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If you have sold all your shares in Henderson China Holdings Limited, you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.



恒基中國集團有限公司*
HENDERSON CHINA HOLDINGS LIMITED

Incorporated in Bermuda with limited liability

(Stock Code: 0246)

PROPOSALS FOR

**GENERAL MANDATES TO REPURCHASE THE COMPANY'S
OWN SHARES AND TO ISSUE SHARES
RE-ELECTION OF THE RETIRING DIRECTORS
AND
AMENDMENTS TO THE BYE-LAWS**

A notice convening the annual general meeting of the Company to be held at the Stork and Bamboo Rooms, Mandarin Oriental, 5 Connaught Road Central, Hong Kong on 6th December, 2004 at 11:00 a.m., is set out in the Annual Report for the year ended 30th June, 2004.

** for identification purposes only*

27th October, 2004

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DEFINITIONS

In this circular, unless the context requires otherwise, the expressions as stated below will have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held at the Stork and Bamboo Rooms, Mandarin Oriental, 5 Connaught Road Central, Hong Kong on 6th December, 2004 at 11:00 a.m.;
“Bye-laws”	the Bye-laws of the Company;
“Company”	Henderson China Holdings Limited;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange;
“Issue Mandate”	the general and unconditional mandate to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution approving the Issue Mandate;
“Latest Practicable Date”	19th October, 2004, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular;
“Notice”	the notice convening the Annual General Meeting dated 27th October, 2004 contained in the Company’s annual report for the year ended 30th June, 2004;
“Repurchase Mandate”	the general mandate to exercise the power of the Company to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution approving the Repurchase Mandate;
“Shares”	the shares of nominal value of HK\$1.00 each in the share capital of the Company;
“Shareholders”	registered holders of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers; and
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong.



恒基中國集團有限公司*
HENDERSON CHINA HOLDINGS LIMITED

Incorporated in Bermuda with limited liability

Executive Directors:

Lee Ka Kit (*Chairman and President*)
Dr. Lee Shau Kee
Colin Lam Ko Yin
Lee King Yue
Leung Sing
Lee Ka Shing
Patrick Kwok Ping Ho
Ho Wing Fun
Cheung Fong Ming

Independent Non-executive Directors:

Liang Shangli
Gordon Kwong Che Keung
Dr. Alex Wu Shu Chih

Non-Executive Directors:

Wong Ying Wai
Kan Fook Yee
Philip Yuen Pak Yiu

Registered Office:

Clarendon House,
Church Street,
Hamilton HM 11,
Bermuda

**Hong Kong Head Office and
Principal Place of Business:**

72-76/F., Two International Finance Centre,
8 Finance Street, Central,
Hong Kong

27th October, 2004

To the shareholders of the Company

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE THE COMPANY'S
OWN SHARES AND TO ISSUE SHARES
RE-ELECTION OF THE RETIRING DIRECTORS
AND
AMENDMENTS TO THE BYE-LAWS**

The purpose of this circular is to provide you with information regarding the proposals for the Repurchase Mandate, the Issue Mandate, the re-election of the retiring Directors and the amendments to the Bye-laws and to seek your approval at the Annual General Meeting in connection with, inter alia, such matters.

** for identification purposes only*

LETTER FROM THE BOARD OF DIRECTORS

PROPOSED GENERAL MANDATES TO REPURCHASE THE COMPANY'S OWN SHARES AND TO ISSUE SHARES

At the annual general meeting held on 1st December, 2003, general mandates were given to the Directors: (i) to exercise the powers of the Company to repurchase Shares up to a maximum of 10 per cent. of the issued share capital of the Company as at the date of the ordinary resolution and (ii) to allot, issue and deal with Shares not exceeding 20 per cent. of the issued share capital of the Company as at the date of the ordinary resolution. Such mandates will lapse at the conclusion of the Annual General Meeting.

An ordinary resolution set out in the Notice will be proposed at the Annual General Meeting to grant the Repurchase Mandate to the Directors.

The Repurchase Mandate would continue in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting of the Company is required by law or the Bye-laws to be held or until the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever is the earlier.

Separate ordinary resolutions will also be proposed at the Annual General Meeting to grant the Issue Mandate to the Directors and extending the Issue Mandate by adding to it the number of Shares repurchased by the Company under the Repurchase Mandate.

The explanatory statement required by the Listing Rules to be included in this circular is set out in Appendix I hereto.

PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

In accordance with Bye-law 86(2), Mr. Gordon Kwong Che Keung and Dr. Alex Wu Shu Chih shall retire at the Annual General Meeting and, being eligible, have offered themselves for re-election. Moreover, in accordance with Bye-law 87(1), Messrs. Philip Yuen Pak Yiu, Lee Ka Shing, Kan Fook Yee and Wong Ying Wai shall retire by rotation at the Annual General Meeting and, being eligible, have offered themselves for re-election.

Their biographical details which are required to be disclosed by the Listing Rules are set out in Appendix II to this circular.

LETTER FROM THE BOARD OF DIRECTORS

PROPOSED AMENDMENTS TO THE BYE-LAWS

Certain amendments were made to the Listing Rules which became effective on 31st March, 2004, subject to transitional arrangements. In order to comply with the aforesaid amendments to the Listing Rules, the Company is therefore required to make corresponding amendments to the Bye-laws. The major proposed amendments to the Bye-laws include the followings:

- (a) Bye-law 1 To add the definition of “associate” which will have the meaning attributed to it under the Listing Rules;
- (b) Bye-laws 66 and 67 To add the requirement for a poll to be taken at general meetings in line with the amended Listing Rules;
- (c) Bye-law 88 To comply with the requirement of a minimum seven-day period for lodgment by Shareholders of the notice to nominate a director which shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days before the date of such meeting;
- (d) Bye-laws 102, 103(1), 103(2), 103(3) and 103(4) To comply with the requirement that subject to certain exceptions as specified in the Bye-laws, a Director shall abstain from voting at the board meeting on any matter in which he or any of his associates has a material interest and is not to be counted towards the quorum of the relevant board meeting;
- (e) New Bye-law 76A To comply with the requirement that where a 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
- (f) New Bye-law 100A To specify that a Director shall not vote (nor be counted in the quorum) on any resolution of the board meeting concerning his own appointment or the appointment of any of his associates as holder of any office or place of profit with the Company or any other company in which the Company is interested.

Full text of the proposed amendments to the Bye-laws is set out in resolution number 6 of the Notice.

LETTER FROM THE BOARD OF DIRECTORS

DEMAND FOR POLL AT THE ANNUAL GENERAL MEETING

In accordance with Bye-law 66 of the Bye-laws, at any general meeting a resolution put to the vote shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded or otherwise required under the Listing Rules. A poll may be demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or
- (d) by a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

A demand by a person as proxy for a member or in the case of a member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by member.

Whether or not you intend to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's principal place of business at 72-76/F., Two International Finance Centre, 8 Finance Street, Central, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting. The return of a form of proxy will not preclude you from attending and voting in person if you so wish.

Yours faithfully,
Lee Ka Kit
Chairman

This explanatory statement contains all the information required under the Listing Rules for you to consider the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 497,776,205 Shares.

Subject to the passing of the resolution number 5(A) set out in the Notice and on the basis that no Shares are issued or repurchased prior to the date of the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 49,777,620 Shares.

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per share and/or earnings per share of the Company and will only be made when the Directors believe that a repurchase of Shares will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association and Bye-laws and any applicable laws.

Pursuant to the Repurchase Mandate, repurchases would be financed by the Company's internal resources and/or available banking facilities.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital or gearing position of the Company compared with that as at 30th June, 2004, being the date of its last audited accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months were as follows:

		Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2003	October	4.150	3.425
	November	3.900	3.550
	December	4.000	3.775
2004	January	4.650	3.950
	February	4.800	4.325
	March	5.450	4.300
	April	4.500	3.600
	May	3.875	3.200
	June	3.800	3.575
	July	3.975	3.800
	August	3.875	3.600
	September	4.075	3.725

5. UNDERTAKING AND DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders.

No other connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchase pursuant to the Repurchase Mandate and in accordance with the Listing Rules and any applicable laws.

6. TAKEOVERS CODE AND SHARE REPURCHASES

If a shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the powers of the Company to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code.

Accordingly, a shareholder or group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. The controlling shareholder of the Company owns 65.32% of the existing share capital of the Company. If the present shareholdings and capital structure of the Company remain the same, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate.

7. SHARE PURCHASE MADE BY THE COMPANY

The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.

The followings are the biographical details of Mr. Gordon Kwong Che Keung and Dr. Alex Wu Shu Chih, both of whom shall retire at the Annual General Meeting in accordance with Bye-law 86(2) of the Company's Bye-laws and being eligible, have offered themselves for re-election.

KWONG Che Keung, Gordon, F.C.A., aged 55, has been an Independent Non-executive Director and a member of the Audit Committee of the Company since 19th August, 2004. He graduated from the University of Hong Kong with a bachelor's degree in social sciences in 1972 and qualified as a chartered accountant in England in 1977. He was a partner of Pricewaterhouse from 1984 to 1998. He is a non-executive director of COSCO Pacific Limited and COSCO International Holdings Limited and also serves as an independent non-executive director of Henderson Land Development Company Limited, Henderson Investment Limited, Tianjin Development Holdings Limited, Beijing Capital International Airport Company Limited, Vision Century Corporation Limited, NWS Holdings Limited, China Oilfield Services Limited, Concepta Investments Limited, China Chengtong Development Group Limited, Global Digital Creations Holdings Limited, Ping An Insurance (Group) Company of China, Ltd., Quam Limited, Tom Online Inc. and New World Mobile Holdings Limited, which are companies listed on The Stock Exchange of Hong Kong Limited. Save as disclosed above, he has not held any other directorships in listed public companies in the last three years. He was an independent member of the Council of The Stock Exchange of Hong Kong from 1992 to 1997.

As at the Latest Practicable Date, Mr. Kwong has no relationship with any directors, senior management or substantial or controlling shareholders of the Company and does not have any interests in the shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

As at the Latest Practicable Date, Mr. Kwong has not entered into any service contracts with the Company. He is entitled to a fixed remuneration of HK\$200,000 per annum for acting as an Independent Non-executive Director and a member of the Audit Committee of the Company, which is determined by reference to his duties and responsibilities. Mr. Kwong was not appointed for a specific term but is subject to retirement by rotation and re-election in accordance with the Bye-Laws of the Company.

Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders.

Dr. WU Shu Chih, Alex, C.B.E., LL.D., J.P., aged 83, has been an Independent Non-executive Director and a member of the Audit Committee of the Company since 19th August, 2004. He was a member of the Legislative Council, the Vice-Chairman of The Hong Kong Stock Exchange and a member of the Advisory Committee of the Securities and Futures Commission. He is the Chairman of Fidelity Management Limited. He is an independent non-executive director of Henderson Land Development Company Limited, Henderson Investment Limited, Hong Kong Ferry (Holdings) Company Limited, Hong Kong Aircraft Engineering Company Limited, National Electronics Holdings Limited, Paliburg

Holdings Limited, Hung Hing Printing Group Limited, K. Wah International Holdings Limited, Regal Hotels International Holdings Limited and Alpha General (Holdings) Limited, which are companies listed on The Stock Exchange of Hong Kong Limited. He is also the Life Honorary President of The Hong Kong Printers Association. Save as disclosed above, he has not held any other directorships in listed public companies in the last three years. Dr. Wu was appointed a Hong Kong Affairs Adviser in April 1995 and a member of The Selection Committee for the First Government of the Hong Kong Special Administrative Region in November 1996. Dr. Wu is also Founding Chairman of the Hong Kong Academy for Performing Arts.

As at the Latest Practicable Date, Dr. Wu has no relationship with any directors, senior management or substantial or controlling shareholders of the Company and does not have any interests in the shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

As at the Latest Practicable Date, Dr. Wu has not entered into any service contracts with the Company. He is entitled to a fixed remuneration of HK\$200,000 per annum for acting as an Independent Non-executive Director and a member of the Audit Committee of the Company, which is determined by reference to his duties and responsibilities. Dr. Wu was not appointed for a specific term but is subject to retirement by rotation and re-election in accordance with the Bye-Laws of the Company.

Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders.

The followings are the biographical details of Messrs. Philip Yuen Pak Yiu, Lee Ka Shing, Kan Fook Yee and Wong Ying Wai, all of whom shall retire by rotation at the Annual General Meeting in accordance with Bye-law 87(1) of the Company's Bye-laws and, being eligible, have offered themselves for re-election.

YUEN Pak Yiu, Philip, aged 68, has been a Director of the Company since 1993 and was re-designated as a Non-executive Director on 30th September, 2004. He is a solicitor of The Supreme Court of England and Wales and of Hong Kong and a partner of the firm of Yung, Yu, Yuen & Co. He has over 35 years' experience in legal practice both in Hong Kong and the PRC. Mr. Yuen is also a director of Henderson Investment Limited, APT Satellite Holdings Limited, Hopson Development Holdings Limited, Melbourne Enterprises Limited, Venturepharm Laboratories Limited, which are companies listed on The Stock Exchange of Hong Kong Limited; Guangzhou Shipyard International Company Limited (廣州廣船國際股份有限公司) and Beiya Industrial (Group) Co., Ltd. (北亞實業集團股份有限公司), which are companies listed in Shanghai; and Dragon Pharmaceuticals Incorporation, which is a company listed in USA. Save as disclosed above, he has not held any other directorships in listed public companies in the last three years.

As at the Latest Practicable Date, Mr. Yuen has no relationship with any directors, senior management, substantial or controlling shareholders of the Company and does not have any interests in the shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

As at the Latest Practicable Date, Mr. Yuen was not appointed for a specific term but is subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company. He is entitled to a fixed remuneration of HK\$200,000 per annum for acting as a Non-executive Director and a member of the Audit Committee of the Company, which is determined by reference to his duties and responsibilities. The director's fee payable to him shall be subject to Shareholders' approval at general meetings. His emoluments are to be determined by the board of directors of the Company with reference to his duties, responsibilities and performance and the results of the Group. For the year ended 30th June, 2004, he received from the Company a director's fee of HK\$20,000 and other emoluments of HK\$50,000 for acting as a member of the Audit Committee of the Company.

Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders.

LEE Ka Shing, aged 33, a Committee Member of the 9th Guangxi Zhuangzu Zizhiqu Committee of Political Consultative Conference, PRC, has been an Executive Director of the Company since 1995. He was educated in Canada and joined Henderson Land Group in 1993. Mr. Lee is an executive director of Henderson Land Development Company Limited ("Henderson Land"), Henderson Investment Limited and Henderson Cyber Limited as well as a director of The Hong Kong and China Gas Company Limited and Miramar Hotel and Investment Company, Limited, which are companies listed on The Stock Exchange of Hong Kong Limited. He is also an executive director of Henderson

Development Limited ("Henderson Development") and a director of various members of the Group. Save as disclosed above, he has not held any other directorships in listed public companies in the last three years. He is the son of Dr. Lee Shau Kee and the brother of Mr. Lee Ka Kit.

As at the Latest Practicable Date, Mr. Lee is taken to be interested in 325,133,977 shares in the Company (representing 65.32% of the issued share capital of the Company) within the meaning of Part XV of the Securities and Futures Ordinance. He was taken to be interested in 1,122,938,300 shares (61.88%) in Henderson Land, 2,075,859,007 shares (73.68%) in Henderson Investment Limited, 4,244,996,094 shares (84.90%) in Henderson Cyber Limited, 8,190 (100%) Ordinary A shares, 3,510 (100%) non-voting B shares and 15,000,000 (30%) non-voting deferred shares in Henderson Development, 100 shares (100%) in Heyfield Estate Limited and 3,240 shares (80%) in Pettystar Investment Limited, all of which are associated corporations of the Company, as disclosed in the Report of Directors of the Company for the financial year ended 30th June, 2004. He is a director of Timsland Limited (a substantial shareholder of the Company) as well as a director of Henderson Development and Henderson Land (controlling shareholders of the Company) which have aggregate interests in 325,133,977 shares in the Company, representing 65.32% of the issued share capital of the Company.

As at the Latest Practicable Date, Mr. Lee was not appointed for a specific term but is subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company. The director's fee payable to him shall be subject to Shareholders' approval at general meetings. His emoluments are to be determined by the board of directors of the Company with reference to his duties, responsibilities and performance and the results of the Group. For the year ended 30th June, 2004, he received from the Company a director's fee of HK\$20,000.

Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders.

KAN Fook Yee, *S.B.S., F.H.K.I.S., F.R.I.C.S., F.C.I.Arb.*, aged 68, has been a Director of the Company since 1997. He was an Executive Director of the Company from June 1997 until February 2003, when he became a Non-executive Director. He is also a director of Henderson Land Development Company Limited ("Henderson Land"), which is a company listed on The Stock Exchange of Hong Kong Limited. He is also a director of Capital Ace Development Limited, which is a subsidiary of the Company. Save as disclosed above, he has not held any other directorships in listed public companies in the last three years. In addition to his being a barrister-at-law, Mr. Kan is also a fellow member of The Hong Kong Institute of Surveyors, The Royal Institution of Chartered Surveyors and The Chartered Institute of Arbitrators and has many years' experience in the field of property surveying.

As at the Latest Practicable Date, Mr. Kan has no relationship with any directors, senior management or substantial or controlling shareholders of the Company and does not have any interests in the shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance. He was taken to be interested in 24,000 shares (less

than 0.01%) in Henderson Land, an associated corporation of the Company, as disclosed in the Report of Directors of the Company for the financial year ended 30th June, 2004. He is a director of Henderson Land (a controlling shareholder of the Company) which has interests in 325,133,977 shares in the Company, representing 65.32% of the issued share capital of the Company.

As at the Latest Practicable Date, Mr. Kan was not appointed for a specific term but is subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company. The director's fee payable to him shall be subject to Shareholders' approval at general meetings. His emoluments are to be determined by the board of directors of the Company with reference to his duties, responsibilities and performance and the results of the Group. For the year ended 30th June, 2004, he received from the Company a director's fee of HK\$20,000.

Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders.

WONG Ying Wai, *J.P., B.Soc.Sc., MPA*, aged 51, has been a Director of the Company since November 1999. He became a Non-executive Director as from August 2000. He was educated at Harvard University, Oxford University, the University of Hong Kong and the Chinese University of Hong Kong. Mr. Wong is a Deputy to The Tenth National People's Congress, vice chairman of Shui On Holdings Limited, President of China Investment Group Limited, chairman of Social Welfare Advisory Committee, Chairman of Hong Kong International Film Festival Society and deputy chairman of the Court and Council of Hong Kong Baptist University. Mr. Wong is a director of Shui On Construction and Materials Limited, which is a company listed on The Stock Exchange of Hong Kong Limited. Save as disclosed above, he has not held any other directorships in listed public companies in the last three years.

As at the Latest Practicable Date, Mr. Wong has no relationship with any directors, senior management or substantial or controlling shareholders of the Company and does not have any interests in the shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

As at the Latest Practicable Date, Mr. Wong was not appointed for a specific term but is subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company. The director's fee payable to him shall be subject to Shareholders' approval at general meetings. His emoluments are to be determined by the board of directors of the Company with reference to his duties, responsibilities and performance and the results of the Group. For the year ended 30th June, 2004, he received from the Company a director's fee of HK\$20,000.

Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders.