



ROCKAPETTA HOLDINGS LIMITED  
樂家集團有限公司

(Incorporated in Bermuda with limited liability)

PROPOSED REDUCTION OF SHARE CAPITAL,  
REDUCTION OF SHARE PREMIUM ACCOUNT  
AND CHANGE OF COMPANY NAME

The Board intends to put forward a proposal to the Shareholders to:

- (a) reduce the issued share capital of the Company by cancelling paid up capital to the extent of HK\$0.09 on each Share in issue on the Effective Date such that each issued share in the capital of the Company will be treated as one fully paid up ordinary share of HK\$0.01 each in the capital of the Company so that the issued share capital of the Company of HK\$71,236,000 is reduced by HK\$64,112,400 to HK\$7,123,600;
- (b) each of the authorised but unissued Shares of HK\$0.10 each be subdivided into 10 New Shares of HK\$0.01 each so that the authorised share capital of the Company will be HK\$500,000,000 comprising of 50,000,000,000 New Shares of HK\$0.01 each;
- (c) reduce the entire amount of HK\$97,893,000 standing to the credit of the Company’s share premium account as at 31 December 2002; and
- (d) transfer the credit arising from the Capital Reduction and the Reduction of Share Premium Account to the contributed surplus account of the Company and, upon transfer, to apply the amount of approximately HK\$162,549,000 standing to the credit of the contributed surplus account against the Accumulated Losses of HK\$162,549,000.

The Proposal is subject to the conditions as set out below.

The Board proposed to change the name of the Company to “Capital Prosper Limited” subject to the passing of a special resolution at the SGM by the Shareholders and the Registrar of Companies in Bermuda granting approval for the change of name. The Board also proposed to adopt “興旺行有限公司” as the Chinese name of the Company on the effective date for the purpose of registration in Hong Kong and such Chinese name shall remain for the purpose of identification only.

A circular containing details of the Proposal and the change of Company name will be sent to the Shareholders as soon as practicable.

1. THE PROPOSAL

The Board intends to put forward a proposal to the Shareholders to:

- (a) reduce the issued share capital of the Company by cancelling paid up capital to the extent of HK\$0.09 on each Share in issue on the Effective Date such that each issued share in the capital of the Company will be treated as one fully paid up ordinary share of HK\$0.01 each in the capital of the Company so that the issued share capital of the Company of HK\$71,236,000 is reduced by HK\$64,112,400 to HK\$7,123,600;
- (b) each of the authorised but unissued Shares of HK\$0.10 each be subdivided into 10 New Shares of HK\$0.01 each so that the authorised share capital of the Company will be HK\$500,000,000 comprising of 50,000,000,000 New Shares of HK\$0.01 each;
- (c) reduce the entire amount of HK\$97,893,000 standing to the credit of the Company’s share premium account as at 31 December 2002; and
- (d) transfer the credit arising from the Capital Reduction and the Reduction of Share Premium Account to the contributed surplus account of the Company and, upon transfer, to apply the amount of approximately HK\$162,549,000 standing to the credit of the contributed surplus account against the Accumulated Losses of HK\$162,549,000.

2. EFFECTS OF THE PROPOSAL

As at the date of this announcement, the authorised share capital of the Company is HK\$500,000,000 divided into 5,000,000,000 Shares, of which 712,360,000 Shares have been issued and are fully paid up. Upon the Capital Reduction becoming effective and on the basis of the same number of the Shares in issue, the paid up share capital of the Company will be reduced from HK\$0.10 to HK\$0.01. Immediately upon the increase in the authorised share capital of the Company to its original amount and on the basis of 712,360,000 Shares in issue, the authorised share capital of the Company will be HK\$500,000,000 divided into 50,000,000,000 New Shares and the issued share capital will be HK\$7,123,600 divided into 712,360,000 New Shares.

On the basis of 712,360,000 Shares in issue and the amount in the sum of HK\$97,893,000 standing to the credit of the Company’s share premium account as at 31 December 2002, a credit of approximately HK\$162,005,000 will arise following the Capital Reduction and the Reduction of Share Premium Account. Such amount will be transferred to the contributed surplus account of the Company and thereafter an aggregate amount of HK\$162,549,000 standing to the credit of the contributed surplus account of the Company be applied towards the elimination of the Accumulated Losses in the sum of HK\$162,549,000. Following the application of the amount of HK\$162,549,000 against the Accumulated Losses from the amount standing to the credit of the contributed surplus account of the Company, there will be surplus of approximately HK\$49,948,000 standing to the credit of the contributed surplus account of the Company.

According to the audited accounts of the Company for the year ended 31 December 2002, the Company recorded a loss for the year ended 31 December 2002 which amounted to HK\$33,132,000. When aggregated with the accumulated losses of the Company for the year ended 31 December 2001 of HK\$129,417,000, the Accumulated Losses of the Company for the year ended 31 December 2002 amounted to HK\$162,549,000.

Save for the expenses incurred by the Company in relation to the Proposal (which is estimated to be approximately HK\$250,000), the implementation of the Proposal will not, of itself, alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests of the Shareholders.

As at the date of the announcement, there were no outstanding Options.

3. REASONS FOR THE PROPOSAL

Immediately upon the Capital Reduction becoming effective, the nominal value of each of the issued and unissued Shares will be reduced from HK\$0.10 to HK\$0.01 per share. The price per Share was closed at HK\$0.08 as at 24 April 2003 (being the last trading date prior to the publication of this announcement) and below the par value of HK\$0.10 per Share. The Directors expect that the Capital Reduction will give the Company greater flexibility in pricing any new issue of its shares in the future. The Board does not have any present intention to issue new Shares.

For the year ended 31 December 2002, the Company recorded an accumulated loss of approximately HK\$162,549,000. The Directors consider that the substantial accumulated losses represent a permanent loss of assets of the Company and therefore the proposed application of credit arising from the Capital Reduction and the Reduction of Share Premium Account against the Accumulated Losses is considered to be in the best interests of the Company and the Shareholders as a whole.

4. CONDITIONS OF THE PROPOSAL

The Proposal is conditional on the following conditions being fulfilled:

- (i) the passing by the Shareholders of a special resolution to approve the Capital Reduction and the Reduction of Share Premium Account at the SGM; and
- (ii) the Listing Committee granting the listing of, and permission to deal in, the New Shares in issue following the Proposal becoming effective,

and will become effective on the business day (not being a Saturday) following the date on which the special resolution is passed by the Shareholders.

5. CHANGE OF COMPANY NAME

The Board proposes that the name of the Company be changed to “Capital Prosper Limited” subject to the passing of a special resolution at the SGM by the Shareholders and the Registrar of Companies in Bermuda granting approval for the change of name. The Company proposes to change the company name so as to reflect the change of substantial shareholder of the Company in March 2003.

The effective date of the change of name will be the date on which the new name is entered by the Registrar of Companies in Bermuda on the register in place of the existing name. Upon the change of name becoming effective, all existing share certificates bearing the existing name of the Company will continue to be evidence of title to the ordinary shares of the Company and will continue to be valid for trading, settlement and registration purposes and the rights of the Shareholders will not be affected as a result of the proposed change of name. Should the change of name becomes effective, any issue of share certificates thereafter will be in the new company name and the securities of the Company will be traded on the Stock Exchange in the new name. A further announcement will be made should the proposed change of name becomes effective.

The Board has also proposed to adopt “興旺行有限公司” as the new Chinese translation name of the Company for the purpose of registration in the Companies Registry in Hong Kong on the effective date and such Chinese name shall remain for the purpose of identification only.

6. EXPECTED TIMETABLE AND TRADING ARRANGEMENTS

Subject to the Proposal becoming unconditional and effective which is expected to be on or before 9:30 a.m. on Friday, 23 May, 2003, and subject to the change of company name of the Company becoming effective which is expected to be before Monday, 23 June 2003, Shareholders may on or after Monday, 23 June 2003 until Tuesday, 22 July 2003 submit certificates for the existing Shares to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East., Hong Kong, at the expense of the Company, in exchange for new certificates for New Shares in issue. Thereafter, certificates for the existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time allowed by the Stock Exchange) for each new certificate issued for the New Shares. Nevertheless, certificates for the existing Shares will continue to be good evidence of legal title and may be exchanged for certificates for the New Shares at any time.

The following expected timetable is indicative only and is subject to change:

Latest time for lodging of proxy forms for the SGM .....	9:30 a.m., Tuesday, 20 May 2003
Expected time and date of the SGM .....	9:30 a.m., Thursday, 22 May 2003
Effective date of the Proposal .....	9:30 a.m., Friday, 23 May 2003
Dealing in the New Shares commences .....	9:30 a.m., Friday, 23 May 2003
Free exchange of existing share certificates for new certificates commences .....	Monday, 23 June 2003
Free exchange of existing share certificates for new certificates ends .....	Tuesday, 22 July 2003
The board lot size of the New Shares will remain unchanged at 2,000 New Shares.	

7. GENERAL

An application will be made to the Listing Committee for the listing of, and permission to deal, in the New Shares to be issued following the completion of the Proposal.

A circular containing, amongst others, details of the Proposal and the change of name will be sent to the Shareholders as soon as practicable.

## 8. DEFINITIONS

“Accumulated Losses”	the accumulated losses of the Company based on the audited accounts of the Company for the year ended 31 December 2002 of HK\$162,549,000
“Board”	the board of Directors
“Capital Reduction”	the proposed reduction of the share capital of the Company by cancelling and reducing the nominal value of all Shares of HK\$0.10 each to HK\$0.01 per Share
“Company”	Rockapetta Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Effective Date”	the date upon which the Capital Reduction becomes effective
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Committee”	the Listing Committee of the Stock Exchange
“New Share(s)”	share(s) of HK\$0.01 each in the capital of the Company upon completion of the Capital Reduction
“Option(s)”	option(s) granted under the share option scheme of the Company adopted on 28 January 1994
“Proposal”	the Capital Reduction and the Reduction of Share Premium Account
“Reduction of Share Premium Account”	the proposed reduction of the Company’s share premium account as set out in this announcement
“SGM”	special general meeting of the Company to be convened on 22 May 2003
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) or the New Share(s) upon the Proposal becoming effective, as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board  
**Rockapetta Holdings Limited**  
**Choo Yeow Ming**  
*Executive Chairman*

Hong Kong, 24 April 2003

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## NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a special general meeting of the shareholders of Rockapetta Holdings Limited (the “Company”) will be held at Board Room, 7/F, The Dynasty Club Limited, South West Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong at 9:30 a.m. on Thursday, 22 May 2003 for the purpose of considering and, if thought fit, passing the following special resolutions of the Company:—

### Special resolutions

1. **“THAT** with effect from 9:30 a.m. (Hong Kong Time) on the next business day (other than a Saturday) after the day on which this resolution is duly passed (the “Effective Date”) and conditional upon the Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the shares in the Company resulting from the Capital Reduction (as defined below):—
  - (a) the issued share capital of the Company be and is hereby reduced by cancelling paid up capital to the extent of HK\$0.09 on each share of HK\$0.10 each in the capital of the Company in issue on the Effective Date such that each issued share in the capital of the Company will be treated as one fully paid up ordinary share of HK\$0.01 each in the capital of the Company (the “Reduced Shares”) and any liability of the holders of the Reduced Shares to make any further contribution to the capital of the Company on each such Reduced Share shall be treated as satisfied so that the issued share capital of HK\$71,236,000 is reduced by HK\$64,112,400 to HK\$7,123,600 (the “Capital Reduction”);
  - (b) each of the authorised but unissued shares of HK\$0.10 each in the capital of the Company be subdivided into 10 shares of HK\$0.01 each so that the authorised share capital of the Company will be HK\$500,000,000 comprising of 50,000,000,000 shares of HK\$0.01 each;
  - (c) the entire amount standing to the credit of the share premium account of the Company as at 31 December 2002 amounting to HK\$97,893,000 be and is hereby reduced (“Reduction of Share Premium Account”);
  - (d) the credit arising from the Capital Reduction and the Reduction of Share Premium Account be transferred to the contributed surplus account of the Company and the directors of the Company be and are hereby authorised to, upon transfer, apply the amount of approximately HK\$162,549,000 standing to the credit of the contributed surplus account against the accumulated losses of the Company for the year ended 31 December 2002; and
  - (e) any director of the Company be and is hereby authorised to do all acts and things which in his opinion are necessary to effect and implement any of the foregoing.”
2. **“THAT**, subject to the approval of the Registrar of Companies in Bermuda being obtained, the name of the Company be changed to “Capital Prosper Limited”.”
3. **“THAT**, upon the change of the Company’s English name as referred to in the special resolution numbered (2) above becoming effective, “興旺行有限公司” be adopted as the Chinese translation name of the Company for the purpose of the Company’s registration in Hong Kong.”

By Order of the Board  
**Rockapetta Holdings Limited**  
**Ma Wai Man, Catherine**  
*Company Secretary*

Hong Kong, 24 April, 2003

### Notes:

- (1) Any member entitled to attend and vote at the above meeting may appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company but must be present in person to represent the member.
- (2) The form of proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (3) In order to be valid, the form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a notorially certified copy of such power or authority, must be deposited at the head office and principal place of business of the Company at 2809-11, Citibank Tower, Citibank Plaza, 3 Garden Road, Central, Hong Kong not less than 48 hours before the time appointed for holding the above meeting (or any adjournment thereof).