



# *Melco International Development Limited*

新 濠 國 際 發 展 有 限 公 司

*(Incorporated in Hong Kong with limited liability)*

Website: <http://www.melco.hk.cn>

(Stock Code: 200)

## **NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** (the “Notice”) that an extraordinary general meeting (the “Meeting”) of Melco International Development Limited (the “Company”) will be held at 3:30 p.m. on Thursday, 20 May 2004, at 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong, for the purpose of considering and, if thought fit, passing (with or without amendments) the following as an ordinary resolution of the Company:

### **ORDINARY RESOLUTION**

“THAT:

(a) the group reorganisation (the “Group Reorganisation”) of Melco International Development Limited (the “Company”) and its subsidiaries (collectively, the “Group”) comprising:

(1) the acquisition (the “Mocha Acquisition”) by the Company of 80% of the entire issued share capital of Mocha Slot Group Limited (“Mocha”) and a related shareholder’s loan pursuant to:

(i) an agreement dated 19th March 2004 (the “Better Joy Mocha SPA”) entered into between the Company, Better Joy Overseas Limited (“Better Joy”) and Mr. Lawrence Ho, a copy of which has been produced to this meeting marked “A” and initialled by the Chairman of this meeting for the purpose of identification, whereby the Company has conditionally agreed to acquire from Better Joy 65 shares in Mocha (the “Better Joy Sale Shares”) representing 65% of the entire issued share capital of Mocha, and a shareholder’s loan owed by Mocha to Better Joy (“Better Joy Shareholder’s Loan”) in the principal amount of HK\$45,000,000, for an aggregate consideration of HK\$331,812,500, which will be settled as to HK\$286,812,500 in relation to the purchase of the Better Joy Sale Shares by the allotment and issue of 124,701,087 shares (the “Better Joy Consideration Shares”) of HK\$1.00 each of the Company (the “Shares”) upon completion of the Better Joy Mocha SPA, and as to HK\$45,000,000 in relation to the acquisition of the Better Joy Shareholder’s Loan by the issue

- by the Company upon completion of the Better Joy Mocha SPA of the HK\$22,500,000 4% interest bearing convertible loan notes (“2005 Convertible Loan Notes”) due on 30th June 2005 and the HK\$22,500,000 4% interest bearing convertible loan notes due on 30th June 2006 (which, together with “2005 Convertible Loan Notes” shall be referred to as “Convertible Loan Notes”), the conversion rights attached to both of which entitle the holders thereof to convert such loan notes into new Shares at an initial conversion price of HK\$2.30 per Share (subject to adjustment);
- (ii) an agreement dated 19th March 2004 (the “Chang Wang Mocha SPA”) entered into between the Company and Chang Wang, a copy of which has been produced to this meeting marked “B” and initialled by the Chairman of this meeting for the purpose of identification, whereby the Company has conditionally agreed to acquire from Chang Wang 7 shares in Mocha (the “Chang Wang Sale Shares”) representing 7% of the entire issued share capital of Mocha for a consideration of HK\$30,887,500 to be satisfied by the allotment and issue by the Company of 13,429,348 Shares (the “Chang Wang Consideration Shares”) upon completion of the Chang Wang Mocha SPA;
- (iii) an agreement dated 19th March 2004 (the “Chang Tan Mocha SPA”) entered into between the Company and Chang Tan, a copy of which has been produced to this meeting marked “C” and initialled by the Chairman of this meeting for the purpose of identification, whereby the Company has conditionally agreed to acquire from Chang Tan 8 shares in Mocha (“Chang Tan Sale Shares”) representing 8% of the entire issued share capital of Mocha for a consideration of HK\$35,300,000 to be satisfied by the allotment and issue by the Company of 15,347,826 Shares (the “Chang Tan Consideration Shares”) upon completion of the Chang Tan Mocha SPA;
- (“Better Joy Consideration Shares”, “Chang Wang Consideration Shares” and “Chang Tan Consideration Shares” collectively to be referred to as “Consideration Shares”); and
- (2) the acquisition (the “iAsia Acquisition”) by the Company of the entire issued share capital of iAsia Technology Limited (“iAsia”) for a consideration of HK\$27,900,000 in accordance with the terms of an agreement for sale and purchase dated 19th March 2004 (“iAsia SPA”) entered into between the Company and its non-wholly owned subsidiary, Value Convergence Holdings Limited (“VC”), a copy of which has been produced to this meeting marked “D” and initialled by the Chairman of this meeting for the purpose of identification,

and the transactions contemplated thereunder (including, without limitation, the allotment and issue of the Consideration Shares, the Convertible Loan Notes and any Shares upon any exercise of the conversion rights attached to the Convertible Loan Notes) be and are hereby approved, ratified and confirmed;

- (b) the directors (the “Directors”) of the Company be and are hereby authorised to take all such actions and steps and execute all such other documents or deeds as they may consider necessary or desirable to give full effect to and implement the Group Reorganisation, the Mocha Acquisition, the iAsia Acquisition, the Better Joy Mocha SPA, the Chang Wang Mocha SPA, the Chang Tan Mocha SPA and the iAsia SPA, including without limitation, conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting or agreeing to grant (subject to any condition(s) the Stock Exchange may impose) the listing of, and permission to deal in, the Consideration Shares and the Shares that may fall to be issued upon any exercise of the conversion rights attached to the Convertible Loan Notes on the Stock Exchange, to allot and issue the relevant Consideration Shares in accordance with the terms of the Better Joy Mocha SPA, the Chang Wang Mocha SPA and the Chang Tan Mocha SPA (as the case may be), to issue the Convertible Loan Notes in accordance with the terms of the Better Joy Mocha SPA, and to allot and issue such Shares as may fall to be issued upon the exercise of the conversion rights in accordance with the terms of the Convertible Loan Notes;
- (c) subject to the granting of a waiver by the Stock Exchange to the Company from strict compliance with the connected transaction requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) in respect of the Continuing Connected Transactions (as defined in the circular of the Company of which the notice containing this resolution forms part (the “Circular”), a copy of which has been produced to this meeting marked “E” and initialled by the Chairman of this meeting for the purpose of identification), the Continuing Connected Transactions be and are hereby approved, and the Directors be and are hereby authorized to enter into and implement the Continuing Connected Transactions on such terms as they may determine subject to the following conditions:
- (1) the Continuing Connected Transactions will be:
- (i) entered into in the ordinary and usual course of business of Mocha and its subsidiaries (the “Mocha Group”);
  - (ii) conducted either (A) on normal commercial terms (which expression will be applied by reference to transactions of a similar nature and to be made by similar entities) or (B) (where there is no available comparison) on terms that are fair and reasonable so far as the shareholders of the Company are concerned; and

- (iii) entered into either (A) in accordance with the terms of the agreements governing such Continuing Connected Transactions or (B) (where there are no such agreements) on terms no less favorable than those available to or from independent third parties;
- (2) the Continuing Connected Transactions have been approved by the Melco Independent Shareholders (as defined in the Circular) at the meeting convened to approve such transactions;
- (3) the aggregate value of the consideration receivable by the Mocha Group from Sociedade de Jogos de Macau, S.A. under the Continuing Connected Transactions for each of the three financial years ending 31 December 2004, 2005 and 2006 will not exceed the relevant Annual Cap (as defined in the Circular);
- (4) details of the Continuing Connected Transactions in each financial year shall be disclosed as required under Rule 14.25(1)(A) to (D) of the Listing Rules (in force as at 19th March 2004) in the annual report of the Company for that financial year together with a statement of the opinion of the independent non-executive directors of the Company referred to in paragraph 5 below;
- (5) the independent non-executive directors of the Company shall review the Continuing Connected Transactions annually and confirm in the Company's next annual report that these transactions were conducted in the manner as stated in paragraphs (1) and (3) above; and
- (6) the Company's auditors shall review the Continuing Connected Transactions annually and confirm in the letter to the directors of the Company (a copy of which shall be provided to the Listing Division of the Stock Exchange) stating that:
  - (i) the Continuing Connected Transactions have received the approval of the Company's board of directors;
  - (ii) the Continuing Connected Transactions are, where applicable, in accordance with the pricing policies, if applicable;
  - (iii) the Continuing Connected Transactions have been entered into in accordance with the terms of the agreements governing the Continuing Connected Transactions or, if there are no such agreements, on terms no less favorable than those available to or from independent third parties; and
  - (iv) the relevant Annual Cap (as defined in the Circular) has not been exceeded; and

(d) the authorised share capital of the Company be increased from HK\$480,000,000 divided into 480,000,000 shares of HK\$1.00 each to HK\$700,000,000 divided into 700,000,000 shares of HK\$1.00 each by the creation of an additional 220,000,000 shares of HK\$1.00 each.”

By Order of the Board of  
**Melco International Development Limited**  
**Lawrence Ho**  
*Managing Director*

Hong Kong, 23 April 2004

*Registered Office, head office and  
principal place of business:*

Penthouse  
38th Floor, The Centrium  
60 Wyndham Street  
Central  
Hong Kong

*Notes:*

1. Any member of the Company entitled to attend and vote at the Meeting may appoint another person as his proxy to attend and to vote in his stead. A proxy need not be a member of the Company.
2. Where there are joint registered holders of any share, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such share of the Company as if he were solely entitled thereto; but if more than one of such joint holders be present at the Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the proxy form duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the Company's registered office, 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong, not less than 48 hours before the time appointed for holding the Meeting.
4. Whether or not you propose to attend the Meeting in person, you are strongly urged to complete and return the proxy form in accordance with the instructions printed thereon. Completion and return of the proxy form will not preclude you from attending the Meeting and voting in person if you so wish. In the event that you attend the Meeting after having lodged the proxy form, it will be deemed to have been revoked.

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