



PORTS DESIGN LIMITED

寶姿時裝有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 589)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of PORTS DESIGN LIMITED (the "**Company**") will be held at 27 Jiyuan Road, Jimei, Xiamen, 361021 China on Wednesday, 24 May 2006 at 9:30 a.m. for the following purposes:

- 1 To receive and consider the audited financial statements and the reports of the directors of the Company ("**Directors**") and the auditors of the Company ("**Auditors**") for the year ended 31 December 2005.
- 2 To declare a final dividend.
- 3 To re-appoint the auditors and authorise the board of Directors to fix their remuneration.
- 4 To re-elect the Directors and to authorise the board of Directors to fix their remuneration.
- 5 As special business, to consider, and if thought fit, to pass with or without modification the following ordinary resolutions:

A. "THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph A(d) below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (including without limitation, by way of right) and to make or grant offers, agreements and options which would or might require the exercise of such power, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options 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 pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) the exercise of the subscription rights under the share option scheme of the Company or (iii) an issue of shares as scrip dividends pursuant to the memorandum and bye-laws of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date 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 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 law of Bermuda to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

"Rights Issue" means the allotment or issue of shares in the Company or other securities which would or might require shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company on the register of members on a fixed record date (excluding for such purpose any shareholder that is resident in a place outside Hong Kong provided the Directors consider such exclusion to be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body of stock exchange in that place) and where appropriate, the holders of other equity securities of the Company entitled to such offer, pro rata (apart from fractional entitlements) to their existing holdings of shares or such other equity securities.

B. "THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined in paragraph B(c) below) to exercise all powers of the Company to repurchase its own securities, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of securities of the Company repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval be limited accordingly; and
- (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 bye-laws of the Company or any applicable law of Bermuda to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting."

C. "THAT:

subject to the passing of ordinary resolutions nos. 5A and 5B, the general mandate granted to the Directors to issue, allot and deal with any Shares pursuant to ordinary resolution no. 5A above, be and is hereby extended by the addition to the aggregate nominal amount of the share capital of

the Company which may be allotted or agreed to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the Shares repurchased by the Company since the granting of the said general mandate pursuant to the mandate to repurchase securities referred to in ordinary resolution 5B, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution."

Hong Kong, 11 April 2006

By Order of the Board
Irene F.M. Wong
Company Secretary

As at the date of this AGM Notice, the Directors are:

Mr. Chan, Kai Tai Alfred
Mr. Tan, Han Kiat Edward
Mr. Bourque, Pierre Frank
Mr. Cone, Rodney Ray[#]
Ms. Fong, Wei Lynn Valarie[#]
Ms. Enfield, Julie Ann^{*}
Ms. Lai, Lara Magno[#]

^{*} Non-executive Directors

[#] Independent Non-executive Directors

Notes:

- (1) Any shareholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy to attend and, in the event of a poll, 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 registrar, Computershare Hong Kong Investor Services Limited of 46/F, Hopewell Centre, 183 Queen's Road East, Hong Kong, together with a power of attorney or other authority, if any, under which is signed or a notarially certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting.
- (2) The Register of Members of the Company will be closed from 18 May 2006 to 24 May 2006, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend payable on 30 June 2006, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's registrar, Computershare Hong Kong Investor Services Limited of Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:00 pm on 17 May 2006.
- (3) A circular containing further information regarding ordinary resolution No. 5B has been dispatched to shareholders at the same time as this AGM Notice and the Company's 2005 Annual Report.
- (4) The circular to shareholders and the Company's 2005 Annual Report are also available on the Company's website: <http://www.portsdesign.com>.

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