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## **INTEGRATED DISTRIBUTION SERVICES GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 2387)**

### **NOTICE OF THE IDS SPECIAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that a special general meeting of the shareholders of Integrated Distribution Services Group Limited (the “**Company**”) will be held at Pheasant-Jasmine Room, 1st Floor, Mandarin Oriental, 5 Connaught Road, Central, Hong Kong on 7 October 2010 at 11:30 a.m. (Hong Kong time) (or immediately after the meeting of the shareholders of the Company convened by the direction of the Supreme Court of Bermuda at the same place and on the same day shall have been concluded or adjourned, whichever is the later), for the purposes of considering and, if thought fit, passing the following resolution as a special resolution of the Company:

### **SPECIAL RESOLUTION**

**“THAT:**

- (a) for the purposes of giving effect to the scheme of arrangement dated 14 September 2010 (the “**Scheme**”), in the form of the print contained in the composite document of which this notice forms part dated 14 September 2010 which has been submitted to this meeting and for the purposes of identification has been signed by the Chairman of this meeting, between the Company and the Scheme Shareholders (as defined in the Scheme), with any modifications thereof or additions thereto or subject to any conditions approved or imposed by the Court (as defined in the Scheme), on the Effective Date (as defined in the Scheme):
  - (i) the Company shall allot and issue 120,000 Shares (as defined in the Scheme) to Li & Fung (as defined in the Scheme) nil paid prior to the cancellation and extinguishment of the Scheme Shares (as defined in the Scheme) referred to in (ii) below;
  - (ii) the issued share capital of the Company shall be reduced by cancelling and extinguishing the Scheme Shares;

- (iii) the Company shall apply an amount of approximately HK\$93,600 of the credit arising in its books of account as a result of the reduction of its share capital referred to in (ii) above in crediting as fully-paid the 120,000 Shares allotted and issued to Li & Fung nil paid and the balance shall be credited to a reserve account in its books of account; and
- (b) the directors of the Company be and are hereby authorised to do all acts and things as considered by them to be necessary or desirable in connection with the completion of the Scheme, including (without limitation) the giving of consent to any modifications of, or additions to, the Scheme, which the Court may see fit to impose and to do all other acts and things as considered by them to be necessary or desirable in connection with the Proposal (as defined in the Scheme).”

By Order of the Board of  
**INTEGRATED DISTRIBUTION  
SERVICES GROUP LIMITED**  
Yuen Ying Kwai  
*Company Secretary*

Hong Kong, 14 September 2010

*Registered office:*  
Clarendon House,  
2 Church Street,  
Hamilton HM 11,  
Bermuda

*Principal place of business in Hong Kong:*  
18th Floor  
IDS LiFung Centre  
2 On Ping Street, Siu Lek Yuen  
Shatin, N.T.  
Hong Kong

*Notes:*

1. A shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the Company, but must attend the meeting in person to represent him/her.
2. A white form of proxy for use at the meeting is enclosed. Whether or not you intend to attend the meeting in person, you are urged to complete and return the form of proxy in accordance with the instructions printed thereon.
3. To be valid, the white form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Abacus Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the meeting concerned and, in such event, his/her form of proxy shall be deemed to have been revoked.

4. In the case of joint holders of a share of the Company, any one of such joint holders may vote at the meeting either personally or by proxy, in respect of such share as if he/she 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 such holders 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. Several executors or administrators of a deceased shareholder in whose name any share of the Company stands shall for this purpose be deemed joint holders thereof.
5. At the meeting, the chairman thereof will exercise his power under the Bye-Laws of the Company to put the above resolution to the vote by way of a poll.
6. The register of members of the Company will be closed Tuesday, 5 October 2010 to Thursday, 7 October 2010 (both dates inclusive) during which period no transfer of shares of the Company will be registered. In order to be entitled to attend and vote at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Abacus Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 4 October 2010.

*As at the date hereof, the IDS Board comprises the following directors:*

*Non-executive directors:*

*Dr. Victor Fung Kwok King*

*Dr. William Fung Kwok Lun*

*Mr. Jeremy Paul Egerton Hobbins*

*Mr. Lau Butt Farn*

*Mr. John Estmond Strickland<sup>#</sup>*

*Dr. Fu Yu Ning<sup>#</sup>*

*Prof. Lee Hau Leung<sup>#</sup>*

*Mr. Andrew Tung Lieh Cheung<sup>#</sup>*

*<sup>#</sup> Independent non-executive directors*

*Executive directors:*

*Mr. Benedict Chang Yew Teck*

*Mr. Joseph Chua Phi*

*The directors of IDS jointly and severally accept full responsibility for the accuracy of information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this document have been arrived at after due and careful consideration and there are no other facts not contained in this document, the omission of which would make any statement in the document misleading.*