



MAN SANG INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 938)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2004 Annual General Meeting of Man Sang International Limited (the "Company") will be held at Aster & Bauhinia Rooms, 2/F., The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Wednesday, August 4, 2004 at 2:30 p.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and consider the Reports of Directors and Auditors and the audited financial statements for the year ended March 31, 2004.
2. (a) To re-elect the following directors:–
 - (i) Mr. Lee Kang Bor, Thomas;
 - (ii) Mr. Yuen Ka Lok, Ernest.(b) To authorize the Board of Directors to fix the directors' remuneration for the ensuing year.
3. To appoint the Auditors and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:–

"THAT conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting or agreeing to grant listing of and permission to deal in the new shares of HK\$0.10 each in the capital of the Company (the "Shares") to be issued pursuant to this Resolution:

 - (i) the amount standing to the credit of share premium account of the Company as would be required to be applied in paying up in full at par new Shares, such Shares, credited as fully paid, to be allotted and distributed (subject as referred to in paragraph (ii) below) among members of the Company whose names appear on the register of members of the Company at the close of business on Wednesday, August 4, 2004 in the proportion of one new Share (the "Bonus Share") for every existing ten Shares then held, be capitalized and applied in such manner and the directors of the Company be and are hereby authorized to allot and issue such Bonus Shares;
 - (ii) no fractional Bonus Shares shall be allotted to members of the Company and fractional entitlements will be aggregated and sold for the benefit of the Company;
 - (iii) the Bonus Shares to be issued pursuant to sub-paragraph (i) above shall rank pari passu in all respects with the existing issued Shares as at the date of issuing such Bonus Shares; and
 - (iv) the directors of the Company be and are hereby authorized to do all acts and things as may be necessary and expedient in connection with the issue of Bonus Shares referred to in paragraph (i) of this Resolution."
 5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:–

"THAT:–

 - (i) subject to paragraph (iii) of this Resolution, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional share(s) of HK\$0.10 each in the capital of the Company (the "Shares") and to make or grant offers, agreements and options (including warrants) which might require the exercise of such power be and is hereby generally and unconditionally approved;
 - (ii) the approval in paragraph (i) of this Resolution shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants) which might require the exercise of such power after the end of the Relevant Period;

(iii) the aggregate nominal value of share capital to be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and to be issued by the directors of the Company pursuant to the approval in paragraph (i) of this Resolution, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined), or (b) an issue of Shares upon the exercise of the subscription rights attaching to any warrants which may be issued by the Company from time to time, or (c) an issue of Shares under any option scheme or similar arrangement for the time being adopted by the Company and/or any of its subsidiaries for the grant or issue to participants of Shares or rights to acquire Shares, or (d) any scrip dividend scheme or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Bye-laws of the Company, shall not exceed 20 per cent of the aggregate nominal value of the share capital of the Company in issue at the date of passing this Resolution and the said approval shall be limited accordingly; and

(iv) for the purpose of this Resolution:–

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:–

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) 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 the Companies Act 1981 of Bermuda or any other applicable laws of Bermuda to be held; or
- (c) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this Resolution; and

“Rights Issue” means an offer of Shares or issue of options to subscribe for Shares open for a period fixed by the directors of the Company to holders of Shares whose names appear 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 of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:–

“**THAT**:–

- (i) subject to paragraph (ii) of this Resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase Shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the Shares of the Company may be listed and is recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal value of Shares to be repurchased by the Company pursuant to paragraph (i) of this Resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal value of the share capital of the Company in issue at the date of passing this Resolution, and the authority pursuant to paragraph (i) of this Resolution shall be limited accordingly; and
- (iii) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:–
 - (a) the conclusion of the next annual general meeting of the Company; or
 - (b) 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 the Companies Act 1981 of Bermuda or any other applicable laws of Bermuda to be held; or
 - (c) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this Resolution.”

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:–

“**THAT** conditional upon Resolution Nos. 5 and 6 as set out in the notice convening this meeting being passed, the general mandate granted to the directors of the Company and for the time being in force to exercise the powers of the Company to allot, issue and deal with additional Shares pursuant to Resolution No. 5 as set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal value of the share capital of the Company

which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution No. 6 as set out in the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent of the aggregate nominal value of the share capital of the Company in issue as at the date of passing this Resolution.”

8. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:–

“**THAT** the following amendments to the existing Bye-Laws of the Company be and are hereby approved:

- (i) by adding the following definition in Bye-Law 1 immediately after the definition of “Act”:-

““associate” shall have the meaning ascribed to it by the rules of the Designated Stock Exchange from time to time”;
- (ii) in relation to the definition of “clearing house” in Bye-Law 1, by deleting the words “a recognized clearing house within the meaning of Section 2 of the Securities and Futures (Clearing Houses) Ordinance of Hong Kong” and substituting therefor the words “a recognized clearing house within the meaning of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) and any amendments thereto for the time being in force”;
- (iii) by inserting in the eleventh line of Bye-Law 66 the words “a poll is required under the rules of the Designated Stock Exchange or” immediately before the words “a poll is demanded”;
- (iv) by inserting in the first line of Bye-Law 67 the words “is required under the rules of the Designated Stock Exchange or” immediately after the word “poll”;
- (v) by deleting the existing Bye-Law 68 in its entirety and substituting therefor a new Bye-Law 68 as follows:–

“If a poll is required under the rules of the Designated Stock Exchange or is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken or demanded. Save for requirements imposed by the rules of the Designated Stock Exchange, there shall be no requirement for the chairman to disclose the voting figures on a poll.”;
- (vi) by re-numbering the existing Bye-Law 76 as Bye-Law 76(1) and adding the following new Bye-Law 76(2) immediately thereafter:–

“Where any Member is, under the rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.”;
- (vii) by deleting the existing Bye-Law 88 in its entirety and substituting therefor the following:–

“88. (1) No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such Notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the Registration Office or at the head office for a minimum period of seven (7) days.

(2) The minimum period of seven (7) days for lodgment of the Notice(s) referred to in paragraph (1) of this Bye-Law 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 (7) days prior to the date of such general meeting.

(3) For the avoidance of doubt, paragraph (2) of this Bye-Law shall apply for the purposes of calculating the minimum period of seven (7) days, but it shall not prevent the Company from accepting the Notice(s) referred to in paragraph (1) of this Bye-Law earlier than the time when the notice of the general meeting referred to in paragraph (2) of this Bye-Law is despatched.”;
- (viii) by deleting the existing Bye-Law 103 in its entirety and substituting therefor the following:–

“103. (1) 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 associate(s) has a material interest, 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 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;
- (iv) 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 five (5) per cent. or more of the issued shares or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of any of his associate(s) is derived); or
- (v) 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, 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.

For the purpose of this Bye-Law 103(1), "subsidiary" shall have the meaning ascribed to it by the rules of the Designated Stock Exchange from time to time.

- (2) A company shall be deemed to be a company in which a Director and/or any of his associate(s) owns five (5) per cent. or more if and so long as (but only if and so long as) he and/or his associate(s) (either directly or indirectly) are the holders of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest or that of any of his associate(s) is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or any of his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or any of his associate(s) is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorized unit trust scheme in which the Director or his associate(s) is interested only as a unit holder.
- (3) Where a company in which a Director and/or any of his associate(s) holds five (5) per cent. or more (within the meaning as described in Bye-Law 103(2)) is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.
- (4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director or his associate(s) (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, 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 concerned or of his associate(s) as known to such Director has not been fairly disclosed to the Board. 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 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 of his associate(s) as known to such chairman has not been fairly disclosed to the Board.”.

- (ix) by deleting the words “fourteen (14)” after the words “not less than” in Bye-Law 154(2) and substituting therefor the words “twenty-one (21)”.

By Order of the Board
Ho Suk Han Sophia
Secretary

Hong Kong, July 9, 2004

Principal Office in Hong Kong:
21/F., Railway Plaza
39 Chatham Road South
Tsimshatsui
Kowloon
Hong Kong

Notes:

- (1) A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and in the event of a poll, vote for him/her. A proxy need not be a member of the Company.
- (2) To be valid, a form of proxy, together with power of attorney or other authority (if any) under which it is signed, must be deposited at the Company’s branch registrar in Hong Kong, Secretaries Limited, at G/F, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or at any adjourned meeting thereof.
- (3) The register of members will be closed from Thursday, July 29, 2004 to Wednesday, August 4, 2004, both dates inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed Bonus Issue, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company’s branch registrar in Hong Kong, Secretaries Limited, at G/F, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:00 p.m. on Wednesday, July 28, 2004.
- (4) The Bye-Laws of the Company are written in English. There is no official Chinese translation in respect thereof. Therefore, the Chinese version of Resolution 8 above on amendments of Bye-Laws is purely a translation only. Should there be any discrepancies, the English version will prevail.
- (5) A circular containing further details regarding Resolutions 2 to 8 above will be sent to Shareholders together with the 2004 Annual Report.

As at the date hereof, the Board comprises Mr. Cheng Chung Hing, Mr. Cheng Tai Po, Miss Yan Sau Man Amy as executive directors; Mr. Lee Kang Bor, Thomas and Mr. Yuen Ka Lok, Ernest as independent non-executive directors.

“Please also refer to the published version of this announcement in The Standard”.