
NOTICE OF ANNUAL GENERAL MEETING

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Inworld Group Limited

活力世界控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8100)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the members of Inworld Group Limited (the “Company”) will be held at Macau Jockey Club Golden Restaurant, First Floor, China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong on 17th May 2004 at 10:30 am for the following purpose of considering and, if thought fit, passing the following resolution as ordinary resolutions of the Company:

1. To receive and consider the audited consolidated financial statements and the reports of the Directors and auditors for the period ended 31st December 2003;
2. To re-elect the retiring Directors of the Company and to authorise the board of Directors to fix their remuneration;
3. To re-appoint Messrs. HLB Hodgson Impey Cheng as the auditors of the Company and to authorise the board of Directors to fix their remuneration;
4. By way of special business, to consider and, if thought fit, pass with or without alternations, the following resolution (“Resolutions”) as ordinary resolutions:

(A) **THAT:**

- (i) subject to paragraph (iii) below, pursuant to the Rules Governing the Listing of Securities on The Growth Enterprises Market of the Stock Exchange of Hong Kong Limited, the exercise by the Directors during the Relevant Period of all the powers of the Company to allot, issue and

* *for identification purpose only*

deal with unissued shares in the capital of the Company, securities convertible into such shares in the capital of the Company or securities convertible into such shares options, warrants or similar rights to subscribe for any shares or convertible securities and to make or grant offers, agreements and options which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) shall authorize the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (i) above, otherwise than pursuant to (a) a Right Issue, or (b) the grant or exercise of any option under the share option schemes of the Company or any other 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 the subsidiaries of shares or rights to acquire Shares; or (c) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the memorandum and articles of association of the Company in force from time to time; or (d) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company, shall not exceed the aggregate of:
 - (aa) 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this Resolution; and
 - (bb) (if the Directors are so authorized by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution) and the authority pursuant to paragraph (i) of this Resolution shall be limited accordingly;

(iv) for the purposes of this Resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company, the Companies Law (2003 Revision) of the Cayman Islands to be held; and
- (c) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.

“Rights Issue” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares in the Company on the register on a fixed record date in proportion to their then holdings of shares (subject to such exclusions 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, or the expenses or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements or, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange, in any territory outside Hong Kong).

(B) THAT:

- (i) the exercise of the Directors during the Relevant Period of all powers of the Company to purchase its shares on The Growth Enterprises Market of The Stock Exchange of Hong Kong Limited or any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, The Stock Exchange of Hong Kong Limited, the memorandum and articles of association of the Company, the Companies Law (2003 Revision) of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;

- (ii) the aggregate nominal amount of shares of the Company which may be purchased by the Company pursuant to the approval in paragraph (i) during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution and the authority pursuant to paragraph (i) of this Resolution shall be limited accordingly; and
- (iii) for the purpose of this Resolution, “Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earliest of:
 - (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company, the Companies Law (2003 Revision) of the Cayman Islands to be held; and
 - (c) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.

(C) **THAT** the Directors of the Company be and they are hereby authorized to exercise the authority referred to in paragraph (i) of Resolution no. 4(B) above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (iii) of such Resolution.

5. As special business, to consider and, if thought fit, pass the following resolution as a Special Resolution of the Company:

“**THAT** the existing articles of association of the Company be amended as follows:

(A) by inserting the following new definition in Article 2 immediately after the definition of “these Articles”:

“**Associates**

“Associates” shall mean, in relation to any Director:

- (i) his spouse and any of his or his spouse’s children or stepchildren, natural or adopted, under the age of 18 (“family interests”);

- (ii) the trustees, acting in their capacity as such trustees, of any trust of which he or any of his family interests is a beneficiary or, in the case of a discretionary trust, is (to his knowledge) a discretionary object and any company (a “trustee-controlled company”) in the equity capital of which the trustees, acting in their capacity as such trustees, are directly or indirectly interested so as to exercise 30 per cent. (or such other amount as may from time to time be specified in the HK Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary (together, the “trustee interests”);
- (iii) a holding company of a trustee-controlled company or a subsidiary of any such holding company;
- (iv) any company in the equity capital of which he, his family interests, any of the trustees referred to in paragraph (ii) above, acting in their capacity as such trustees, and/or any trustee interests taken together are directly or indirectly interested (other than through their respective interests in the capital of the Company) so as to exercise or control the exercise of 30 per cent. (or such other amount as may from time to time be specified in the HK Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board and any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company; and

(v) any other persons who would be deemed to be an “Associate” of the Director under the Listing Rules”;

(B) by inserting the following new definition in Article 2 immediately after the definition of “the Companies Ordinance”:

“the Company’s Website “the Company’s Website” shall mean the website of the Company, the address or domain name of which has been notified to members”;

(C) by inserting the following new definitions in Article 2 immediately after the definition of “dollars/HK\$”:

“electronic “electronic” shall have the meaning given to it in the Electronic Transactions Law 2000 of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefore”;

“Electronic Signature “Electronic Signature” means an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a person with the intent to sign the electronic communication”;

(D) by deleting the definition of “recognised clearing house” in Article 2 in its entirety and substituting the following new definition:

“recognised clearing house “recognised clearing house” shall have the meaning ascribed to “recognized clearing house” in Part I of Schedule 1 of the Securities and Futures Ordinance of Hong Kong and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefore”;

- (E) by deleting the definition of “subsidiary and holding company” in Article 2 in its entirety and substituting the following new definition:

“subsidiary and holding “subsidiary” and “holding company” shall have the meanings attributed to such terms in the Companies Ordinance but interpreting the term “subsidiary” in accordance with the definition of “subsidiary” under the Listing Rules”;

- (F) by deleting the definition of “writing/printing” in Article 2 in its entirety and substituting the following new definition:

“writing/printing “writing” or “printing” shall include writing, printing, lithograph, photograph, type-writing and every other mode of representing words or figures in a legible and non-transitory form and, only where used in connection with a notice served by the Company on members or other persons entitled to receive notices hereunder, shall also include a record maintained in an electronic medium which is accessible in visible form so as to be useable for subsequent reference”;

- (G) by inserting the words “or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided,” before the words “be closed at such times” in Article 15(c);

- (H) by inserting the words “All certificates for shares shall be delivered personally or sent through the post addressed to the member entitled thereto at his registered address as appearing in the register.” to the end of Article 16;

- (I) by inserting the words “or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided,” to the end of Article 28;

- (J) by inserting the words “or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided,” before the words “be suspended and the register closed” in Article 44;

- (K) by inserting the words “or otherwise required under the Listing Rules” to the end of the first sentence in Article 80;

- (L) by deleting the words “Unless a poll is so demanded and not withdrawn” on the first line of the second paragraph of Article 80 and substituting the words “Unless a poll is so required or demanded and, in the latter case, not withdrawn”;
- (M) by inserting the words “required or” before the word “demanded” wherever it occurs in the first sentence of Article 81(a) and in the third sentence of Article 81(a);
- (N) by inserting the words “required or” before the word “demanded” in Article 83;
- (O) by re-designating Article 85 as Article 85(a) and by inserting the following as Article 85(b):

“(b) Where any member is, under the Listing Rules, required to abstain from voting for or against any particular resolution or restricted to voting for or 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.”;

- (P) by deleting Article 107(c) in its entirety and substituting the following:

“(c) A Director shall not vote on (nor shall be counted in the quorum in relation thereto) any resolution of the Board in respect of any contract or arrangement or any other proposal whatsoever in which he or any of his Associate(s) has any material interest, but this prohibition shall not apply to any of the following matters, namely:

- (i) the giving of any security or indemnity either:

- (aa) 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

- (bb) 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 the shares of that company, provided that the Director and any of his Associates are not in aggregate beneficially interested in five 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 Associate(s) is derived) or of the voting rights;
 - (iv) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries including:
 - (aa) the adoption, modification or operation of any employees' share scheme or any share incentive scheme or any share incentive scheme or share option scheme under which the Director or his Associate(s) may benefit; or
 - (bb) 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.”;
- (Q) by deleting Article 107(f) in its entirety;
- (R) by deleting the words “(as defined in Article 107(f) above)” after the words “a Director or his Associates” in Article 112(c)(i);
- (S) by deleting the words “not less than seven and not more than 28 clear days before the day appointed for the meeting” in Article 120 and substituting the words “during the period commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than seven days prior to the date of such meeting.”;

- (T) by inserting the words “or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided,” before the words “giving notice of its intention” in Article 157(a)(iv);
- (U) by deleting Article 163(b) in its entirety and substituting the following:
 - (b) Copies of those documents to be laid before the members of the Company at an annual general meeting shall not less than 21 days before the date of the meeting be sent in the manner in which notices may be served by the Company as provided herein to every member of the Company and every holder of debentures of the Company, provided that the Company shall not be required to send copies of those documents to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.”;
- (V) by inserting the following new Article 163(c).
 - “(c) To the extent permitted by and subject to due compliance with these Articles, the Law and all applicable rules and regulations, including, without limitation, the rules of the Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Article 163(b) shall be deemed satisfied in relation to any member or any holder of debentures of the Company by sending to such person instead of such copies, not less than 21 days before the date of the annual general meeting, in any manner not prohibited by these Articles and the Law, a summary financial statement derived from the Company’s annual accounts, together with the Directors’ report and the Auditor’s report on such accounts, which shall be in the form and containing the information required by these Articles, the Law and all applicable laws and regulations, provided that any person who is otherwise entitled to the annual accounts of the Company, together with the Directors’ report and the Auditor’s report thereon may, if he so requires, by notice in writing served on the Company, demand that the Company send to him, in addition to the summary financial statement, a complete printed copy of the Company’s annual accounts, together with the Directors’ report and the Auditor’s report thereon.”;

(W) by deleting Article 167(a) in its entirety and substituting the following:

“Except as otherwise provided in these Articles, any notice or document may be served by the Company and any notices may be served by the Board on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or, to the extent permitted by the Listing Rules and all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the member to the Company or by placing it on the Company’s Website provided that the Company has obtained the member’s prior express positive confirmation in writing to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means, or (in the case of notice) by advertisement published in the newspapers. In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.”;

(X) by inserting the words “who has not given an express positive confirmation in writing to the Company to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and” before the words “whose registered address is outside Hong Kong” in Article 168;

(Y) by inserting the words “Any notice given by electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later date as may be prescribed by the Listing Rules or any applicable laws or regulations.” to the end of Article 169.

(Z) by deleting the words “by post or left at the registered address of” in Article 172 and substituting the word “to”; and

(AA) by inserting the words “or, where relevant, by Electronic Signature” to the end of Article 173.”

By Order of the Board

Koh Tat Lee, Michael

Chairman

Hong Kong, 22 April 2004

Head office and principal place of business:
3rd Floor Chinese Club Building
21-22 Connaught Road Central
Hong Kong

Register office:
P.O. Box 309GT
Ugland House
South Church Street
George Town
Grand Cayman
Cayman Islands
British West Indies

Notes:

1. A shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint a person or persons (if he holds two or more Shares) as his proxy or proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
2. To be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's Branch Registrar in Hong Kong, Tengis Limited of Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than forty-eight hours before the time fixed for holding of the meeting and adjourned meeting and in default thereof the form of proxy shall not be treated as valid. No instrument appointing shall be valid after the expiry of 12 months from the date of its execution.
3. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting if the shareholder so desires and in such event the instrument appointing a proxy shall be deemed to be revoked.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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