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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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 **Shun Cheong Holdings Limited**, you should at once hand this circular together with the enclosed 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.

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**SHUN CHEONG HOLDINGS LIMITED**

**順昌集團有限公司**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 650)**

**RE-ELECTION OF RETIRING DIRECTORS,  
AMENDMENTS TO THE BYE-LAWS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the Annual General Meeting of Shun Cheong Holdings Limited to be held on Thursday, 16 September 2004 at 11:00 a.m. in the Fung Shui Room, 6th Floor, The Macro Polo Hong Kong Hotel, Harbour City, Kowloon, Hong Kong is set out in Appendix I to this circular.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event 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 will not preclude you from attending and voting in person at the meeting or any adjournment of the meeting should you so wish.

24 August 2004

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## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held on Thursday, 16 September 2004 at 11:00 a.m. in the Fung Shui Room, 6th Floor, The Marco Polo Hong Kong Hotel, Harbour City, Kowloon, Hong Kong and notice of which is set out in the Appendix I to this circular
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company
“Company”	Shun Cheong Holdings Limited, an exempted company incorporated in Bermuda with limited liability and registered in Hong Kong under Part XI of the Companies Ordinance, the shares of which are listed on the Stock Exchange
“Directors”	the director(s) of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	20 August 2004, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	the holder(s) of Share(s)
“Share(s)”	share(s) of HK\$0.1 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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## LETTER FROM THE BOARD

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# SHUN CHEONG HOLDINGS LIMITED

順昌集團有限公司

(incorporated in Bermuda with limited liability)

*Executive Directors:*

Wong Sai Wing, James (*Chairman*)  
Chan Yuen Keung, Zuric (*Managing Director*)  
Au Shiu Wai, Frank  
Au Yu Fai, Patrick

*Registered Office:*

Canon's Court  
22 Victoria Street  
Hamilton HM12  
Bermuda

*Non-Executive Directors:*

Hong Yiu  
Yu Sek Kee, Stephen

*Head office and*

*Principal Place of Business:*

Flat 201, 2nd Floor  
Premier Centre  
20 Cheung Shun Street  
Lai Chi Kok  
Kowloon  
Hong Kong

*Independent non-executive Directors:*

Chan Chok Ki  
Ho Hin Kwan, Edmund  
Yu Hon To, David

24 August 2004

*To Shareholders*

Dear Sir or Madam,

**RE-ELECTION OF RETIRING DIRECTORS,  
AMENDMENTS TO THE BYE-LAWS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

### INTRODUCTION

The purpose of this circular is to provide you with information regarding the re-election of retiring Directors and the amendments to the Bye-Laws to assist you in deciding on whether to vote for or against the resolutions in connection with such matters to be proposed at the Annual General Meeting to be held on Thursday, 16 September 2004, notice of which is set out in the Appendix I to this circular.

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## LETTER FROM THE BOARD

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### RE-ELECTION OF RETIRING DIRECTORS

In accordance with the Bye-Laws, Messer. Au Yu Fai, Patrick, Chan Chok Ki, Hong Yiu and Yu Hon To, David shall retire from office at the Annual General Meeting and, being eligible, offer themselves for re-election. Details of such Directors are set out in Appendix II to this circular.

### AMENDMENTS TO THE BYE-LAWS

Amendments to the Listing Rules came into effect on 31 March 2004 which include, among other things, amendments to Appendix 3 of the Listing Rules. Appendix 3 of the Listing Rules sets out the provisions with which a listed company's constitutional documents must comply. As announced by the Stock Exchange on 30 January 2004, all companies listed on the Stock Exchange are required to amend their constitutional documents to ensure compliance with the amended provisions of Appendix 3 of the Listing Rules at the earliest opportunity and in any event no later than the conclusion of their next annual general meeting. Accordingly, a special resolution will be proposed at the Annual General Meeting to approve the necessary amendments to the Company's Bye-Laws as set out in item 4 of the notice of the Annual General Meeting. The proposed amendments also include corresponding modifications and update certain definitions of the Bye-Laws to be in line with the Listing Rules and the SFO.

In short, the proposed amendments are to the effect that:

1. The minimum seven-day period for lodgment by a shareholder of the notice to nominate a director shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days before the date of such general meeting. Accordingly, Bye-Law 103 is proposed to be amended to conform with this requirement.
2. Subject to certain exceptions, a director shall abstain from voting on any resolution at the board meeting on any matter in which he or any of his associates has a material interest and such director is not to be counted towards the quorum of the relevant resolution of the board meeting. To reflect these requirements, Bye-Law 98(H) is proposed to be amended and a new definition of "associate" is proposed to be inserted under Bye-Law 1(A).
3. 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. Accordingly, a new Bye-Law 76A is proposed to be inserted to conform with this requirement.
4. The Securities (Clearing House) Ordinance has been repealed upon the commencement of SFO on 1 April 2003. The definition of "clearing house" is proposed to be amended to refer to the SFO.

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## LETTER FROM THE BOARD

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### ANNUAL GENERAL MEETING

A notice dated 24 August 2004 convening the Annual General Meeting, which contains, inter alia, an ordinary resolution to re-elect retiring Directors and a special resolution to approve the amendments to the Bye-Laws, is set out in the Appendix I to this circular.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event 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 will not preclude you from subsequently attending and voting in person at the meeting or any adjournment of the meeting should you so wish.

The Company is not aware of any shareholder who is required to abstain from voting on any particular resolution at the Annual General Meeting.

### RIGHT TO DEMAND A POLL

Pursuant to Bye-Law 70, a resolution put to the vote of a general meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by:

- (a) the chairman of such meeting; or
- (b) at least three Shareholders present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or
- (c) any Shareholder or Shareholders present in person or by a duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (d) any Shareholder or Shareholders present in person or by a duly authorised corporate representative 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 shares conferring that right.

A demand by a person as proxy for a Shareholder or by a duly authorised corporate representative shall be deemed to be the same as a demand by a Shareholder.

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## LETTER FROM THE BOARD

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### RECOMMENDATION

The Directors believe that the proposals for the re-election of retiring Directors and the amendments to the Bye-Laws are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that you should vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
For and on behalf of the Board  
**Shun Cheong Holdings Limited**  
**James Sai-Wing Wong**  
*Chairman*



**SHUN CHEONG HOLDINGS LIMITED**  
**順昌集團有限公司**

*(incorporated in Bermuda with limited liability)*

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (the “Meeting”) of Shun Cheong Holdings Limited (the “Company”) will be held in Fung Shui Room, 6th Floor, The Macro Polo Hong Kong Hotel, Harbour City, Kowloon, Hong Kong on Thursday, 16 September 2004, at 11:00 a.m. for the following purposes:

1. To receive and consider the audited Consolidated Financial Statements and Reports of the Directors and the Auditors for the year ended 31 March 2004.
2. To re-elect the retiring 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.
4. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as a Special Resolution of the Company:

“**THAT**, the Bye-Laws of the Company be amended as follows:

- (a) By deleting the existing definitions of “associates” and “Clearing House” in Bye-Law 1(A) and substituting therefor the following new definitions:

““associate(s)” shall have the meaning attributed to it in the Listing Rules;” and

““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;”

- (b) By adding the following new definition of “Listing Rules” in Bye-Law 1(A) in appropriate alphabetical order:

““Listing Rules” shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as may be amended from time to time);”



- (c) By inserting the following new Bye-Law 76A after the existing Bye-Law 76:

“76A. 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.”

- (d) By amending the existing Bye-Law 98(G) as follows:

- (i) inserting the word “materially” before the word “interested” in the second line;
- (ii) inserting the words “or who has an associate who is materially interested” after the word “interested” in the second line;
- (iii) deleting the word “his” after the words “nature of” in the fifth line and substituting therefor the words “any such”;
- (iv) deleting the word “his” after the words “he knows” in the eighth line and substituting therefor the words “any such”;
- (v) inserting the words “or any of his associates” after the words “(a) he” in the thirteenth line; and
- (vi) inserting the words “or any of his associates” after the words “with him” in the twenty-first line.

- (e) By deleting the existing Bye-Law 98(H) and substituting therefor the following new Bye-Law 98(H):

“(H) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract, 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:

- (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 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 contract, arrangement or proposal concerning an offer of shares, 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 contract, arrangement or proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or 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 associate's beneficial interest in such company is below, in aggregate, 5 per cent. of (a) 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 (b) the voting rights available to the members of such company;
  - (iv) any contract, arrangement or proposal concerning the benefit of employees of the Company or any of 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 to a Director, 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 of fund relates; and
  - (v) any contract, arrangement or proposal 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."
- (f) by amending the existing Bye-Law 98(I) as follows:
- (i) inserting the words "or any of his associates" after the words "a Director" in the seventeenth line; and
  - (ii) deleting the words "Director's interest" and inserting in their place the words "interest of a Director or any of his associates" in the twentieth line.

- (g) By inserting the words “or any of his associates” after the words “that Director” in the seventh line of the existing Bye-Law 98(J).
- (h) By amending the existing Bye-Law 98(K) as follows:
  - (i) inserting the words “or any of his associates” after the words “the Chairman” in the third line;
  - (ii) inserting the words “or any of his associates” after the words “other Director” in the tenth line;
  - (iii) inserting the words “or any of his associates” after the words “Director” in the thirteenth line;
  - (iv) inserting the words “or any of his associates” after the words “the Chairman” in the sixteenth line; and
  - (v) inserting the words “or any of his associates” after the words “such Chairman” in the twenty-second line.
- (i) By deleting the existing Bye-Law 103 and substituting thereof the following new Bye-Law 103:

“103. 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 signed by a member (other than the person to be proposed) entitled to attend and vote at such general meeting of his intention to propose such a person for election as a Director and notice in writing signed by the person to be so proposed of his willingness to be elected shall have given to the Company. The nomination period during which such notice may be given will commence on the day after despatch of the notice of the general meeting appointed for such election and will end on the day which is seven days prior to the date of such general meeting, provided always that such nomination period must be at least seven days in duration.”

By Order of the Board  
**Shun Cheong Holdings Limited**  
**Lo Yun Sang**  
*Company Secretary*

Hong Kong, 24 August 2004

*Notes:*

- (1) A member entitled to attend and vote at the Meeting is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the Bye-Laws of the Company, vote in his stead. A proxy need not be a member of the Company.
- (2) A member being a corporation, in addition to any letter of authorisation from a recognised clearing house (if applicable), may by resolution of its directors authorise such person, as it deems appropriate, to act as its representative (the “corporate representative”) to attend and vote on its behalf and for the number of shares it represents. Any member wishing to appoint such corporate representative for the purposes of the Meeting are required to produce and lodge with the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong duly certified true copies of the resolution of the board of directors of the member authorising the appointment of the corporate representative not less than 48 hours before the time for holding the Meeting or any adjourned Meeting at which the corporate representative named in such resolution proposes to vote.
- (3) A form of proxy for use for the aforesaid purpose will be delivered forthwith together with a copy of this original notice to the registered address of the members entitled to vote at the Meeting. In order to be valid, the said 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 Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time for holding the Meeting or any adjourned Meeting at which the person named in such instrument proposes to vote.
- (4) Whether or not you propose to attend the Meeting in person, you are strongly urged to complete and return the said form of proxy in accordance with the instructions printed thereon. Completion and return of such form of proxy will not preclude you from attending the Meeting and voting in person if you so wish (in which case any appointment of proxy for the purpose of the Meeting will be automatically revoked).
- (5) For joint registered holders of any share attending the Meeting on the same occasion, the vote of the holder whose name stands first on the register who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (6) The translation into Chinese Language of resolution no. 4 is for reference only. In case of any inconsistency the English version shall prevail.
- (7) As at the date hereof, the directors of the Company comprises of nine directors, of whom four and executive directors, namely Dr. Wong Sai Wing, James, Mr. Chan Yuen Keung, Zuric, Mr. Au Shiu Wai, Frank and Mr. Au Yu Fai, Patrick; two are non-executive directors, namely Mr. Yu Sek Kee, Stephen and Mr. Hong Yiu; and three are independent non-executive directors, namely Dr. Chan Chok Ki, Mr. Ho Hin Kwan, Edmund and Mr. Yu Hon To, David.

In accordance with the Bye-Laws, the following Directors shall retire from office at the Annual General Meeting and, being eligible, offer themselves for re-election.

**Mr. AU Yu Fai, Patrick**

Aged 45, was appointed as a director of the Company on 8 March 2004. Mr. Au joined the Group in 1996. He was previously a project director with an international building services consultancy firm and has over 21 years of experience in the building services industry. He holds a bachelor's degree in Electrical Engineering from McGill University, Montreal, Canada. Mr. Au is the son of Mr. Au Shiu Wai, Frank, a Director. He did not hold any directorship in other listed companies in the last three years.

At the Latest Practicable Date, Mr. Au had a personal interest in 354,000 Shares within the meaning of Part XV of the SFO, representing approximately 0.1 per cent. of the issued share capital of the Company. He is also the general manager of the Group and the directors of thirty four subsidiaries of the Company. Save as disclosed and other than his capacity as a Director, he does not have any business relationship with any directors, senior management or substantial or controlling shareholders of the Company.

Mr. Au has an employment contract with a subsidiary of the Company as senior executive. The employment contract is without a fixed period of employment and shall continue until terminated by either party by giving one-month prior written notice to the other party. Pursuant to the terms of the employment contract, Mr. Au is entitled to a monthly salary of HK\$75,000 and a double pay payment equivalent to one month's salary at the end of the Chinese Calendar Year. He is also entitled to a discretionary bonus determined by reference to his performance. Mr. Au's remuneration is determined with reference to his experience and duties as well as the prevailing market conditions.

**Mr. HONG Yiu**

Aged 42, was appointed as a director of the Company in 2002. Mr. Hong graduated from “廣東廣播電視大學” (Guangdong Radio & TV University) in 1986. During 1986 to 1990, he was the business manager of a Hong Kong subsidiary of the Ministry of Mechanical and Electronics Industries of the Peoples' Republic of China. Since then he has been the managing director of “凱達集團” (Kaita Corporation), a company principally engaged in the trading, distribution and manufacturing of industrial products in Zhuhai and Guangzhou. Mr. Hong has over 17 years of experience in the distribution of industrial products as well as investment. He is currently the vice-president of “香港青年聯會” (Hong Kong Youth Association). He is also a committee member of “中華全國青年聯合會” (National Youth Association of China) and “廣東省青年聯合會” (Youth Association of Guangdong Province). He did not hold any directorships in other listed companies in the last three years.

At the Latest Practicable Date, Mr. Hong had a personal interest in 27,200,000 Shares within the meaning of Part XV of the SFO, representing approximately 5.9 per cent. of the issue share capital of the Company. Other than his capacity as a Director, he does not have any business relationship with any directors, senior management or substantial or controlling shareholders of the Company.

No service contract has been signed between the Company and Mr. Hong. He was not appointed for specific term but is subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Bye-Laws. No remuneration will be paid by the Company to Mr. Hong in accordance with the Company's remuneration policy adopted for non-executive director.

**Dr. CHAN Chok Ki**

Aged 49, was appointed as an independent non-executive director of the Company on 1 August 2002. Dr. Chan is the founder and the Chief Executive Officer of TeleEye Holdings Limited, a company listed on the Stock Exchange, Growth Enterprise Market. Dr. Chan is a research veteran in the field of digital signal processing and image compression technology. He has taught at the City University of Hong Kong ("City University") since 1985 and is presently an Adjunct Professor of the Department of Computer Engineering and Information Technology at the City University. Dr. Chan obtained both his Bachelor and Master degrees of Science in Electrical Engineering from the University of California, Los Angeles, USA. He received his Ph.D degree in Electronics from the Chinese University of Hong Kong.

As at the Latest Practicable Date, Dr. Chan did not have any interests in Shares within the meaning of Part XV of the SFO. Other than his capacity as a Director, he does not have any business relationship with any directors, senior management or substantial or controlling shareholders of the Company.

No service contract has been signed between the Company and Dr. Chan. He was not appointed for a specific term but is subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Bye-Laws. Dr. Chan is entitled to a monthly director's fee of HK\$10,000 which is based on the Company's remuneration policy adopted for independent non-executive directors of the Company.

**Dr. YU Hon To, David**

Aged 56, was appointed as an independent non-executive director of the Company on 26 March 2004. Mr. Yu is a founder and director of Management Capital Limited, which specializes in direct investment and financial advisory activities. He is currently an independent non-executive director of Great China Holdings Limited, Guangzhou Shipyard International Company Limited, Ming Pao Enterprise Corporation Limited, Playmates Holdings Limited, BALtrans Holdings Limited and Shimao China Holdings Limited, whose shares are listed on the Stock Exchange, and Zindart Limited, whose shares are listed on the NASDAQ. He was also an independent non-executive director of Carry Wealth Holdings Limited, a company listed on Stock Exchange, during the period from February 2000 to February 2002. He was a partner of an international accounting firm with extensive experience in corporate finance. Mr. Yu is a fellow member of The Institute of Chartered Accountants in England and Wales and an associate member of the Hong Kong Society of Accountants.

As at the Latest Practicable Date, Mr. Yu did not have any interests in Shares within the meaning of Part XV of the SFO. Other than his capacity as a Director, he does not have any business relationship with any directors, senior management or substantial or controlling shareholders of the Company.

No service contract has been signed between the Company and Mr. Yu. He was not appointed for a specific term but is subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Bye-Laws. Mr. Yu is entitled to a monthly director's fee of HK\$10,000 which is based on the Company's remuneration policy adopted for independent non-executive directors of the Company.



# SHUN CHEONG HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

**Form of proxy for use by shareholders at the Annual General Meeting (the "Meeting") to be held on Thursday, 16 September 2004 at 11:00 a.m.**

I/We, <sup>(1)</sup> \_\_\_\_\_  
of \_\_\_\_\_,  
being the registered holder(s) of <sup>(2)</sup> \_\_\_\_\_ shares of  
HK\$0.10 each in the capital of Shun Cheong Holdings Limited (the "Company"), HEREBY APPOINT <sup>(3)</sup> the  
Chairman of the Meeting or <sup>(3)</sup> \_\_\_\_\_  
of \_\_\_\_\_,  
as my/our proxy to act for me/us and on my/our behalf at the Meeting (or at any adjournment thereof) of the Company  
to be held in Fung Shui Room, 6th Floor, The Marco Polo Hong Kong Hotel, Harbour City, Kowloon, Hong Kong  
on Thursday, 16 September 2004 at 11:00 a.m. to consider and, if thought fit, pass the resolutions as set out in  
the notice convening the Meeting and at such Meeting (or at any adjournment thereof) to vote for me/us in my/our  
name(s) in respect of the said resolutions specified below in the manner indicated:

	FOR <sup>(4)</sup>	AGAINST <sup>(4)</sup>
<b>Ordinary Resolutions</b>		
1. To receive and consider the audited Consolidated Financial Statements and Reports of the Directors and Auditors for the year ended 31 March 2004.		
2a. To re-elect Mr. Au Yu Fai, Patrick as director.		
2b. To re-elect Dr. Chan Chok Ki as director.		
2c. To re-elect Mr. Hong Yiu as director.		
2d. To re-elect Mr. Yu Hon To, David as director		
2e. To authorise the board of directors to fix the directors' remuneration.		
3. To re-appoint Ernst & Young as the Company's Auditors and authorise the board of directors to fix their remuneration.		
<b>Special Resolution</b>		
4. To amend the Bye-Laws of the Company		

Dated \_\_\_\_\_ Signed <sup>(5)</sup> \_\_\_\_\_

**Notes:**

- Full name(s) and address(es) to be inserted in BLOCK CAPITALS.
- Please insert the number of shares registered in your name(s) to which the proxy relates. If no number is inserted, this form of proxy will be deemed to relate to all the shares in the Company registered in your name(s).
- If any proxy other than the Chairman of the Meeting is preferred, please strike out "the Chairman of the Meeting or" and insert the name and address of the proxy desired in the space provided. ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE INITIALLED BY THE PERSON WHO SIGNS IT.
- IMPORTANT: IF YOU WISH TO VOTE FOR THE RESOLUTION, TICK IN THE BOX MARKED "FOR". IF YOU WISH TO VOTE AGAINST THE RESOLUTION, TICK IN THE BOX MARKED "AGAINST". Failure to tick either box will entitle your proxy to cast your vote at his discretion.
- This form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must either be executed under its common seal or under the hand of an officer or attorney duly authorised.
- You are requested to lodge this form of proxy, together with the power of attorney (if any) or other authority (if any) under which it is signed or a notarially certified copy thereof, with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the Meeting or any adjournment thereof.
- 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 is present at the Meeting, personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- The proxy need not be a member of the Company but must attend the Meeting in person to represent you.
- Completion and return of this form of proxy will not preclude you from attending and voting in person at the Meeting if you so wish. In the event of your attending the Meeting, this form of proxy will be deemed to be revoked.