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# **CAPITAL ESTATE LIMITED**

## **冠中地產有限公司**

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 193)

### **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of CAPITAL ESTATE LIMITED (the “Company”) will be held at Empire Room 1, M/Floor, Empire Hotel Hong Kong Wanchai, 33 Hennessy Road, Wan Chai, Hong Kong, on Friday, 7th December, 2012 at 3:00 p.m. for the following purposes:

#### **AS ORDINARY BUSINESS**

1. To receive and consider the report of the directors, audited financial statements and auditors’ report for the year ended 31st July, 2012;
2. To re-elect retiring directors and to authorise the board of directors to fix the remuneration of the directors; and
3. To re-appoint auditors and to authorise the board of directors to fix the remuneration of the auditors.

#### **AS SPECIAL BUSINESS**

4. To consider and, if thought fit, pass with or without modifications, the following resolution as an ordinary resolution of the Company:

**“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 purchase issued shares of HK\$0.1 each in the capital of the Company subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the directors;

(c) the aggregate nominal amount of the shares which are authorised to be purchased by the directors of the Company pursuant to the approval in paragraph (a) shall not exceed 10 per cent. 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

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest 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 or the Company’s articles of association to be held; or

(iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.”

5. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**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 deal with additional shares in the capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) 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 make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate nominal amount of the share capital of the Company 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 (as hereinafter defined); or

(ii) an issue of Shares upon the exercise of rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into Shares, the issue of which warrants and other securities has previously been approved by shareholders of the Company; or

(iii) an issue of Shares upon the exercise of any options granted under any share option scheme or similar arrangement for the time being adopted for the grant or issue to eligible persons of Shares or rights to acquire Shares; or

- (iv) an issue of Shares as scrip dividends or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of the Company,

shall not in total exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes of this resolution:

“Relevant Period” shall have the same meaning as that ascribed to it under resolution no. 4 as set out in the notice convening the meeting of which this resolution forms part; and

“Rights Issue” means an offer of Shares or an offer of warrants, options or other securities giving rights to subscribe for Shares, open for a period fixed by the directors of the Company to holders of Shares or any class thereof whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares or any 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 recognized regulatory body or any stock exchange in, any territory outside Hong Kong).”

- 6. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of the resolutions nos. 4 and 5 as set out in the notice convening the meeting of which these resolutions form part, the general mandate granted to the directors of the Company pursuant to the resolution no. 5 as set out in the notice convening the meeting of which this resolution forms part be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company purchased by the Company under the authority granted pursuant to the resolution no. 4 as set out in the notice convening the meeting of which this resolution forms part, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

- 7. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

- (A) “**THAT** subject to the passing of ordinary resolution 7(B) as set out in the notice convening this meeting and conditional upon the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Shares falling to be issued pursuant to the share option scheme (the “New Share Option Scheme”), the terms of which are set out in the document marked “A” which has been produced to this meeting and signed by the chairman of this meeting for the purpose of identification, the rules of the New Share Option Scheme be and are hereby approved and adopted and the directors of the Company be and are hereby authorised to grant options and to allot, issue and deal with Shares pursuant to the exercise of any option granted thereunder and to take all such steps as they may consider necessary or expedient to implement the New Share Option Scheme.”

- (B) “**THAT** subject to the passing of ordinary resolution 7(A) as set out in the notice convening this meeting, the existing share option scheme of the Company adopted by the Company on 20 December 2002 (the “Existing Share Option Scheme”) be and is hereby terminated with immediate effect but in all other respects the Existing Share Option Scheme shall remain in full force and effect and options granted thereunder prior to such termination shall continue to be valid and exercisable in accordance with their terms of issue.”

8. To consider and, if thought fit, pass the following resolution as a special resolution of the Company:

(A) “**THAT** the following amendments to the Articles of Associations be and are hereby approved:

**(i) Article 2**

By adding the following new definition of “substantial shareholder” immediately before the definition of “the register”:

“substantial shareholder” shall mean a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the Listing Rules from time to time) of the voting power at any general meeting of the Company;

By inserting the words “or stored in any electronic form (including an electronic communication)” to the end of the definition for “writing” or “printing” .

**(ii) Article 67**

By deleting the existing Article 67 in its entirety and substituting it with the following as the new Article 67:

“An annual general meeting shall be called by notice in writing of at least twenty-one days or twenty business days (whichever is longer). A meeting called for the passing of a special resolution shall be called by notice in writing of at least twenty-one days or ten business days (whichever is longer). A meeting of the Company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by notice in writing of at least fourteen days or ten business days (whichever is longer). The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company, provided that subject to the provisions of the Companies Ordinance, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it so agreed:-

(i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and

(ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. in nominal value of the shares giving that right.”.

**(iii) Article 80**

By adding the following sentence to the end of the existing Article 80:

“Where any shareholder is, under the Listing Rules, 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 shareholder in contravention of such requirement or restriction shall not be counted.”.

**(iv) Article 101**

By deleting the words “a special” in the first line of the existing Article 101(A)(vii) and substituting it with the words “an ordinary”.

**(v) Article 102**

By deleting the existing Articles 102(E)(v), 102(F) and 102(G) and substituting each of them with the words “Intentionally Deleted”.

**(vi) Article 107**

By adding the following sentence to the end of existing Article 107:

“The period for lodgment of the notices referred to above shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.”.

**(vii) Article 109**

By deleting the word “special” in the first line of the existing Article 109 and substituting it with the word “ordinary”.

**(viii) Article 134**

By adding the following sentence to the end of existing Article 134:

“Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.”.

**(ix) Article 163**

By adding the following as the new Article 163(C):

“The requirement to send to a person referred to in Article 163(B) a copy of every balance sheet (including every document required by law to be annexed thereto) and profit and loss account which is to be laid before the Company in general meeting, together with a copy of the Directors’ report and a copy of the Auditors’ report, shall be deemed satisfied where, in accordance with the Companies Ordinance and all other applicable legislation and the Listing Rules, the Company publishes such documents on the Company’s website or in any other permitted manner (including sending by any form of electronic communication), and that person has, in accordance with the Companies Ordinance and all other applicable legislation and the Listing Rules, agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company’s obligation to send to him a copy of such documents.”.

**(x) Article 167**

By deleting the words “a computer network” on the 7th line of the existing Article 167A and substituting with the words “the Company’s website or by such other means as may be permitted under the Companies Ordinance, the Listing Rules and other applicable laws, rules and regulations”; and

By deleting the existing Article 167A(vi) and substituting the following as the new Article 167A(vi):

“by publishing it on the Company’s website.”.

**(xi) Article 169**

By deleting the existing Article 169(ii) and substituting the following as the new Article 169 (ii):

“if sent as an electronic communication, shall be deemed to have been served at the time as prescribed by the Companies Ordinance and other applicable laws, rules and regulations;”;  
and

By deleting the existing Article 169(iii) and substituting the following as the new Article 169 (iii):

“if published on the Company’s website, shall be deemed to have been served at the time prescribed by the Companies Ordinance and other applicable laws, rules and regulations.”.

- (B) “**THAT** subject to the passing of the special resolution numbered 8(A) above, a new set of amended and restated Articles of Association of the Company which consolidates all of the proposed amendments referred to in the special resolution numbered 8(A) above, a copy of which has been tabled at the meeting and marked “B” and signed by the chairman of the meeting for identification purpose, be and is hereby adopted as the new Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company with immediate effect.”

By order of the Board of  
**CAPITAL ESTATE LIMITED**  
**Sio Tak Hong**  
*Chairman*

Hong Kong, 5th November, 2012

*Registered office:*

17th 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 shareholder of the Company entitled to attend and vote at the meeting convened by the above notice shall be entitled to appoint one or more proxies 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 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, 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. Sio Tak Hong, 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 nonexecutive directors.*