



# TACK FAT GROUP INTERNATIONAL LIMITED

## 德發集團國際有限公司

*(incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 928)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Tack Fat Group International Limited (the “**Company**”) will be held at 14th Floor, Printing House, 6 Duddell Street, Central, Hong Kong on Tuesday, 5 September 2006 at 9:30 a.m. to transact the following ordinary business:

1. to receive and consider the audited consolidated financial statements and reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31 March 2006;
2. to declare a final dividend for the year ended 31 March 2006 of HK1.81 cents per share (each a “**Share**”) of HK\$0.10 each in the capital of the Company;
3. to re-elect Directors and to authorise the board of Directors to fix the Directors’ remuneration;
4. to re-appoint auditors and to authorise the board of Directors to fix their remuneration;
5. to consider, as special business and, if thought fit, pass the following resolution as a special resolution:

“**THAT** the articles of association (the “**Articles**”) of the Company be and are hereby amended in the following manner:

**(a) Article 66**

By inserting the words “voting by way of a poll is required by the rules of the Designated Stock Exchange or” immediately after the words “a show of hands unless” in the eleventh line in Article 66; and by deleting the full stop at the end of Article 66(d) and replacing it with a semi-colon and inserting the word “or” after the semi-colon.

Then by adding the following paragraph as Article 66(e) immediately after Article 66(d):

“(e)if required by the rules of the Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five (5) per cent or more of the total voting rights at that meeting, and if on a show of hands in respect of any resolution, the meeting votes in the opposite manner to that instructed in those proxies.”

**(b) Article 68**

By deleting the second sentence of Article 68 in its entirety and substituting therefor the following:

“The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”

**(c) Article 86**

By deleting the existing Article 86(5) in its entirety and substituting therefor the following new Article 86(5):

“86. (5) Subject to any provision to the contrary in these Articles the Members may, at any general meeting convened and held in accordance with these Articles, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement).”

**(d) Article 87**

By deleting the existing Article 87(1) in its entirety and substituting therefor the following new article 87(1):

“87. (1) Notwithstanding any other provisions in the Articles, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years.””

and, as special business and, if thought fit, passing the following resolutions as ordinary resolutions:

6. “**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period of all the powers of the Company to allot, issue and deal with unissued Shares and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers 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 options or otherwise), issued or dealt with by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:

- (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and

- (bb)(if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 the articles of association of the Company or any applicable laws of the Cayman Islands to be held; and

(iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

7. “**THAT:**

- (a) the exercise by the Directors of the Company during the Relevant Period of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Law and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of 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 the articles of association of the Company or any other applicable law of the Cayman Islands to be held; and
  - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors of the Company by this resolution.”

8. “**THAT** the Directors be and they are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 6 above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

Yours faithfully  
For and on behalf of  
the board of Directors of  
**Tack Fat Group International Limited**  
**Kwok Wing**  
*Chairman*

Hong Kong, 31 July 2006

<i>Registered office:</i>	<i>Principal place of business in</i>
Century Yard	<i>Hong Kong:</i>
Cricket Square	13th Floor
Hutchins Drive	Roxy Industrial Centre
George Town	58-66 Tai Lin Pai Road
Grand Cayman	Kwai Chung
Cayman Islands	New Territories
British West Indies	Hong Kong

*Notes:*

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company’s branch registrars in Hong Kong, Tengis Limited, at 26th, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting.
3. The board of Directors has recommended a final dividend for the year ended 31 March 2006 of HK1.81 cents per Share and, if such dividend is declared by the members passing resolution 2, it is expected to be paid on or before Thursday, 5 October 2006 to those shareholders whose names appeared on the Company’s register of members on Friday, 11 August 2006.
4. The register of members of the Company will be closed on Friday, 11 August 2006 when no transfer of shares in the Company will be effected. In order to qualify for the proposed final dividend, all transfers, accompanied by the relevant share certificates, have to be lodged with the Company’s branch registrars in Hong Kong, Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, not later than 4:00 p.m. on Thursday, 10 August 2006.
5. In relation to proposed resolution no. 3 above, Mr. Kwok Wing and Mr. Ching Kwok Ho, Samuel will retire from their offices of Directors at the above meeting pursuant to article 87 of the articles of association of the Company and, being eligible, they will offer themselves for re-election.

6. The articles of association of the Company are written in English. There is no official Chinese translation in respect thereof. Therefore, the Chinese version of proposed resolution no. 5 above on amendments of the articles of association of the Company is purely a translation only. Should there be any discrepancy, the English version shall prevail.
7. In relation to proposed resolutions nos. 6 and 8 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of shares under the Listing Rules. The Directors have no immediate plans to issue any new Shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme which may be approved by shareholders.
8. In relation to proposed resolution no. 7 above, the directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the shareholders. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited is set out in Appendix I to this circular.

*As at the date of this announcement, the Board comprised Mr. Kwok Wing, Mr. Lee Yuk Man, Mr. Ho Yik Kin, Norman, Mr. Kwok Kam Chuen as executive directors, and Mr. Leung Yiu Wing, Eric, Mr. Ching Kwok Ho, Samuel and Mr. Heng Kwo Seng as independent non-executive directors.*

Please also refer to the published version of this announcement in China Daily.