



# Hong Kong Exchanges and Clearing Limited 香港交易及結算所有限公司

## The Stock Exchange of Hong Kong Limited

*(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)*  
(the “Exchange”)

### ANNOUNCEMENT

**In relation to the matter of The HSBC China Fund Limited (Stock code: 504)  
Proceeding to the cancellation of listing  
as stipulated under Rule 6.10 of the  
Rules Governing the Listing of Securities on  
The Stock Exchange of Hong Kong Limited (the “Listing Rules”)**

The Exchange proposes to cancel the listing of the shares of the Company on the Exchange pursuant to Rule 6.10 of the Listing Rules.

Pursuant to Rule 6.10 of the Listing Rules, the Exchange announces that the Company has a period of two months for the submission of a viable resumption proposal to the Exchange. If the Company has not submitted a viable resumption proposal as required, the Exchange intends to cancel the listing of the Company’s shares on the expiry of the two months from the date of this announcement (i.e. 3 April 2005).

Dealing in the shares of The HSBC China Fund Limited (the “Company”) has been suspended since 7 September 2004. The Exchange proposes to cancel the listing of the shares of the Company on the Exchange pursuant to Rule 6.10 of the Listing Rules.

The Company is an investment company listed on the Exchange but it has ceased to carry out any investment activity following the completion of the realisation of its investments in December 2003. As disclosed in the Company’s announcement dated 30 June 2004, the Company has been exploring possible courses of action to be adopted by the Company, including but not limited to, the prospects of recapitalising the Company by third party investors. A proposal to recapitalise the Company by a third party investor was submitted to the Exchange in September 2004 but the Exchange decided that the proposal would result in the Company being treated as if it were a new listing applicant under the Listing Rules. According to the Company, the investor did not proceed with such proposal.

As at 3 February 2005, the Company has not submitted any viable resumption proposal. A viable resumption proposal will need to demonstrate the Company’s compliance with the Listing Rules and that the Company has a business suitable for listing. Given its financial position and that the Company has ceased to carry out any investment activity, a proposal by any third party investor to effect a fundamental change in the nature of the Company’s business or management, including but not limited to, the Company’s directors, investment managers, and/or investment objectives, policies and restrictions, will be viewed as an attempt to achieve a listing of a new investment vehicle and will be treated as an application for listing from a new applicant for all purposes under the Listing Rules.

In the absence of any viable resumption proposal and given that the Company is no longer regarded as suitable for listing, the Exchange proposes to cancel the listing of the shares of the Company on the Exchange. The Company will have a period of two months for the submission of a viable resumption proposal and to remedy those matters that gave rise to the Exchange’s proposal to cancel the listing of the Company’s shares. A viable resumption proposal should be submitted at least 10 business days as defined in the Listing Rules before the expiry of the two-month period. If the Company does not submit a viable resumption proposal as required, the Exchange intends to cancel the listing of the Company on the expiry of the two-month period from the date of this announcement (i.e. 3 April 2005).

The Exchange will make a further announcement in due course if the cancellation of the listing takes place.

Hong Kong, 4 February 2005

Please also refer to the published version of this announcement in South China Morning Post.