Shareholders acting in concert, could then obtain or consolidate control of the Company, he/they shall become obliged to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Charm Management Limited held 301,500,000 Shares, representing approximately 23.58% of the existing issued share capital of the Company. In the event that the Directors exercised in full the power to repurchase Shares in accordance with the terms of the Repurchase Mandate, the shareholding of Charm Management Limited would be increased to approximately 26.20%. Pursuant to such increase, Charm Management Limited will not be required under the Takeovers Code to make a mandatory general offer for all the issued Shares.

7. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months were as follows:

	Highest	**Lowest**
	HK$	*HK$*
2003		
April	0.096	0.067
May	0.077	0.063
June	0.073	0.073
July	0.073	0.073
August	0.110	0.063
September	0.109	0.070
October	0.077	0.057
November	0.101	0.065
December	0.077	0.052
2004		
January	0.070	0.051
February	0.059	0.047
March	0.054	0.048

8. SHARE REPURCHASES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, no Shares have been repurchased by the Company whether on the Stock Exchange or otherwise.

CAPITAL PROSPER LIMITED
興 旺 行 有 限 公 司 *

(incorporated in Bermuda with limited liability)

NOTICE IS HEREBY GIVEN that the annual general meeting of Capital Prosper Limited (the "Company") will be held at Ming Room I, 4/F, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Tuesday, 8 June 2004 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the "Directors") and the auditors of the Company (the "Auditors") for the year ended 31 December 2003.

2. To re-elect Directors and to authorise the board of Directors to fix the Directors' remuneration.

3. To re-appoint Auditors and to authorise the board of Directors to fix their remuneration.

As special business, to consider and, if though it, to pass with or without modification the following resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS

4. "**THAT**:

   (a) subject to paragraph (c) below of Resolution number 4, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below of Resolution number 4) of all the powers of the Company to allot, issue and deal with additional Shares or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements and options which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;

   (b) the approval in paragraph (a) above of Resolution number 4 shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers at any time during or 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 paragraph (a) above of Resolution number 4, otherwise than pursuant to:

(i) a Rights Issue (as defined in paragraph (d) below of Resolution number 4);

(ii) the exercise of rights of subscription or conversion under terms of any warrants issued by the Company or any securities which are convertible into Shares;

(iii) the exercise of 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;

(iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Bye-laws of the Company (the "Bye-Laws"),

shall not exceed 20 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 number 4 and the said approval shall be limited accordingly; and

(d) for the purpose of this Resolution number 4:

"Relevant Period" means the period from the passing of this Resolution number 4 until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company; or

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws of Bermuda to be held; or

(iii) the revocation or variation of the authority given under this Resolution number 4 by an ordinary resolution of the Shareholders in general meeting.

"Rights Issue" means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to the holders of Shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusion 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 recognised regulatory body or any stock exchange in any territory outside Hong Kong applicable to the Company)."

5. "**THAT**:

(a) subject to paragraph (b) below of Resolution number 5, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) below of Resolution number 5) of all the powers of the Company to repurchase the Shares on the Stock Exchange or on any other stock exchange on which the Shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange under the Hong Kong Code on Share Repurchases and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;

(b) the aggregate nominal amount of Shares which may be repurchased pursuant to the approval in paragraph (a) above of Resolution number 5 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 number 5 and the said approval shall be limited accordingly; and

(c) for the purpose of this Resolution number 5:

"Relevant Period" means the period from the passing of this Resolution number 5 until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company; or

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws of Bermuda to be held; or

(iii) the revocation or variation of the authority given under this Resolution number 5 by an ordinary resolution of the Shareholders in general meeting."

6. "**THAT** conditional upon the passing of Resolutions number 4 and 5 as set out above, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with Shares or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to Resolution number 4 above be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution number 5 above, provided that such amount 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."

As special business, to consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution:

SPECIAL RESOLUTION

7. "**THAT** the existing Bye-Laws be and are hereby amended in the following manner:

   (a) by deleting the definition of "associate(s)" in Bye-Law 1A of the existing Bye-Laws in its entirety and inserting in its place a new definition of "associate(s)" in the following form:

   ""associate(s)" in relation to any Director, chief executive or substantial shareholder, shall have the meaning assigned to it by the Listing Rules;"

   (b) by deleting the definition of "Clearing House" in Bye-law 1A of the existing Bye-laws in its entirely and inserting in its place a new definition of "Clearing House" in the following terms:—

   "Clearing House" shall mean a recognised clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or a clearing house or authorised shares 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;

(c) by adding a new definition of "Listing Rules" to the position after the definition of the "holding company" in Bye-Law 1A of the existing Bye-Laws in the following form:

""Listing Rules" shall mean the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time);"

(d) by adding a new paragraph to Article number 76 of the existing Bye-Laws as the second paragraph to Article number 76 in the following form:

"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."

(e) by deleting Article number 87B of the existing Bye-Laws in its entirety and inserting in its place a new Article number 87B in the following form:

"If a Clearing House (or its nominee) is a shareholder or a warrantholder of the Company, it may appoint such person or persons as it thinks fit to act as its proxy or proxies or as its corporate representative or representatives, to the extent permitted by the Companies Act, at any meeting of the Company or at any meeting of any class of shareholders or warrantholders of the Company provided that, if more than one proxy or, corporate representative is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy or corporate representative is so appointed. A person so appointed under the provisions of this Bye-law shall be entitled to exercise the same powers on behalf of the Clearing House (or its nominee) which he represents as that Clearing House (or its nominee) could exercise as if it were an individual shareholder or an individual warrantholder including the right to vote individually on a show of hands notwithstanding the provisions of Bye-laws 76 and 81. The number of persons a Clearing House (or its nominee) may appoint to act as its corporate representative or representatives shall not exceed the number of shares or warrants held by a Clearing House (or its nominee), being shares or warrants in respect of which there is an entitlement to attend and vote at the relevant meeting."

(f) by deleting Article number 98H of the existing Bye-Laws in its entirety and inserting in its place a new Article number 98H in the following form:

"98(H) A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or proposal in which he or any of his associate(s) has/have a material interest, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for that resolution), but this prohibition shall not apply to any of the following matters 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% 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 associate(s) 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 involving the issue or grant of options over shares or other securities by the Company 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, his 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."

(g) by deleting existing Article number 103 of the existing Bye-Laws in its entirety and inserting in its place a new Articles number 103 in the following form:

"No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registered Office at least seven days before the date of the general meeting. The period for lodgment of the notices required under this bye-law will commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting."

and that any Director be and is hereby authorised to take such further action 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 Bye-Laws."

By Order of the Board of
Capital Prosper Limited
Wah Luk Tak
Company Secretary

Hong Kong, 30 April 2004

Principal place of business in Hong Kong
Unit A9, 3/F, Block A,
Hong Kong Industrial Center
489-491 Castle Peak Road
Kowloon, Hong Kong

Notes:

1. A form of proxy for use at the annual general meeting is enclosed.

2. A member of the Company entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one proxy or more proxies to attend and vote instead of him at the meeting. A proxy need not be a member of the Company.

3. To be valid, a form of proxy together with a 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 must be lodged with the principal place of business in Hong Kong at Unit A9, 3/F, Block A, Hong Kong Industrial Center, 489-491 Castle Peak Road, Kowloon, Hong Kong, not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the proxy will not preclude any member from attending and voting at the annual general meeting (or any adjournment thereof) in person.

4. In the case of 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 are present at the meeting personally or by proxy, then one of the said persons so present whose name stands first on the register in respect of such Share shall alone be entitled to vote in respect thereof.

5. An explanatory statement containing further details regarding Resolution number 5 above is set out in the appendix to the circular of the Company of which this notice forms part.