



LAI SUN DEVELOPMENT

Lai Sun Development Company Limited
(Incorporated in Hong Kong with limited liability)

(Stock Code: 0488)

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Members of the Company will be held at The Chater Room I, Function Room Level (B1), The Ritz-Carlton Hong Kong, 3 Connaught Road Central, Hong Kong on Friday, 23rd December, 2005 at 9:45 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and of the auditors for the year ended 31st July, 2005;
2. To re-elect retiring directors and to fix the directors' remuneration;
3. To appoint auditors and to authorise the directors to fix their remuneration;
4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT:

- (a) subject to paragraph (c) of this Resolution, the exercise by the directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to issue, allot and deal with additional ordinary shares in the Company, and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into ordinary shares in 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) of this Resolution shall authorise the directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into ordinary shares in 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 ordinary share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of ordinary shares in the Company upon the exercise of rights of subscription or conversion under the terms of any of the securities which are convertible into shares of the Company; or (iii) an issue of ordinary shares in the Company as scrip dividends pursuant to the Articles of Association of the Company from time to time; or (iv) an issue of ordinary shares in the Company under any option scheme or similar arrangement for the grant or issue to employees of the Company and/or any of its subsidiaries of ordinary shares in the Company or rights to acquire ordinary shares in the Company, shall not exceed 20% of the aggregate nominal amount of the issued ordinary share capital of the Company as at the date of 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 earlier of:

- (i) the conclusion of the next Annual General Meeting of the Company;
- (ii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting; or
- (iii) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; and

“Rights Issue” means an offer of ordinary shares of the Company open for a period fixed by the directors to the holders of ordinary shares, whose names appear on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such ordinary shares as at that date (subject to such exclusions or other arrangements as the directors 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).”; and

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

“**THAT** the Articles of Association of the Company be amended by deleting the existing paragraph (A) of Article 102 in its entirety and substituting therefor the following new paragraph:

(A) Notwithstanding any contractual or other terms on which any Director may be appointed or engaged, at each annual general meeting, the Directors for the time being shall retire from office by rotation once every three years since their last election provided always that they shall retire in accordance with the manner of retirement by rotation of Directors required by the Listing Rules or other codes, rules and regulations as may be prescribed by the applicable regulatory authority from time to time. A retiring Director shall retain office until the close of the meeting at which he retires, and shall be eligible for re-election thereat. Any Director appointed pursuant to Article 93 or 105 shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.”

By Order of the Board

Yeung Kam Hoi

Company Secretary

Hong Kong, 18th November, 2005

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote on his behalf. A proxy need not be a member of the Company.
2. To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Company's Registrars, Tengis 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 appointed for holding the Annual General Meeting or its adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude members from attending and voting in person at the Annual General Meeting or at any of its adjourned meeting should they so wish.
3. Concerning item 2 of this Notice, Mr. Tam Kin Man, Kraven and Mr. Cheung Wing Sum, Ambrose were appointed executive directors of the Company on 18th November, 2005. In accordance with Article 93 of the Company's Articles of Association, Mr. Tam and Mr. Cheung will retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election. Mr. Lam Bing Kwan, Mr. Lam Kin Ming and Mr. Mr. Lau Shu Yan, Julius will retire by rotation at the forthcoming Annual General Meeting and, being eligible,

offer themselves for re-election pursuant to Article 102 of the Articles of Association of the Company. Details of the above directors are set out in the “Biographical Details of Directors and Senior Management”, “Directors’ Interests” and “Substantial Shareholders’ and Other Persons’ Interests” sections of the 2004-2005 Annual Report of the Company.

4. Ordinary Resolution No. 4 relates to the grant of a general mandate to the directors of the Company to issue new ordinary shares of up to a maximum of 20% of the aggregate nominal amount of the issued ordinary share capital of the Company as at the date of the said resolution. The Company has no immediate plan to issue such new shares.
5. Pursuant to provision A.4.2 of the Code on Corporate Governance Practices (Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”)), every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. In order to bring the Articles of Association of the Company in line with the Listing Rules, it is proposed to amend the existing Article 102(A) by Special Resolution No. 5 at the forthcoming Annual General Meeting.
6. In accordance with the Company’s Articles of Association, at any general meeting of members of the Company, a resolution shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded by:
 - (i) the Chairman of the Meeting; or
 - (ii) at least three members present in person or by proxy for the time being entitled to vote at the meeting; or
 - (iii) any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - (iv) a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

As at the date of this announcement, the executive directors of the Company are Mr. Lam Kin Ngok, Peter, Mr. Lau Shu Yan, Julius, Mr. Tam Kin Man, Kraven and Mr. Cheung Wing Sum, Ambrose; the non-executive directors are Mr. Lam Kin Ming and Madam U Po Chu and the independent non-executive directors are Mr. David Tang, Mr. Lam Bing Kwan and Mr. Leung Shu Yin, William.

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