



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)

**PROPOSED AMENDMENTS TO NEW ARTICLES OF ASSOCIATION
AND NOTICE OF 89TH ANNUAL GENERAL MEETING OF THE COMPANY**

I. Proposed Amendments to New Articles of Associations

In view of certain amendments made to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) relating to corporate governance issues which have become effective on 31st March, 2004 subject to certain transitional arrangements and the Companies (Amendment) Ordinance 2003 (“Amendment Ordinance”) which has come into operation on 13th February, 2004, the Board of Directors of the Company propose, for the purpose of complying with the relevant amendments, certain amendments to the New Articles of Association of the Company including, inter alia, the following:

- (1) to conform with the amended provisions of Appendix 3 to the Listing Rules including, inter alia, the following:
 - (a) the minimum length of the period, during which notice to the Company by shareholders of the intention to propose a person for election as a Director and during which notice to the Company by such person of his willingness to be elected may be given, will be at least 7 days. The period for lodgement of such notice shall commence no earlier than the day after the despatch of the notice of meeting appointed for such election and end no later than 7 days prior to the date of such meeting;

- (b) subject to such exceptions as are specified in the Articles of Association, a Director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting;
 - (c) where any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted; and
- (2) to comply with certain provisions in the Amendment Ordinance with respect to, inter alia, issue of share certificate within 10 business days after lodgement of a transfer and removal of any Director by ordinary resolution.

The proposed amendments to the New Articles of Association of the Company are subject to the approval of the shareholders of the Company by way of special resolution at the Annual General Meeting (“AGM”) of the Company to be held at 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong on Thursday, 20th May, 2004 at 3:00 p.m.. Details of the proposed amendments to the Company’s Articles of Association are contained in the notice of AGM which is published below together with this announcement.

As at the date hereof, the executive directors of the Company are Dr. Stanley Ho (Chairman), Mr. Lawrence Ho (Managing Director) and Mr. Frank Tsui. Mr. Ho Cheuk Yuet is the non-executive director. The independent non-executive directors are Sir Roger Lobo, Mr. Robert Kwan and Mr. Ng Ching Wo.

By Order of the Board
Melco International Development Limited
Tsang Yuen Wai, Samuel
Secretary

Hong Kong, 21st April, 2004

II. Notice of 89th Annual General Meeting

NOTICE is hereby given that the 89th annual general meeting of Melco International Development Limited will be held at 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong on Thursday, 20th May, 2004 at 3:00 p.m. for the following purposes:

1. To consider and receive the audited financial statements and the reports of the directors and auditors for the financial year ended 31st December, 2003.
2. To re-elect directors and to fix the remuneration of the directors.
3. To re-appoint auditors and to fix their remuneration.
4. As special business to consider and, if thought fit, pass the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (a) subject to paragraph (b) of this Resolution, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to repurchase shares of the Company be and it is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which may be repurchased on The Stock Exchange of Hong Kong Limited or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited under the Hong Kong Code on Share Repurchases pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution, and the said approval shall be limited accordingly;
- (c) 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 expiration of the period within which the next annual general meeting of the Company is required by the Companies Ordinance to be held; and
 - iii. the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting.”
5. As special business to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

(I) “THAT:

- (a) subject to paragraph (c) of this Resolution and pursuant to Section 57B of the Companies Ordinance, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require the exercise of such power be and it is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require the exercise of such power 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 an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue, (ii) the exercise of any rights of subscription or conversion under any existing warrants, bonds, debentures, notes and other securities issued by the

Company which carry rights to subscribe for or are convertible into shares of the Company, (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company or (iv) any scrip dividend 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 Articles of Association of the Company, shall not exceed the aggregate of:

(aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution plus;

(bb)(if the directors of the Company are so authorised by a separate resolution of the shareholders of the Company) the nominal amount of 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 at the date of passing this Resolution), and the said approval shall be limited accordingly;

(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 expiration of the period within which the next annual general meeting of the Company is required by the Companies Ordinance to be held; and

iii. the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting; and

“Rights Issue” means an offer of shares of the Company or issue of options, warrants or other securities giving the right to subscribe for shares of the Company, open for a period fixed by the directors of the Company to holders of shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company (or, where appropriate, such other securities), (subject in all cases to such exclusions or other arrangements as the directors of the Company 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).”

(II) “**THAT** the directors of the Company be and they are hereby authorised to exercise the powers of the Company referred to in paragraph (a) of the resolution set out as Resolution (I) in item 5 of the notice of this meeting in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”.

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

SPECIAL RESOLUTION

“THAT the Articles of Association of the Company be and are hereby amended in the following manner:

(1) Article 2

(a) by deleting the existing definition of “Hong Kong” and by substituting therefor the new definition as follows:

““Hong Kong” shall mean Hong Kong Special Administrative Region of the People’s Republic of China”;

(b) by deleting the definition of “recognised clearing house” and by substituting therefor the following:

“recognised clearing house” shall mean a recognised clearing house within the meaning of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and any amendments thereto or re-enactments thereof for the time being in force;

(c) by deleting the existing definition of “associate” and by substituting therefor the new definition of “associate” as follows:

“(i) his spouse;

(ii) any child or step-child, natural or adopted, under the age of 18 years of such individual or of his spouse (together with (i) above, the “family interests”);

(iii) the trustees, acting in their capacity as such trustees, of any trust of which he or any of his family interests is a beneficiary or, in the case of a discretionary trust, is (to his knowledge) a discretionary object and any company (“trustee-controlled company”) in the equity capital of which the trustees, acting in their capacity as such trustees, are directly or indirectly interested so as to exercise or control the exercise of 30%

(or such other amount as may from time to time be specified in the Hong Kong Code on Takeovers and Mergers (“the Takeovers Code”) as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary (together, the “trustee interests”);

(iv) a holding company of a trustee-controlled company or a subsidiary of any such holding company;

(v) any company in the equity capital of which he, his family interests, any of the trustees referred to in (iii) above, acting in their capacity as such trustees, and/or any trustee interests taken together are directly or indirectly interested so as to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company;”;

(d) by deleting the words “or corporation” in the first line of the definition of “Secretary”

(e) by adding the following paragraph and its margin note immediately after the definition of the word “dollars”” as follows:

““business day” shall mean any day on which the Stock Exchange is open for the business of dealing in securities”;

(f) by replacing the words “Chief Secretary” appearing in the fourth line of the definition of “newspaper” by the words “Chief Secretary for Administration”;

(2) Article 16

by inserting the words “ten business days after” before the words “lodgement of a transfer” in the second line;

(3) Article 42

by replacing the words “two months” appearing in the first and second lines by the words “ten business days”;

(4) Article 84

by re-numbering the existing Article 84(B) as Article 84(C) and inserting new Article 84(B) as follows:

“(B) Where any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.”;

(5) Article 102(H)

(a) by replacing the words “is to his knowledge materially interested” appearing in the third line by the words “or any of his associates has a material interest”;

(b) by inserting the words “or his associate(s)” after the words “such Director” in the first line and the words “or any of his associate(s)” after the words “lent by him” or “undertaken by him” in the second line of sub-cause (i);

(c) by inserting the words “or his associate(s)” and “/ themselves” immediately before the words “has” and “guaranteed” in the third line of sub-clause (ii) respectively;

(d) by inserting the words “or his associate(s)” after the word “Director” in the first and fifth lines of sub-clause (iii);

(e) by deleting the words “Director is or is to be interested” in the third line of sub-clause (iv) and by substituting therefor the words “Director or his associate(s) is/are or is/are to be interested”;

- (f) by inserting the words “or his associate(s)” and “/ are” immediately after the words “Director” and “is” in the first line respectively and by adding the word “/ their” immediately after the word “his” in the third line of sub-clause (v);
 - (g) by adding the words “or his associate(s)” and “/ are” immediately after the words “he” and “is” in the third line of sub-clause (vi) respectively;
 - (h) by inserting the words “, their associates” and “or his associate(s)” immediately after the words “Directors” and “Director” in the fourth and fifth lines of sub-clause (vii) respectively;
 - (i) by inserting the words “or his associate(s)” immediately after the word “Director” in the fourth line of sub-clause (viii);
- (6) Article 107
- by inserting the words “The period for lodgment of the notices will commence no earlier than the day after the dispatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of the general meeting.” at the end of the existing Article;
- (7) Article 109
- by replacing the words “special resolution” appearing in the first line and its margin note by “ordinary resolution”;
- (8) Article 183 (A) and (B)
- (a) by deleting the words “(including any such liability as is mentioned in paragraph (c) of the proviso to Section 165 of the Companies Ordinance)” in Article 183(A);

(b) by deleting the existing Article 183(B) and by substituting therefor the following new Articles 183(B), (C) and (D):

“(B) The Company may indemnify any Director or other officer of the Company against any liability incurred by him:

(i) in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted; or

(ii) in connection with any application under Section 358 of the Companies Ordinance in which relief is granted to him by the court.

(C) The Company may purchase and maintain for any Director or officer of the Company:

(i) insurance against any liability to the Company, a related company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for fraud) of which he may be guilty in relation to the Company or a related company; and

(ii) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or a related company.

- (D) In this Article, “related company”, in relation to the Company, means any company that is the Company’s subsidiary or holding company or a subsidiary of the Company’s holding company.”.”

By Order of the Board
Melco International Development Limited
Tsang Yuen Wai, Samuel
Secretary

Hong Kong, 21st April, 2004

Registered Office:
38th Floor, The Centrium,
60 Wyndham Street,
Central
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the meeting convened by the notice is entitled to appoint one or more proxies to attend and on a poll vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, a form of proxy must be deposited at the Company’s registered office together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting.
3. The register of members will be closed from Tuesday, 18th May, 2004 to Thursday, 20th May, 2004, both days inclusive, during which period no transfer of shares will be effected. In order to determine the identity of shareholders who are entitled to attend and vote at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Registrars, Standard Registrars Limited, G/F., BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:00 p.m. on Monday, 17th May, 2004.

4. With regard to item 4 above, the directors wish to draw the attention of the shareholders to the circular which summarises the more important provisions of the Listing Rules relating to the repurchase of shares on The Stock Exchange of Hong Kong Limited by a company and will be despatched to the shareholders together with the annual report. The present general mandate to repurchase shares given by the shareholders expires at the forthcoming annual general meeting and, accordingly, a renewal of that general mandate is now being sought.
5. With regard to item 5 above, the directors wish to state that, currently, they have no plans to issue any additional new shares of the Company (other than pursuant to any of items (ii), (iii) or (iv) contained in paragraph (c) of the Resolution (I)). The present general mandate to issue shares given by the shareholders expires at the forthcoming annual general meeting and, accordingly, a renewal of that general mandate is now being sought.

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