



CAPITAL ESTATE LIMITED

冠中地產有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 193)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of the shareholders of Capital Estate Limited (the “Company”) will be held at Board Room 1, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Thursday, 29th September, 2005 at 9:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. **“THAT**, with effect from 4:00 p.m. on the day this resolution is passed and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (**“Stock Exchange”**) granting listing of, and permission to deal in the ordinary shares of the Company in their HK\$1.00 form as referred to in paragraph (b) below:
 - (i) every 100 unissued ordinary shares of HK\$0.01 each of the Company be consolidated into one share of HK\$1.00 each; and
 - (ii) every issued ordinary share of HK\$0.01 each of the Company be consolidated in such manner that every 100 of such shares as are registered in the name of each shareholder after 4:00 p.m. on the day this resolution is passed as an ordinary resolution of the Company shall be consolidated into one ordinary share of HK\$1.00 each (**“Consolidated Shares”**) provided that any fractional entitlements to a Consolidated Share that would arise from and upon such consolidation shall be aggregated and sold, the proceeds of sale thereof being retained for the benefit of the Company (**“Share Consolidation”**).”
2. **“THAT** conditional on the passing of Ordinary Resolution No. 1 as set out in the notice convening the extraordinary general meeting at which this resolution is proposed and the Share Consolidation referred to therein becoming effective, the authorised share capital of the Company be increased from HK\$122,500,000 to HK\$2,000,000,000 by the creation of 1,877,500,000 shares of HK\$1.00 each ranking pari passu in all respects with the Consolidated Shares referred to therein.”
3. **“THAT** conditional on (a) the passing of Ordinary Resolutions No. 1 and 2 as set out in the notice convening the extraordinary general meeting at which this resolution is proposed and the Share Consolidation becoming effective and (b) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Rights Shares (as defined below) in their nil-paid and fully-paid forms:
 - (i) the underwriting agreement dated 8th August, 2005 (**“Underwriting Agreement”**) between the Company and Get Nice Investment Limited (**“Underwriter”**) (a copy of the Underwriting Agreement has been produced to this meeting and marked “A” and initialled by the chairman of the meeting for the purpose of identification) be and is hereby confirmed, approved and ratified;

- (ii) the issue of not less than 210,175,944 Consolidated Shares and not more than 219,743,944 Consolidated Shares (“**Rights Shares**”) pursuant to an offer by way of rights to holders of Shares in the Company at HK\$1.00 per Rights Share (“**Rights Issue**”) in the proportion of four Rights Shares for every one Consolidated Share held by holders of Shares (“**Shareholders**”) whose names appear on the register of members of the Company on 29th September, 2005 (or such other date as the Underwriter may be agree in writing with the Company) (“**Record Date**”) other than those Shareholders whose addresses on the register of members of the Company are outside Hong Kong on the Record Date and whom the Directors, based on legal opinions provided by legal advisers, consider it necessary or expedient not to offer the Rights Issue to such Shareholders on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, on and subject to the terms and conditions set out in a prospectus to be sent to the Shareholders in respect of the Rights Issue (“**Prospectus**”) (a final version of the Prospectus having been produced to this meeting and marked “**B**” and initialled by the chairman of the meeting for the purpose of identification) and on such other terms and conditions as may be determined by the directors of the Company be and is hereby approved; and
- (iii) the directors of the Company be and are hereby authorised to issue and allot the Rights Shares on terms as set out in the Prospectus and to do all such acts and things, to sign and execute all such further documents and to take such steps as the directors of the Company may in their absolute discretion consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Rights Issue and the Underwriting Agreement or any of the transactions contemplated thereunder.”

By order of the board of
Capital Estate Limited
Chu Nin Yiu, Stephen
Executive Chairman

Hong Kong, 12th September, 2005

Notes:

1. A form of proxy for use at the meeting is enclosed herewith.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
3. Any shareholder of the Company entitled to attend and vote at the meeting convened by the above notice shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company.
4. In order to be valid, the 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 such power of attorney or authority, must be deposited at the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding of the above meeting or any adjournment thereof.

5. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the meeting convened or at any adjourned meeting and in such event, the form of proxy will be deemed to be revoked.
6. Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote, in respect thereof.

As of the date hereof, the board of directors of the Company comprises Mr. Chu Nin Yiu, Stephen, Mr. Chu Nin Wai, David, Mr. Lau Chi Kan, Michael as executive Directors and Mr. Li Sze Kuen, Billy, Mr. Wong Kwong Fat and Mr. Leung Kam Fai as independent non-executive Directors.

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