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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 Jusco Stores (Hong Kong) Co., Limited, you should at once hand this circular and the accompanying proxy form 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.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this circular.

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**JUSCO**  
**吉 之 島**  
**JUSCO STORES (HONG KONG) CO., LIMITED**  
**吉之島(香港)百貨有限公司**  
*(Incorporated in Hong Kong with limited liability)*

**NOTICE OF ANNUAL GENERAL MEETING**  
**PROPOSED CHANGE OF COMPANY NAME**  
**AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION**  
**AND**  
**GENERAL MANDATES TO ISSUE SHARES**  
**AND REPURCHASE SHARES**

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A letter from the board of directors of Jusco Stores (Hong Kong) Co., Limited (the “Company”) is set out on pages 2 to 6 of this circular.

A notice convening the annual general meeting of the Company to be held at Granville Room, Lower Lobby, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 19 June, 2003 at 9:00 a.m. is set out on pages 10 to 15 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s share registrars, Secretaries Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding such meeting or adjourned meeting.

Completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the annual general meeting or any adjourned meeting should they so wish.

19 May 2003

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## CONTENTS

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	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	2
<b>Appendix – Explanatory Statement on Repurchase of Shares</b> .....	7
<b>Notice of AGM</b> .....	10

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Granville Room, Lower Lobby, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Thursday, 19 June 2003 at 9:00 a.m., notice of which is set out on pages 10 to 15 of this circular
“Articles”	the existing articles of association of the Company
“Company”	Jusco Stores (Hong Kong) Co., Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange. The Chinese name of the Company is “吉之島 (香港) 百貨有限公司”
“Companies Ordinance”	Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Director(s)”	the director(s) of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of The Peoples’ Republic of China
“Latest Practicable Date”	19 May 2003, 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
“Memorandum”	the existing memorandum of association of the Company
“Memorandum and Articles”	the memorandum of association and articles of association of the Company as modified from time to time
“Securities and Futures Ordinance”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.20 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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LETTER FROM THE BOARD

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JUSCO

吉之島

JUSCO STORES (HONG KONG) CO., LIMITED

吉之島(香港)百貨有限公司

*(Incorporated in Hong Kong with limited liability)*

*Directors:*

Toshiji TOKIWA\* (*Chairman*)

Kazumasa ISHII (*Managing Director*)

Kozo MURATA (*Deputy Managing Director*)

Akihito TANAKA\*

Motoya OKADA\*

SHAO You Bao#

LAM Pei, Peggy#

WONG Mun Yu

LAM Man Tin

*Registered Office:*

G-4th Floor

Kornhill Plaza (South)

2 Kornhill Road

Hong Kong

19 May 2003

\* *non-executive directors*

# *independent non-executive directors*

*To the Shareholders*

Dear Sir or Madam,

**PROPOSED CHANGE OF COMPANY NAME  
AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION  
AND  
GENERAL MANDATES TO ISSUE SHARES  
AND REPURCHASE SHARES**

**1. INTRODUCTION**

On 16 May 2003, the Directors announced that the Company intends to seek the Shareholders' approval for the proposed change of the Company's name to "AEON Stores (Hong Kong) Co., Limited 永旺(香港)百貨有限公司" and amendments to the Memorandum and Articles.

Apart from providing you with further information relating to the proposed change of name and amendments to the Memorandum and Articles, it is also the purpose of this circular to give you notice of the AGM convened for the purpose of considering and, if thought fit, passing the relevant resolutions to, among other things, approve the proposed change of name, amendments to the Memorandum and Articles and the general mandates to issue Shares and repurchase Shares.

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## LETTER FROM THE BOARD

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### 2. THE CHANGE OF COMPANY NAME

Jusco Co., Ltd., the holding company of the Company, changed its name to AEON Co., Ltd. on 21 August 2001. AEON Co., Ltd. intends that all its major subsidiaries shall also carry the name “AEON” as part of their company names. The unified style of company name will enhance a strong, unique global enterprise image for AEON group of companies. Accordingly, if the proposed change of name becomes effective, “Jusco Stores (Hong Kong) Co., Limited 吉之島 (香港) 百貨有限公司” will be renamed as “AEON Stores (Hong Kong) Co., Limited 永旺 (香港) 百貨有限公司”. The change will gain an immediate publicly recognisable corporate relationship with AEON Group. The Directors believe that the common identity will strengthen its corporate image and enhance its future business development.

In addition, the Directors wish to clarify that the proposed change of name will not affect the existing trading name of the Company. The Company will continue to use the brand name “*JUSCO* 吉之島” as its trading name upon the proposed change of name becoming effective to enable it to capitalize on the good reputation of the retail business previously developed under the name of “Jusco Stores (Hong Kong) Co., Limited 吉之島 (香港) 百貨有限公司” and the goodwill of the name “*JUSCO* 吉之島” in the retail business.

#### (1) Conditions

The proposed change of name is subject to the passing of a special resolution by the Shareholders at the AGM and the issue of a Certificate of Incorporation on Change of Name by the Registrar of Companies in Hong Kong.

#### (2) Effect

Subject to the conditions aforementioned, the proposed change of name will take effect from the issue of the Certificate of Incorporation on Change of Name by the Registrar of Companies in Hong Kong. Upon the proposed change of name becoming effective, all existing share certificates bearing the existing name of the Company will continue to be evidence of title to the Shares of the Company and will continue to be valid for trading, settlement and registration purpose. Also, the rights of the Shareholders in the Company will not be affected as a result of the proposed change of name. Once the proposed change of name becomes effective, any issue of share certificates thereafter will be in the new company name and the securities of the Company will be traded on the Stock Exchange in the new company name.

A further announcement will be made when the change of name becomes effective and all filing requirements of the Registrar of Companies in Hong Kong in connection therewith have been fulfilled.

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## LETTER FROM THE BOARD

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### **(3) Exchange of Share Certificates**

The Shareholders may, within one month from the date on which the change of name becomes effective, submit the existing share certificates in respect of Shares of the Company to the office of the Company's share registrars, Secretaries Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong to exchange at the expense of the Company, for the respective share certificates in the new company name. New share certificates will be available for collection during normal business hours at the office of Secretaries Limited within ten business days from the date of submission. Thereafter, existing share certificates will be accepted for exchange on payment of a fee of HK\$2.50 (or such higher amount as may be stipulated in the Listing Rules) for each new certificate to be issued or for each existing share certificate so submitted for exchange, whichever number of certificates is higher.

### **3. PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES**

#### **(1) Amendment arising out of the Change of Company Name**

At the AGM, the Special Resolution 5(B) will be proposed for the Shareholders to consider and, if thought fit, approve, subject to the passing of the Special Resolution 5(A) for the change of company name, the amendment to the first clause of the Memorandum in order to reflect the change of name of the Company.

#### **(2) Amendments arising out of the Change of Law**

With the effect of the Securities and Futures Ordinance on 1 April 2003, Hong Kong Securities Clearing Company Limited ("HKSCC") requires that (i) the imprinted signatures on behalf of HKSCC Nominees Limited (or any Successor thereto) on transfer deeds whether as a transferor or a transferee will continue to be accepted; and (ii) HKSCC and/or its nominee(s) can appoint multiple corporate representatives to attend and vote at shareholders' meetings of the Company as if they were individual shareholders. The present Articles have not provided clearly that the imprinted signatures of a recognized clearing house or its nominee(s) whether as a transferor or transferee on transfer deeds for any transfer of the Shares are accepted by the Company. Neither the present Articles have a provision to the effect that a member who is a recognised clearing house or its nominee(s) may appoint multiple corporate representatives to attend and vote at shareholders' meeting of the Company as if each were an individual shareholder. In order to comply with the requirements of HKSCC, it is proposed to amend (i) Article 38 of the Articles to allow that instruments of transfer of Shares of the Company may be executed by mechanical means or such other manner of execution as the Board may approve from time to time if the transferor or transferee is a recognised clearing house or its nominee(s);

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## LETTER FROM THE BOARD

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and (ii) Article 82 of the Articles to allow a member who is a recognised clearing house or its nominee(s) to appoint multiple corporate representatives to attend and vote at shareholders' meetings of the Company as if each were an individual shareholder. The proposed amendments to Article 38 and Article 82 of the Articles are set out in detail in the notice of the AGM on pages 10 to 15 of this circular.

### **(3) General amendments to update the Articles**

In addition, the Directors propose to clarify the term "Hong Kong" used in the Memorandum and Articles to reflect the hand-over of sovereignty over Hong Kong by The United Kingdom to The Peoples' Republic of China in July 1997. A new definition for "recognised clearing house" will also be added in Article 2 of the Articles to correspond with the proposed amendments to the Article 38 and Article 82 above.

## **4. GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES**

At the AGM held on 20 June 2002, ordinary resolutions were passed to renew the general mandates to the Directors to (i) repurchase Shares on the Stock Exchange up to 10% of the issued share capital of the Company as at 20 June 2002; and (ii) allot, issue and otherwise deal with Shares not exceeding 20% of the Shares in issue as at 20 June 2002 plus the nominal amount of any Shares repurchased by the Company (up to a maximum of 10% of the aggregate nominal amount of the Company's then issued share capital). No Shares have been repurchased, allotted, issued or otherwise dealt with pursuant to these mandates.

Under the terms of the Companies Ordinance and the Listing Rules, these general mandates will lapse at the conclusion of the AGM, unless renewed at that meeting. Resolutions set out as Ordinary Resolutions 5(E), 5(F) and 5(G) in the notice of AGM will be proposed to renew these mandates and the explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed general mandate for the repurchase of Shares is set out in the Appendix to this circular. With reference to these resolutions, the Directors wish to state that they have no immediate plans to repurchase any Shares or to issue any new Shares pursuant to the relevant mandates.

## **5. AGM**

Set out on pages 10 to 15 of this circular is a notice convening the AGM for the purpose of considering and, if thought fit, passing the relevant resolutions relating to (i) the change of company name; (ii) the amendments to the Memorandum and Articles; and (iii) the general mandates to issue Shares and repurchase Shares.

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## LETTER FROM THE BOARD

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A form of proxy for the AGM is enclosed. Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance the instructions printed thereon and return it to the Company's share registrars, Secretaries Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or adjourned meeting. Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting at the AGM or any adjourned meeting should they so wish.

### 6. RECOMMENDATION

The Directors consider that the change of company name, the amendments to the Memorandum and Articles, and the granting of the mandates to issue Shares and to repurchase Shares are in the best interests of the Company and its Shareholders and recommend the Shareholders to vote in favour of the resolutions to be proposed at the AGM to approve the change of company name, the amendments to the Memorandum and Articles, and the general mandates to issue Shares and to repurchase Shares. The Directors will vote all their Shares in favour of all the resolutions.

### 7. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 16 June 2003 to Thursday, 19 June 2003 (both days inclusive) in order to determine entitlements for the final dividend and attending and voting at the AGM. In order to qualify for the proposed final dividend and to qualify for attending and voting at the AGM, all share transfers accompanied by the relevant share certificates, must be lodged for registration with the Company's share registrars, Secretaries Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:00 p.m. on Friday, 13 June 2003.

Yours faithfully,  
By order of the Board of  
**Jusco Stores (Hong Kong) Co., Limited**  
**Kazumasa Ishii**  
*Managing Director*



This is the Explanatory Statement to provide requisite information to you for your consideration of the proposed general mandate for repurchase of shares, as required by the relevant rules set out in the Listing Rules on the Stock Exchange to regulate the repurchase by companies with primary listings on the Stock Exchange of their own shares on the Stock Exchange.

This Explanatory Statement also constitutes the memorandum required under Section 49BA(3) of the Companies Ordinance.

Reference in this Explanatory Statement to “Shares” means fully-paid up ordinary shares of HK\$0.20 each in the capital of the Company.

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 260,000,000 Shares. The passing of the Ordinary Resolution 5(F) set out in the notice of AGM will allow the Company to repurchase a maximum of 26,000,000 Shares on the basis that no further Shares will be issued prior to the date of the AGM.

## **2. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and its Shareholders to have general authority from the 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 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.

## **3. FUNDING OF REPURCHASES**

The funds employed by the Company in connection with a repurchase of Shares would be those legally available for such use under the Company’s Memorandum and Articles of Association and the Companies Ordinance. The Companies Ordinance provides that the amount of capital repaid in connection with a share repurchase may only be paid from the distributable profits of the Company and/or proceeds of a new issue of Shares made for the purpose of the repurchase to such an extent allowable under the Companies Ordinance.

There might be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements for the year ended 28 February 2003 contained in the Annual Report for the year ended 28 February 2003) in the event that the mandate to repurchase Shares were to be 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 Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### **4. GENERAL**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates currently intend to sell Shares to the Company or its subsidiaries.

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 Hong Kong.

No purchases have been made by the Company of its Shares (whether on the Stock Exchange or otherwise) in the six months prior to the date of this document.

No connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, if the repurchase mandate is exercised. In accordance with the Listing Rules, the Company shall not knowingly purchase Shares from a connected person on the Stock Exchange.

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

As at the Latest Practicable Date, AEON Co., Ltd. was the only substantial shareholder (as defined in the Listing Rules) of the Company and was beneficially interested in 186,276,000 Shares representing 71.64% of the issued share capital of the Company. If the repurchase mandate is exercised in full, the beneficial interests of AEON Co., Ltd. in the Company will increase to approximately 79.60%. The Directors are not aware of any consequences which would arise under the Code as a consequence of any repurchases pursuant to the repurchase mandate. Any purchase of Shares which would result in the amount of Shares held by the public being reduced to less than 25% could only be implemented with the agreement of the Stock Exchange to waive the dealing restriction regarding the public shareholding referred to above. However, the Directors have no present intention to exercise the power to repurchase Shares to the extent that the aggregate amount of the share capital of the Company in public hands would be reduced to less than 25%.

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**APPENDIX            EXPLANATORY STATEMENT ON REPURCHASE OF SHARES**

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The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the twelve months prior to the printing of this circular were as follows:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2002</b>		
May	4.825	3.275
June	4.525	3.90
July	4.15	3.55
August	3.90	3.675
September	3.90	2.60
October	3.40	2.475
November	2.625	2.20
December	2.425	2.00
<b>2003</b>		
January	2.40	2.10
February	2.45	2.25
March	2.325	1.60
April	1.75	1.48

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## NOTICE OF ANNUAL GENERAL MEETING

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# JUSCO

吉 之 島

**JUSCO STORES (HONG KONG) CO., LIMITED**

吉之島(香港)百貨有限公司

*(Incorporated in Hong Kong with limited liability)*

**NOTICE IS HEREBY GIVEN** that the annual general meeting of shareholders of Jusco Stores (Hong Kong) Co., Limited (the “Company”) will be held at Granville Room, Lower Lobby, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Thursday, 19 June 2003 at 9:00 a.m. for the following purposes:

1. To receive and consider the audited Financial Statements and the Reports of the Directors and Auditors for the year ended 28 February 2003.
2. To declare a final dividend for the year ended 28 February 2003.
3. To re-elect Directors and authorise the Board of Directors to fix their remuneration.
4. To re-appoint Auditors and authorise the Directors to fix their remuneration.
5. To consider as special business and, if thought fit, pass with or without amendments, the following resolutions as special and/or ordinary resolutions of the Company (as the case may be):

### **SPECIAL RESOLUTIONS**

- (A) “**THAT** subject to the approval of the Registrar of Companies, the name of the Company be changed to “AEON Stores (Hong Kong) Co., Limited 永旺(香港)百貨有限公司” with effect from the issuance of the relevant Certificate of Incorporation on Change of Name.”
- (B) “**THAT** subject to the passing of the Special Resolution 5(A) set out in the notice convening this meeting, the Memorandum of Association of the Company be and is hereby amended by deleting the First clause in its entirety and substituting therefor the following clause:

FIRST: The name of the Company is “AEON Stores (Hong Kong) Co., Limited 永旺(香港)百貨有限公司.”

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## NOTICE OF ANNUAL GENERAL MEETING

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(C) “**THAT** all references to “Hong Kong” throughout the Memorandum of Association of the Company and the Articles of Association of the Company be replaced and substituted as “the Hong Kong Special Administrative Region”.”

(D) “**THAT** the Articles of Association of the Company be and are hereby amended in the following manner:

(1) by adding the following definition in Article 2 before the definition of “the register”

“recognised clearing house” shall mean a company recognised as a clearing house under Section 37(1) of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);

(2) by deleting Article 38 in its entirety and substituting therefor the following paragraph:

38. All transfers of shares may be effected by transfer in writing in the usual common form or in such other form as the Board may accept or may be under hand only or, if the transferor or transferee is a recognised clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time. All instruments of transfer must be left at the registered office of the Company or at such other place as the Board may appoint and may be retained by the Company.

(3) by deleting Article 82 in its entirety and substituting therefor the following paragraph:

82. (A) Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company and references in the Articles to a member present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a member represented by such duly authorised representative.

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## NOTICE OF ANNUAL GENERAL MEETING

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(B) Where a member of the Company is a recognised clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of members of the Company provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the recognised clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including the right to vote individually on a show of hands.”

### ORDINARY RESOLUTIONS

(E) “**THAT**

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and otherwise deal with unissued Shares and to issue or grant offers, agreements, options and warrants which will or might require Shares to be allotted, issued or the exercise of any of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors of the Company and shall authorise the Directors of the Company during the Relevant Period to issue or grant offers, agreements, options and warrants which will or might require the exercise of any of such power 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 of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to a Rights Issue, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution and the said approval shall be limited accordingly; and

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## NOTICE OF ANNUAL GENERAL MEETING

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(d) for the purpose of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or by law to be held; or
- (iii) the date of 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.

“Rights Issue” means an offer of Shares or offer or issue of warrants or options to subscribe for Shares open for a period fixed by the Directors of the Company to holders of Shares on the Register of Members of the Company or any class thereof on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusions 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 recognised regulatory body or any stock exchange in, any territory applicable to the Company).

“Shares” means shares of all classes in the capital of the Company and warrants and other securities which carry a right to subscribe or purchase shares of the Company.”

(F) **“THAT**

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

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## NOTICE OF ANNUAL GENERAL MEETING

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(b) the aggregate nominal amount of Shares which the Company is authorised to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution and the said approval shall be limited accordingly; and

(c) for the purpose of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or by law to be held; or
- (iii) the date of 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.

“Shares” means shares of all classes in the capital of the Company and warrants and other securities which carry a right to subscribe or purchase shares of the Company.”

(G) “**THAT** conditional upon the passing of the Ordinary Resolutions 5(E) and 5(F) set out in the notice convening this meeting, the general mandate granted to the Directors of the Company to allot, issue and otherwise deal with unissued Shares and to issue or grant offers, agreements, options and warrants which will or might require Shares to be allotted, issued or the exercise of any of such powers pursuant to the Ordinary Resolution 5(E) set out in the notice convening this meeting be and is hereby extended by the addition thereto 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 the Ordinary Resolution 5(F) set out in the notice convening this meeting, provided that such amount of Shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution.”

By Order of the Board  
**Heng Kwo Seng**  
*Company Secretary*

Hong Kong, 16 May 2003



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## NOTICE OF ANNUAL GENERAL MEETING

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*Registered Office:*

G-4th Floor  
Kornhill Plaza (South)  
2 Kornhill Road  
Hong Kong

*Notes:*

- (1) A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint more than one proxy to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) In order to be valid, form(s) 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 of attorney or authority, must be deposited at the office of the Company's Share Registrars, Secretaries Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, not less than 48 hours before the time fixed for holding the annual general meeting or any adjournment thereof.
- (3) The Register of Members of the Company will be closed from Monday, 16 June 2003 to Thursday, 19 June 2003 (both days inclusive) during which period no transfer of shares can be registered. In order to qualify for attending and voting at the annual general meeting and the proposed final dividend, all share transfers, accompanied by the relevant share certificates, must be lodged for registration with the Company's Share Registrars, Secretaries Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, not later than 4:00 p.m. on Friday, 13 June 2003.
- (4) Further information relating to the proposed change of name and amendments to the Memorandum and Articles of Association of the Company will be provided in a circular of the Company to be sent to all members together with the Annual Report for the year ended 28 February 2003.
- (5) With reference to the Ordinary Resolutions 5(E) and 5(F) above, the Directors of the Company wish to state that they have no immediate plans to issue any new shares or to repurchase any existing shares pursuant to the relevant mandates.
- (6) An explanatory statement containing further details regarding the Ordinary Resolutions 5(E) and 5(F) above will be sent to all members together with the Annual Report for the year ended 28 February 2003.
- (7) If approved, the proposed final dividend will be payable on or before Friday, 8 August 2003.