



新世界發展有限公司

New World Development Company Limited

(incorporated in Hong Kong with limited liability)

(Stock Code: 17)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Company will be held at Meeting Room 201B (New Wing), Hong Kong Convention & Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Tuesday, 7 December 2004 at 3:30 p.m. for the following purposes:

1. To consider and adopt the audited Statement of Accounts and the Report of Directors and Auditors for the year ended 30 June 2004.
2. To declare a final dividend.
3. To re-elect Directors and authorise the Directors to fix their remuneration.
4. To re-appoint Joint Auditors and authorise the Directors to fix their remuneration.
5. As special business to consider and, if thought fit, pass with or without modifications, the following resolution as an Ordinary Resolution:

ORDINARY RESOLUTION

“THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$1.00 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in connection with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which the Directors of 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 issued share capital of the Company as at the date of passing this Resolution and the said approval shall be limited accordingly; and
- (c) for the purposes 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 law to be held; and

(iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

6. As special business to consider and, if thought fit, pass with or without modifications, the following resolution as an Ordinary Resolution:

ORDINARY RESOLUTION

“THAT:

- (a) subject to paragraph (c) below and pursuant to Section 57B of the Companies Ordinance, 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 shares of HK\$1.00 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise 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) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue, (ii) an issue of shares as scrip dividends pursuant to the articles of association of the Company from time to time; (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iv) an issue of shares upon conversion by the bondholders of their bonds into shares of the Company in accordance with the terms and conditions of an issue of convertible guaranteed bonds by a special purpose subsidiary wholly owned by the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (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 law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (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 outside Hong Kong applicable to the Company).”

7. As special business to consider and, if thought fit, pass with or without modifications, the following resolution as an Ordinary Resolution:

ORDINARY RESOLUTION

“**THAT** subject to the passing of Resolution Nos. 5 and 6 set out in the notice convening this meeting, the general mandate granted to the Directors of the Company to allot and deal with additional shares pursuant to Resolution No. 6 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 shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Resolution No. 5 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 the said Resolution.”

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

SPECIAL RESOLUTION

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

(a) Article 2

- (i) by deleting the existing definition of “Hong Kong” in its entirety and substituting therefor the following new definition and its marginal note:

“Hong Kong” shall mean the Hong Kong Special Administrative Region of The People’s Republic of China; Hong Kong.

- (ii) by deleting the existing definition of “associate” in its entirety and substituting therefor the following new definition and its marginal note:

“associate” shall have the meaning ascribed to it under the Listing Rules; associate.

- (iii) by adding the words “for Administration” after the words “Chief Secretary” in the definition of “newspaper”;

- (iv) by adding the following new definitions and their marginal notes immediately after the definition of “statutes”:

“the Stock Exchange” shall mean The Stock Exchange of Hong Kong Limited; Stock Exchange.

“the Listing Rules” shall mean the Rules Governing the Listing of Securities on the Stock Exchange and any amendments thereto for the time being in force; Listing Rules.

“clearing house” shall mean a recognized clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); clearing house.

- (v) by deleting the existing definition of “statutes” in its entirety and substituting therefor the following new definition and its marginal note:

“statutes” shall mean the prevailing laws of Hong Kong including statutes.
any statutory modifications from time to time;

(b) Article 6

- (i) by deleting the words “The Stock Exchange of Hong Kong Limited” after the word “on” in the twelfth and thirteenth lines of Article 6 and substituting therefor the words “the Stock Exchange”;
- (ii) by deleting the words “The Stock Exchange of Hong Kong Limited” after the word “on” in the fifteenth line of Article 6 and substituting therefor the words “the Stock Exchange”.

(c) Article 16

by deleting Article 16 in its entirety and substituting therefor the following new Article and its marginal note:

16. Every person whose name is entered in the register as a holder Share
of any shares shall be entitled to receive within such period of time as certificates.
prescribed by the Companies Ordinance or the Listing Rules after
allotment or lodgement of a transfer to him of those shares (or within
such other period as the terms of issue shall provide) one certificate for
all those shares of any one class or several certificates each for one or
more of the shares of the class in question upon payment, (i) in the case
of an allotment, for every certificate after the first of such sum (if any)
not exceeding the maximum amount prescribed from time to time by the
Stock Exchange or (ii) in the case of a transfer, of such sum (if any) not
exceeding the maximum amount prescribed from time to time by the
Stock Exchange. In the case of a share held jointly by several persons,
the Company shall not be bound to issue more than one certificate
therefor and delivery of a certificate to one of several joint holders shall
be sufficient delivery to all. A member who transfers some but not all of
the shares comprised in a certificate shall be entitled to a certificate for
the balance with a fee (if any) not exceeding the maximum amount
prescribed from time to time by the Stock Exchange.

(d) Article 20

by deleting the words “HK\$2.5 (or such other amount as may from time to time be permitted under the rules prescribed by The Stock Exchange of Hong Kong Limited)” after the word “exceeding” in the second line of Article 20 and substituting therefor the words “the maximum amount prescribed from time to time by the Stock Exchange”.

(e) Article 27

by inserting the words “or by any means and in such manner as may be accepted by the Stock Exchange” at the end of Article 27.

(f) Article 37

by deleting Article 37 in its entirety and substituting therefor the following new Article and its marginal note:

37. All transfers of shares may be effected by an instrument of Form of transfer in the usual or common form or in such other form as prescribed transfer. by the Stock Exchange or in such form as the Board may accept and may be under hand or, if the transferor or transferee is a clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) 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 or at such other place as the Board may appoint.

(g) Article 40

by deleting the words “HK\$2.5 (or such other amount as may from time to time be permitted under the rules prescribed by The Stock Exchange of Hong Kong Limited) or such lesser sum” after the word “of” in the first line of paragraph (i) of Article 40 and substituting therefor the words “such sum not exceeding the maximum amount prescribed from time to time by the Stock Exchange”.

(h) Article 43

by deleting the words “without charge” after the words “issued” and “him” in the third and sixth lines of Article 43 and substituting therefor the words “with a fee not exceeding the maximum amount prescribed from time to time by the Stock Exchange” respectively.

(i) Article 44

by inserting the words “, on giving notice by advertisement in a newspaper,” after the word “may” in the first line of Article 44.

(j) Article 70

by inserting the words “(or in the case of a corporation, by its duly authorised representative)” after the word “person” in the second line of Article 70.

(k) Article 71

by inserting the words “(or in the case of a corporation, by its duly authorised representative)” after the word “person” in the seventh line of Article 71.

(l) Article 74

- (i) by inserting the words “unless a poll is taken as may from time to time be required under the Listing Rules or any other applicable laws, rules or regulations or” immediately before the word “unless” in the second line of the first paragraph of Article 74;
- (ii) by inserting the words “(or in the case of a corporation, by its duly authorised representative)” after the word “person” in the first lines of sub-paragraphs (iii) and (iv) of Article 74 respectively;

(iii) by inserting the words “a poll is taken as may from time to time be required under the Listing Rules or any other applicable laws, rules or regulations or unless” immediately after the word “Unless” at the beginning of the second paragraph of Article 74.

(m) Article 77

by inserting the words “required under the Listing Rules or” after the word “is” in the third line of Article 77.

(n) Article 84

by re-numbering the existing paragraph (B) of Article 84 as paragraph (C) of Article 84 and adding the following new paragraph (B) and its marginal note to Article 84:

(B) Where the Company has knowledge that any member is, under any applicable laws and the Listing Rules from time to time, 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. Voting in contravention to Listing Rules.

(o) Article 91(B)

(i) by deleting the words “a recognised clearing house within the meaning of the Securities and Futures (Clearing Houses) Ordinance of Chapter 420 of the Laws of Hong Kong” in the first and second lines of Article 91(B) and substituting therefor the words “a clearing house”;

(ii) by deleting the word “recognised” before the words “clearing house” in the ninth line of Article 91(B).

(p) Article 95

by adding the following new paragraph immediately after paragraph (D) of Article 95:

(E) An alternate Director shall be deemed to be the agent of the Director who appoints him. A Director who appoints an alternate Director shall be vicariously liable for any tort committed by the alternate Director while acting in the capacity of alternate Director.

(q) Article 101(A)

by deleting the words “a special resolution” in paragraph (vii) of Article 101(A) and substituting therefor the words “an ordinary resolution”.

(r) Article 102(H)

by deleting Article 102(H) in its entirety and substituting therefor the following new Article:

(H) A Director shall not vote on any resolution of the Board approving any contract, arrangement or proposal in which he or to his knowledge any of his associates has a material interest, and if he shall do so his vote shall not be counted nor shall he be counted in the quorum present at the meeting, but this prohibition shall not apply to any of the following matters namely:

- (i) the giving of any security or indemnity either 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;
- (ii) the giving of any security or indemnity 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/have 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;
- (iii) 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;
- (iv) 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;
- (v) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in 5 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 associates is derived) or of the voting rights;
- (vi) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to the Directors, his associates and employees of the Company or any of its subsidiaries and does not give the 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
- (vii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including 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.

(s) Article 102(I)

by deleting Article 102(I) in its entirety and substituting therefor the following new Article:

(I) A company shall be deemed to be a company in which a Director and/or his associate(s) own(s) 5 per cent. or more if and so long as (but only if and so long as) he and/or his associate(s) is/are (either directly or indirectly) the holder(s) of or beneficially interested in 5 per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest or that of any of his associates is derived) or of the voting rights available to members of such company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or 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 his associate(s) is/are 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 authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.

(t) Article 102(J)

by deleting Article 102(J) in its entirety and substituting therefor the following new Article:

(J) Where a company in which a Director and/or his associate(s) has an interest of 5 per cent. or more is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.

(u) Article 102(K)

by deleting Article 102(K) in its entirety and substituting therefor the following new Article:

(K) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) and/or his associate(s) 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 and/or his associate(s) concerned 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 be counted in the quorum but 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 as known to such chairman has not been fairly disclosed to the Board.

(v) Article 102(L)

by deleting Article 102(L) in its entirety and substituting therefor the following new Article:

(L) The Company may by ordinary resolution ratify any transaction not duly authorised by reason of a contravention of this Article provided that no Director who is or whose associate(s) is/are materially interested in such transaction shall vote upon such ordinary resolution in respect of any shares in the Company in which he/they is/are interested.

(w) Article 107

by deleting Article 107 in its entirety and substituting therefor the following new Article and its marginal note:

107. No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company provided that the minimum length of the period, during which such notices are given, shall be at least seven days. The period for lodgment of such notices shall commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.	Notice to be given when person proposed for election.
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(x) Article 109

by deleting the words “special resolution” in the first line of Article 109 and its marginal note and substituting therefor the words “ordinary resolution”.

(y) Article 161

by deleting the words “The Stock Exchange of Hong Kong Limited” in sub-paragraph (iii) of Article 161 and substituting therefor the words “the Stock Exchange”.

(z) Article 172

by deleting the words “Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited” in the second and third lines of Article 172 and substituting therefor the words “Listing Rules”.

(aa) Article 183(A)

(i) by deleting the words “paragraph (c) of the proviso to Section 165 of the Companies Ordinance” in the third line and the fourth line of Article 183(A) and substituting therefor the words “Section 165(2) of the Companies Ordinance”;

(ii) by adding the words “and every Auditors” after the word “officer” in the first line of Article 183(A); and

(iii) by adding the words “or Auditors” after the word “officer” in the sixth line of Article 183(A).

(bb) Article 184

by adding the following new Article and marginal note immediately after Article 183:

184. The Company shall have power to purchase and maintain for any Director or other officer, or Auditors of the Company: Liability insurance.

- (i) insurance against any liability to the Company, a related company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for fraud) of which he may be guilty in relation to the Company or a related company; and
- (ii) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or a related company.

For the purpose of this Article 184, “related company” means any company which is the Company’s subsidiary or holding company or a subsidiary of the Company’s holding company.”

By Order of the Board
LEUNG Chi-Kin, Stewart
Company Secretary

Hong Kong, 29 October 2004

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the registered office of the Company at 30th Floor, New World Tower, 18 Queen’s Road Central, Hong Kong not less than 48 hours before the time appointed for holding the meeting or the adjourned meeting (as the case may be).
3. The register of members of the Company will be closed from Wednesday, 1 December 2004 to Tuesday, 7 December 2004, both days inclusive, during which period no transfer of shares will be effected. In order to determine the entitlement to attend and vote at the Annual General Meeting, all share transfers accompanied by the relevant share certificates, must be lodged with the Company’s Share Registrars, Tengis Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Tuesday, 30 November 2004.

As at the date of this notice, (a) the executive directors of the Company are Dato' Dr. CHENG Yu-Tung, Dr. CHENG Kar-Shun, Henry, Dr. SIN Wai-Kin, David, Mr. LIANG Chong-Hou, David and Mr. LEUNG Chi-Kin, Stewart; (b) the non-executive directors of the Company are Mr. CHENG Yue-Pui, Mr. CHENG Kar-Shing, Peter, Mr. CHOW Kwai-Cheung, Mr. HO Hau-Hay, Hamilton and Mr. LIANG Cheung-Biu, Thomas and (c) the independent non-executive directors of the Company are Lord SANDBERG, Michael, Mr. YEUNG Ping-Leung, Howard, Dr. CHA Mou-Sing, Payson, *JP*, Mr. CHA Mou-Zing, Victor (as alternate director to Dr. CHA Mou-Sing, Payson) and Mr. LEE Luen-Wai, John, *JP*.

*Please also refer to the published version of this announcement in the (**The Standard**)*