



# CULTURECOM HOLDINGS LIMITED

文化傳信集團有限公司\*

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 343)

(the "Company")

## PROPOSED AMENDMENTS TO THE BYE-LAWS OF THE COMPANY

The Directors intend to put forward to the Shareholders a proposal to amend the Current Bye-laws in order to ensure compliance with the amended provisions of the Listing Rules that came into effect on 1st January, 2005.

The proposed amendments to the Current Bye-laws are subject to the approval of the Shareholders by way of passing a special resolution to be proposed at the Annual General Meeting. A circular containing, inter alia, information on the proposed amendments to the Current Bye-laws and a notice convening the Annual General Meeting will be dispatched to the Shareholders as soon as practicable.

## PROPOSED AMENDMENTS TO THE CURRENT BYE-LAWS

The Stock Exchange of Hong Kong Limited (the "Stock Exchange") has recently amended the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") by replacing the Code of Best Practice in Appendix 14 by a new Code on Corporate Governance Practices (the "CG Code") and adding a new Appendix 23 on the requirements for a Corporate Governance Report to be included in annual reports of listed issuers. Subject to certain transitional arrangements, the amendments took effect on 1st January, 2005.

The Directors therefore propose to put forward to the Shareholders for approval of a special resolution to amend the current bye-laws adopted by the Company on 15th June, 1993 (the "Current Bye-laws") at the Annual General Meeting. The amendments are to bring the current Bye-laws in line with (i) paragraph A.4.2 of the CG Code which requires that every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years and all Directors appointed to fill a casual vacancy should be subject to election by the Shareholders at the first general meeting after their appointment; (ii) paragraph E. 1.1 of the CG Code which requires that each substantially separate issue of a general meeting, including the nomination of persons as Directors, should be done by means of separate resolution; and (iii) paragraph E.2.1 of the CG Code which provides, among other things, that if the aggregate proxies held by the Chairman of a particular general meeting and/or the Directors account for 5%, or more of the total voting rights at the 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, the Chairman of the general meeting and/or any Director holding proxies as aforesaid shall demand a poll, unless it is apparent from the total proxies held by those persons that a vote taken on a poll will not reverse the vote taken on a show of hands.

## GENERAL

The proposed amendments to the Current Bye-laws as detailed above are subject to the approval of the Shareholders by way of passing a special resolution to be proposed at the annual general meeting of the Company to be held on Tuesday, 23rd August, 2005 (the "Annual General Meeting"). A circular containing, inter alia, information on the above proposed amendments to the Current Bye-laws together with a notice convening the Annual General Meeting will be dispatched to the Shareholders as soon as practicable.

As at the date of this announcement, the Board comprises Mr. Cheung Wai Tung, Mr. Chu Bong Foo, Mr. Cheung Kam Shing, Terry, Mr. Henry Chang Manayan and Mr. Wan Xiaolin as the executive directors of the Company and Mr. Lai Man To, Mr. Wang Tiao Chun and Mr. Joseph Lee Chennault as the independent non-executive directors of the Company.

On behalf of the Board of Directors of  
**CULTURECOM HOLDINGS LIMITED**  
**Cheung Wai Tung**  
*Chairman*

Hong Kong, 28th July, 2005

*\* for identification purpose only*

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## NOTICE OF THE ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Culturecom Holdings Limited (the "Company") will be held at The Penthouse, Culturecom Centre, 47 Hung To Road, Kwun Tong, Kowloon, Hong Kong on Tuesday, 23rd August, 2005 at 10:30 a.m. for the following purposes:

1. To receive and consider the Audited Financial Statements and the Reports of the Directors and the Auditors for the year ended 31st March, 2005.
2. To confirm, ratify and approve the payment of Directors' fee to Directors for the year ended 31st March, 2005.
3. To re-elect Mr. Joseph Lee Chennault as Director.
4. To re-elect Mr. Wan Xiaolin as Director.
5. To re-elect Mr. Wang Tiao Chun as Director.
6. To fix the maximum number of Directors at twenty for the time being, to authorise the Board of Directors to appoint additional Directors up to such maximum number and to authorise the Board of Directors to fix their remuneration.
7. To re-appoint Deloitte Touche Tohmatsu as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.
8. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as a Special Resolution:

**"THAT** the bye-laws ("Bye-laws") of the Company be and are hereby amended in the following manner:

(a) Bye-law 78

By adding the following new Bye-law 78(A) immediately after the existing Bye-law 78:

"78(A). Notwithstanding any other provisions in these Bye-laws, if the aggregate proxies held by (i) the Chairman of a particular meeting, and/or (ii) the Directors, account for 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, the Chairman of the meeting and/or any Director holding proxies as aforesaid shall demand a poll, unless it is apparent to the Chairman from the total proxies held by those persons that a vote taken on a poll will not reverse the vote taken on a show of hands.”

(b) Bye-law 101

By deleting the existing Bye-law 101 in its entirety and substituting therefor the following new Bye-law 101:

“101. The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or, subject to the Statutes and to Bye-law 112, as an addition to the Board. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election.”

(c) Bye-law 114

By deleting the existing Bye-law 114 in its entirety and replacing it with the following new Bye-law 114:

“114. Election of each person as Director shall be voted upon by way of a separate resolution.”

(d) Bye-law 190(v)

By deleting the existing Bye-law 190(v) in its entirety and substituting therefor the following new Bye-law 190(v):

Bye-law 110(A) shall read as follows:

“(A) At each annual general meeting one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office. Every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election.”

9. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

**“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total nominal amount of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purpose 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meeting; and
  - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held.”.

10. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

**“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorised and unissued shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors to make or grant offers, agreements and options during the Relevant Period which would or 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 by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
  - (i) the exercise of the subscription rights attaching to the warrants issued by the Company;
  - (ii) a Rights Issue (as defined below);
  - (iii) the exercise of options under a share option scheme of the Company; and
  - (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company on the date of the passing 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 earliest 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 ordinary resolution passed by the Company’s shareholders in general meeting; and
  - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held;

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (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 any relevant jurisdiction or the requirements of any recognised regulatory body or any stock exchange).”.

11. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT** conditional upon the passing of resolutions nos. 9 and 10 set out in the notice convening this meeting, the general mandate referred to in resolution no. 10 above be and is hereby extended by the addition to the aggregate nominal amount of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of shares purchased by the Company pursuant to the mandate referred to in resolution no. 9 above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution.”; and

12. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the shares to be issued pursuant to the exercise of any options to be granted under the Refreshed Limit (as defined below) pursuant to the share option scheme (“Share Option Scheme”) of the Company adopted by the resolution of the shareholders of the Company passed on 21st August, 2002 and any other schemes of the Company, the existing scheme mandate limit under the Share Option Scheme be refreshed so that the aggregate nominal amount of share capital of the Company to be allotted and issued pursuant to the exercise of any options to be granted

under the Share Option Scheme and any other schemes of the Company (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme and any other schemes of the Company) shall not exceed 10% of the aggregate nominal amount of the shares capital of the Company in issue as at the date of the passing of this resolution (“Refreshed Limit”) and that the Directors of the Company be and are hereby authorised to grant options up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options.”.

On behalf of the Board  
**Culturecom Holdings Limited**  
**Cheung Wai Tung**  
*Chairman*

Hong Kong, 28th July, 2005

*Notes:*

- (1) A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
- (2) To be valid, this form of proxy together with any 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 deposited at the head office and principal place of business of the Company at The Penthouse, Culturecom Centre, 47 Hung To Road, Kowloon, Hong Kong not later than 48 hours before the time of the meeting or any adjourned meeting.
- (3) The principal register of members and branch registers of members of the Company will be closed from 17th August, 2005 to 23rd August, 2005, both days inclusive.

Please also refer to the published version of this announcement South China Morning Post - Classified.