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Hutchison Global Communications Holdings Limited

和記環球電訊控股有限公司*

(incorporated in Bermuda with limited liability)

Stock Code: 757

PROPOSED SPIN-OFF BY CONTROLLING SHAREHOLDER ANNOUNCEMENT

The Company refers to its announcement dated 29 March 2004 informing the market of the intention of its controlling shareholder, HWL, to spin off HTIL, which will involve a transfer of HWL Group's entire interest in the Company to the HTIL Group.

HWL has today announced that HTIL has today publicly filed a registration statement on Form F-1 under the United States Securities Act of 1933, as amended, with the US SEC in connection with the proposed public offering of HTIL's shares and ADSs in the United States of America. The current intention is for HTIL to seek a primary listing of its shares on the Main Board of the Hong Kong Stock Exchange and a listing of its ADSs on the NYSE.

The Company considers the possible implications which the Proposed Spin-off may have on the Company in this announcement.

HWL and HTIL have yet to make the final decision as to whether and when the Proposed Spin-off will be launched. Further announcements will be made by the Company in relation to the Proposed Spin-off, if and when appropriate.

MARCH ANNOUNCEMENT

The Company refers to its announcement dated 29 March 2004 ("**March Announcement**") informing the market of the intention of its controlling shareholder, Hutchison Whampoa Limited ("**HWL**"), to spin off (the "**Proposed Spin-off**") Hutchison Telecommunications International Limited ("**HTIL**"), which will involve a transfer of HWL's entire indirect interest in the Company to HTIL and its subsidiaries (the "**HTIL Group**"). The Company stated in the March Announcement that it would make further announcements in relation to the possible implications which the Proposed Spin-off may have on the Company, if and when appropriate.

THE PROPOSED SPIN-OFF

HWL has today announced that HTIL has today publicly filed a registration statement on Form F-1 (the "**Registration Statement**") under the United States Securities Act of 1933, as amended, with the United States Securities and Exchange Commission ("**US SEC**") in connection with the proposed public offering of HTIL's shares and American depository shares ("**ADSs**") in the United States of America. The current intention is for HTIL to seek a primary listing of its shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") and a listing of its ADSs on the New York Stock Exchange, Inc. (the "**NYSE**").

According to the Registration Statement, the Proposed Spin-off, if effected, will involve HWL and its subsidiaries (the "**HWL Group**") transferring their entire interests in fixed line and 2G and 3G mobile telecommunications interests in Hong Kong and their interests in mobile telecommunications-related businesses in India, Thailand, Israel, Macau, Sri Lanka, Ghana and Paraguay to the HTIL Group.

HWL will remain the majority shareholder of HTIL immediately following the Proposed Spin-off. As part of the Proposed Spin-off, the HWL Group will transfer to the HTIL Group its entire indirect 52.55% shareholding in, together with its convertible notes in and loan facility to, the Company. The HWL Group will agree to provide a facility in the same amount and with the same tenor to the HTIL Group which may only draw on this facility to the extent the Company draws down under the facility assumed by the HTIL Group.

IMPLICATIONS OF THE PROPOSED SPIN-OFF ON THE COMPANY

The directors of the Company (the "**Directors**") do not expect the Proposed Spin-off to result in any change in the management, business focus or operation of the Company and its subsidiaries (the "**Group**").

Indeed, by assimilating the Group as an integral part of the HTIL Group in the Proposed Spin-off, the Directors believe that the Group will be well placed to benefit from the following competitive strengths which the HTIL Group enjoys in allowing it to compete successfully against other telecommunications companies in our existing and future markets:

- demonstrated ability to attain strong competitive positions in existing markets;
- extensive operational experience;
- strong brands and branding expertise;
- technologically advanced networks;
- ability to capture operating synergies; and
- relationship with HWL.

The Directors believe that the specific business strategies of the HTIL Group to:

- strengthen the competitive position, efficiency and profitability of its existing businesses;
- expand and diversify its businesses by pursuing selected acquisitions in growth markets; and
- capture synergies through integration,

will reinforce those of the Group. The Group deploys what it believes to be the most extensive fibre optic building-to-building network capable of providing voice and data telecommunications services in Hong Kong. Such technologically-advanced fibre-optic network will continue to enable the roll out of new and value-added products and services including those that enable convergence of the fixed and mobile telecommunications platform for future growth. Realisation of these business strategies will place the Group in a unique position to benefit from this fast-converging global telecommunications market.

GENERAL

HWL and HTIL have yet to make the final decision as to whether and when the Proposed Spin-off will be effected. The Proposed Spin-off is also conditional upon, amongst other things, the Hong Kong Stock Exchange granting approval of the Proposed Spin-off and the Listing Committee of the Hong Kong Stock Exchange granting approval for the listing of, and permission to deal in, HTIL's shares in issue following the Proposed Spin-off, and there can be no assurance that such approval will be granted. **Accordingly, shareholders of the Company and other investors are reminded to exercise caution when dealing in the securities of the Company.**

The Company will make further announcements in relation to the Proposed Spin-off, if and when appropriate.

Executive Directors:

Mr FOK Kin-ning, Canning (*Chairman*)
Mr LAI Kai Ming, Dominic (*Deputy Chairman*)
Mrs CHOW WOO Mo Fong, Susan
Mr Frank John SIXT
Mr LUI Pok Man, Dennis
Mr WONG King Fai, Peter
Mr KAN Ka Wing, Frankie
Ms CHAN Wen Mee, May
Mr LAM Hon Nam
Mr LOH Tiak Koon

Non-executive Directors:

Mr Tuan LAM
Mr Stephen INGRAM
Mr YANG Paul Chunyao
(*alternate to both Non-executive Directors*)

Independent Non-executive Directors:

Dr LAM Lee G.
Mr CHEONG Ying Chew, Henry

By Order of the Board

Edith Shih

Company Secretary

Hong Kong, 3 September 2004

* *For identification purposes only*

Please also refer to the published version of this announcement in The Standard dated 4 September 2004.

