



GROUP SENSE (INTERNATIONAL) LIMITED

權智（國際）有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 601)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company will be held at 27th Floor, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong on Thursday, 18th August, 2005 at 9:30 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the audited financial statements and the reports of the Directors and auditors for the year ended 31st March, 2005;
2. To declare a final dividend for the year ended 31st March, 2005;
3. To re-elect Directors and to authorise the Board to fix their remuneration; and
4. To re-appoint auditors and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS

5. As special business, to consider and, if thought fit, to pass each of the following resolutions as an ordinary resolution:

(A) “THAT

- (a) the exercise by the Directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all powers and authority of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with paragraph (b) of this resolution, all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time) or of any other stock exchange, be and is hereby generally and unconditionally approved and authorised;
- (b) the aggregate nominal amount of the shares of the Company to be purchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal value of the share capital of the Company in issue at the date of this resolution and the authority pursuant to paragraph (a) 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; or

- (ii) the expiry 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 law to be held; or
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the approval and authority given to the Directors by this resolution (Note (2)).”

(B) **“THAT**

- (a) a general mandate be and is hereby unconditionally granted to the Directors to exercise all the powers of the Company during the Relevant Period (as hereinafter defined) to issue, allot and dispose of shares in the capital of the Company (including making and granting offers, agreements and options which would or which might require shares to be issued, allotted or disposed of, whether during the continuance of such mandate or thereafter), otherwise than pursuant to:
 - (i) a rights issue where shares are offered to shareholders on a fixed record date in proportion to their then holdings of shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard, as appropriate, to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or stock exchange in, or in any territory outside, Hong Kong); or
 - (ii) any share option scheme or similar arrangement established by the Company and approved by the Stock Exchange; or
 - (iii) any issue of shares in the Company upon the exercise of subscription rights attaching to any warrants of the Company; or
 - (iv) any scrip dividend scheme or similar arrangement implemented in accordance with the Bye-laws of the Company.
- (b) the aggregate nominal value of the share capital to be issued, allotted or disposed of pursuant to the authority granted under paragraph (a) of this resolution shall not in aggregate exceed 20 per cent. of the aggregate nominal value of the share capital of the Company in issue at the date of this resolution; 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; or
 - (ii) the expiry 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 law to be held; or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the approval and authority given to the Directors by this resolution (Notes (2) and (4)).”

- (C) “**THAT** conditional upon the resolutions numbered 5(A) and 5(B) being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot shares pursuant to resolution numbered 5(B) be and is hereby extended by the addition to the aggregate nominal value of the share capital which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate an amount representing the aggregate nominal value of the share capital of the Company purchased by the Company under the authority granted pursuant to resolution numbered 5(A), provided that such amount shall not exceed 10 per cent. of the aggregate nominal value of the share capital of the Company in issue at the date of this resolution.”
6. As special business, to consider and, if thought fit, to pass, with or without amendments, the following resolution as a special resolution:
- (a) “**THAT** the existing Bye-law 86(2) be deleted in its entirety and substituted by the following new Bye-law 86(2):
- 86(2) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the Members in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting (in the case of an addition to the Board), and shall then be eligible for re-election at that meeting.”;
- (b) “**THAT** the existing Bye-law 87 be deleted in its entirety and substituted by the following new Bye-law 87:
- 87(1) Notwithstanding any other provisions in the Bye-laws, 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. Every Director, whether or not appointed for a specific term, shall be subject to retirement by rotation at least once every three years.
- 87(2) A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed pursuant to Bye-law 86(2) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.”; and

(c) “**THAT** the existing Bye-law 169(2) be deleted in its entirety.”

By Order of the Board
Yeung Sze Nga
Company Secretary

Hong Kong, 27th July, 2005

Notes:

- (1) A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company. In order to be valid, the form of proxy must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Secretaries Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong together with any power of attorney or other authority under which it is signed or a certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting.
- (2) Members are advised to read the circular to the shareholders of the Company dated 27th July, 2005 which contains an Explanatory Statement in relation to resolution numbered 5.
- (3) The Register of Members of the Company will be closed from Monday, 15th August, 2005 to Thursday, 18th August, 2005, both days inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Secretaries Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong for registration no later than 4:00 p.m. on Friday, 12th August, 2005.
- (4) Concerning resolution numbered 5(B) above, the Directors wish to state that they have no immediate plans to issue any additional new shares of the Company pursuant to the power to be conferred by this mandate.

* *For identification purpose only*

At the date of this announcement, the Board of the Company comprises Mr. Tam Wai Ho, Samson, Mr. Tam Wai Tong, Thomas, Mrs. Tam Mui Ka Wai, Vivian, Mr. Kazuhiro Otani, Mr. Lee Koon Hung and Dr. Fok Ting Yeung, James as executive directors; Mr. Lo Chi Chung, William as non-executive director; Mr. Yung Wing Ki, Samuel MH, Mr. Ho Kwok Shing, Harris and Mr. Wong Kon Man, Jason as independent non-executive directors.

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