



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 Capital Estate Limited (the “Company”) will be held at Boardroom 3 & 4, Mezzanine Level, Renaissance Harbour View Hotel, 1 Harbour Road, Wan Chai, Hong Kong on Monday, 12 March 2007 at 9:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. **“THAT**

- (a) the authorised share capital of the Company be increased from HK\$100,000,000 divided into 10,000,000,000 shares of HK\$0.01 each (the “Shares”) to HK\$2,000,000,000 divided into 200,000,000,000 Shares by the creation of an additional 190,000,000,000 Shares (“Capital Increase”); and
- (b) the directors of the Company be and are hereby authorised for and on behalf of the Company to execute all such documents, instruments and agreements and to do all such acts or things as they may deem necessary or desirable for or in connection with the completion of the Capital Increase and the matters contemplated thereunder.”

2. **“THAT** conditional on (a) 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 Capital Increase 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 25 January 2007 (“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 8,467,936,700 Shares and not more than 9,584,436,700 Shares (“Rights Shares”) pursuant to an offer by way of rights to holders of Shares in the Company at HK\$0.026 per Rights Share (“Rights Issue”) in the proportion of five Rights Shares for every one Share held by holders of Shares (“Shareholders”) whose names appear on the register of members of the Company on 12 March 2007 (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 has 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.”

SPECIAL RESOLUTION

3. “**THAT** the addendum (the “Addendum”) to the share option scheme of the Company adopted on 30 December 2002 (“Share Option Scheme”) containing proposed amendments to paragraph 10 of the Share Option Scheme (a copy of which has been produced to this meeting and marked “C” and initialled by the chairman of the meeting for the purposes of identification) be and are hereby approved and adopted and the directors of the Company be and are hereby authorised to do all such acts and to enter into all such transactions, documents and agreements as may be necessary or expedient in order to give full effect to the Addendum and the Share Option Scheme (as amended by the Addendum).”

By Order of the Board
Chu Nin Yiu, Stephen
Executive Director

Hong Kong, 16 February 2007

Registered office:
Unit 1901, 19th Floor
Asia Orient Tower, Town Place
33 Lockhart Road
Wan Chai
Hong Kong

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 member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. On a poll votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.
4. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority shall be deposited at the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than forth-eight (48) hours before the time for holding the meeting or adjourned meeting (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after expiration of twelve months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date.
5. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any 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 of this announcement, the Board 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.