

---

## **THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Henderson Land Development Company Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

A copy of this circular has been registered with the Registrar of Companies in Hong Kong pursuant to Section 38D of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong and the Securities and Futures Commission of Hong Kong take no responsibility as to the contents of this circular.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

Subject to the granting of the listing of, and permission to deal in, the Warrants and any new Shares which may fall to be issued upon exercise of the subscription rights attaching to the Warrants on the Stock Exchange, as well as compliance with the stock admission requirements of HKSCC, the Warrants and any new Shares which may fall to be issued upon exercise of the subscription rights attaching to the Warrants will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from their respective commencement dates of dealings on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

---



### **恒基兆業地產有限公司 HENDERSON LAND DEVELOPMENT COMPANY LIMITED**

Incorporated in Hong Kong with limited liability  
(Stock Code: 12)

## **PROPOSED BONUS ISSUE OF WARRANTS**



**Financial Adviser to the Company**

---

All terms used in this cover page shall have the same meanings as defined in this circular. A notice convening the EGM of the Company to be held at the Harbour View Ballroom, Four Seasons Hotel, 8 Finance Street, Central, Hong Kong on Tuesday, 1 June, 2010 at 11:45 a.m. (or so soon thereafter as the annual general meeting of the Company convened for the same place and date at 11:30 a.m. shall have been concluded or adjourned) (or any adjournment thereof) at which a resolution will be proposed to consider and, if thought fit, approve the Bonus Warrants Issue is set out on pages 23 and 24 of this circular.

Whether or not you are able to attend the EGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and deposit to the Company's Registrars, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you wish.

12 May, 2010

---

## TABLE OF CONTENTS

---

	<i>Page</i>
<b>EXPECTED TIMETABLE</b> .....	ii
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b>	
1. INTRODUCTION .....	4
2. PROPOSED BONUS WARRANTS ISSUE .....	5
3. EGM .....	11
4. VOTING BY POLL .....	12
5. RECOMMENDATION .....	12
6. DOCUMENTS AVAILABLE FOR INSPECTION .....	12
7. GENERAL .....	12
<b>APPENDIX I — SUMMARY OF THE TERMS OF THE WARRANTS</b> .....	13
<b>APPENDIX II — NOTICE OF EGM</b> .....	23

---

## EXPECTED TIMETABLE

---

Set out below is a timetable for the Bonus Warrants Issue. The timetable for the despatch of the certificates for the Warrants and the first day of dealing in the Warrants is subject to the results of the EGM. The Company will notify the Shareholders on any changes to the following timetable as and when appropriate.

2010

Last day of dealings in Shares on a cum-entitlements basis for the Bonus Warrants Issue .....	Thursday, 15 April
First day of dealings in Shares on an ex-entitlements basis for the Bonus Warrants Issue .....	Friday, 16 April
Latest time for lodging transfers of Shares for registration in order to qualify for the Bonus Warrants Issue .....	4:30 p.m. on Monday, 19 April
Closure of register of members (both days inclusive) from .....	Tuesday, 20 April
to .....	Friday, 23 April
Record Date for determining entitlements to Warrants .....	Friday, 23 April
Latest time for lodging transfers of Shares for registration in order to be qualify for attending and voting at the EGM .....	4:30 p.m. on Monday, 24 May
Closure of register of members (both days inclusive) from .....	Tuesday, 25 May
to .....	Tuesday, 1 June
EGM .....	11:45 a.m. on Tuesday, 1 June (or so soon thereafter as the annual general meeting of the Company convened for the same date at 11:30 a.m. shall have been concluded or adjourned)
Certificates for the Warrants expected to be despatched on or about .....	Wednesday, 2 June
First day of dealing in the Warrants .....	Friday, 4 June

*Note: All times in this circular refer to Hong Kong times.*

---

## DEFINITIONS

---

*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“Announcement”	the announcement of the Company dated 30 March, 2010 in relation to the Bonus Warrants Issue;
“Board”	the board of Directors;
“Bonus Warrants Issue”	the proposed conditional bonus issue of Warrants by the Company to the Shareholders on the basis of one (1) Warrant for every five (5) Shares held by the Shareholders on the Record Date, subject to the restrictions on the entitlements of the Overseas Shareholders as set out in the sub-section headed “Overseas Shareholders” under the section headed “Proposed Bonus Warrants Issue” contained in the letter from the Board in this circular;
“Business Day”	a day (other than a Saturday) on which banks in Hong Kong are open for business;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“Company”	Henderson Land Development Company Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the main board of the Stock Exchange;
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong);
“Directors”	directors of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened on Tuesday, 1 June, 2010 at 11:45 a.m. (or so soon thereafter as the annual general meeting of the Company convened for the same date at 11:30 a.m. shall have been concluded or adjourned) (or any adjournment thereof) to consider and, if thought fit, approve, the resolution in relation to the Bonus Warrants Issue and the issue of new Shares falling to be issued upon exercise of the subscription rights attaching to the Warrants;

---

## DEFINITIONS

---

“Excluded Shareholders”	Overseas Shareholders to whom the Directors, having made enquiries regarding the legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that jurisdiction, consider it necessary or expedient not to offer the Warrants on account either of legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that jurisdiction;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited, a registered institution under the SFO, licensed to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on future contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO, and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong);
“Instrument”	the deed poll to be executed by the Company creating and constituting the Warrants;
“Latest Practicable Date”	10 May, 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Overseas Shareholders”	Shareholders whose names appeared on the register of members of the Company on the Record Date and whose addresses as shown on such register were in places outside Hong Kong;
“Qualified Shareholders”	the Shareholders whose names appeared on the register of members of the Company on the Record Date, other than the Excluded Shareholders;

---

## DEFINITIONS

---

“Record Date”	23 April, 2010, being the record date for determining entitlements to the Bonus Warrants Issue;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$2 each in the share capital of the Company;
“Shareholder(s)”	holders of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Date”	has the meaning ascribed to it in paragraph 1(B) in Appendix I to this circular;
“Warrant(s)”	warrant(s) to be constituted by the Instrument and to be issued by the Company entitling the holders thereof to subscribe an aggregate of up to 429,348,478 Shares (subject to adjustment in accordance with the terms and conditions of the Instrument) at an initial subscription price of HK\$58.00 per Share (subject to adjustment) at any time during a period of one (1) year commencing from the date of first issue of the Warrants up to the date immediately preceding the first anniversary of the date of first issue of the Warrants, both days inclusive; and
“%”	per cent.

---

## LETTER FROM THE BOARD

---



# 恒基兆業地產有限公司 HENDERSON LAND DEVELOPMENT COMPANY LIMITED

Incorporated in Hong Kong with limited liability  
(Stock Code: 12)

### *Executive Directors:*

Dr. the Hon. Lee Shau Kee  
(Chairman and Managing Director)  
Lee Ka Kit (Vice Chairman)  
Colin Lam Ko Yin (Vice Chairman)  
Lee Ka Shing (Vice Chairman)  
John Yip Ying Chee  
Alexander Au Siu Kee  
Suen Kwok Lam  
Lee King Yue  
Fung Lee Woon King  
Eddie Lau Yum Chuen  
Li Ning  
Kwok Ping Ho

### *Non-executive Directors:*

Sir Po-shing Woo  
Leung Hay Man  
Angelina Lee Pui Ling  
Lee Tat Man  
Jackson Woo Ka Biu  
(Alternate to Sir Po-shing Woo)

### *Independent Non-executive Directors:*

Gordon Kwong Che Keung  
Professor Ko Ping Keung  
Wu King Cheong

### *Registered Office:*

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

12 May, 2010

To Shareholders

Dear Sir or Madam,

## PROPOSED BONUS ISSUE OF WARRANTS

### 1. INTRODUCTION

As mentioned in the Announcement of the Company published on 30 March, 2010, the Directors proposed the Bonus Warrants Issue on the basis of one (1) Warrant for every five (5) Shares held on the Record Date. Warrants to be issued in relation to the Bonus Warrants Issue will only be issued to Qualified Shareholders.

The purpose of this circular is to set out further information in relation to the Bonus Warrants Issue and to give you a notice of EGM at which an ordinary resolution will be proposed to approve the Bonus Warrants Issue.

---

## LETTER FROM THE BOARD

---

A summary of the principal terms and conditions of the Bonus Warrants Issue, including circumstances in which the subscription price may be adjusted, is set out in Appendix I on pages 13 to 22 of this circular.

### 2. PROPOSED BONUS WARRANTS ISSUE

#### Basis of Bonus Warrants Issue

The Directors proposed the Bonus Warrants Issue on the basis of one (1) Warrant for every five (5) Shares held on the Record Date. The Warrants will be issued in registered form. Warrants to be issued in relation to the Bonus Warrants Issue will only be issued to Qualified Shareholders.

#### Conditions

The Bonus Warrants Issue is conditional upon:-

- (i) the passing of an ordinary resolution by the Shareholders at the EGM approving the Bonus Warrants Issue and the issue of new Shares falling to be issued upon exercise of the subscription rights attaching to the Warrants; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Warrants and any Shares which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants.

#### Number of Warrants to be Issued

Each Warrant will entitle its holder to subscribe one (1) Share in the Company. Based on the 2,146,742,390 Shares in issue as at the Record Date, the maximum number of Warrants to be issued will be 429,348,478 units entitling the holders thereof to subscribe a maximum of 429,348,478 new Shares (subject to adjustment in accordance with the terms and conditions of the Instrument), representing approximately 20.0% of the issued share capital of the Company as at the Latest Practicable Date and approximately 16.7% of the issued share capital of the Company as enlarged by the new Shares to be issued upon the exercise of all the Warrants.

#### Subscription Price

The Warrants will entitle the holders to subscribe an aggregate of up to 429,348,478 Shares at an initial subscription price of HK\$58.00 per Share in cash (subject to adjustment). The initial subscription price represents:-

- (i) a premium of approximately 3.02% to the closing price per Share of HK\$56.30 as quoted on the Stock Exchange on 29 March, 2010, being the last trading day of the Shares prior to the date of the Announcement;

---

## LETTER FROM THE BOARD

---

- (ii) a premium of approximately 5.11% to the average closing price per Share of HK\$55.18 as quoted on the Stock Exchange for the last five trading days up to and including 29 March, 2010, being the last trading day of the Shares prior to the date of the Announcement;
- (iii) a premium of approximately 21.72% to the closing price per Share of HK\$47.65 as quoted on the Stock Exchange on the Latest Practicable Date; and
- (iv) a premium of approximately 22.16% to the average closing price per Share of HK\$47.48 as quoted on the Stock Exchange for the last five trading days up to and including the Latest Practicable Date.

The subscription price of the Shares to be issued under the Bonus Warrants Issue will be adjusted on, among other things, any capitalisation issue, capital distribution, issue of rights, Shares or securities convertible into Shares at less than 90% of the then market price of the Shares and purchase of Shares at more than 110% of the then market price of the Shares. The number of Shares to be issued upon exercise of the subscription rights attaching to the Warrants will also be adjusted on Share consolidation or sub-division. Further announcement will be made by the Company should there be any event or circumstances the occurrence of which would result in an adjustment to the subscription price or number of Shares to be issued under the Bonus Warrants Issue. Details of the adjustment terms to the subscription price or number of Shares to be issued under the Bonus Warrants Issue is set out on pages 15 to 17 of this circular.

### **Subscription Period**

The Warrants will be exercisable at any time during a period of one (1) year commencing from the date of first issue of the Warrants (expected to be on or about 2 June, 2010) up to the date immediately preceding the first anniversary of the date of first issue of the Warrants (expected to be on or about 1 June, 2011), both days inclusive.

### **Record Date**

To qualify for the Bonus Warrants Issue and for Warrants to be issued under the Bonus Warrants Issue, a Shareholder must on the Record Date:

- be registered as a member of the Company; and
- not be an Excluded Shareholder.

### **Closure of Register of Members**

The register of members of the Company was closed from Tuesday, 20 April, 2010 to Friday, 23 April, 2010 (both days inclusive) for determination of entitlements under the Bonus Warrants Issue.

---

## LETTER FROM THE BOARD

---

### **Fractional Entitlements to the Warrants and the Shares to be Issued upon Exercise of the Warrants**

Fractional entitlements to the Warrants (if any) will not be issued to any Shareholder but will be aggregated and sold in the market for the benefit of the Company. The net proceeds of sale will be retained for the benefit of the Company.

No Shareholder shall be entitled to be issued any fraction of a Share under the Bonus Warrants Issue.

### **Overseas Shareholders**

The circular and the Warrants to be issued in relation to the Bonus Warrants Issue have not been registered or filed under any securities or equivalent legislation outside Hong Kong.

On the basis of the information made available to the Directors, as at the Record Date, there were 63 Overseas Shareholders whose addresses as shown on the register of members of the Company were in Australia, Brunei Darussalam, Canada, Spain, France, the United Kingdom, Macau, Malaysia, the Philippines, Singapore, Taiwan and the United States of America. The Directors have made enquiries on the legal and/or regulatory restrictions and/or requirements in relation to the issue of the Warrants under the Bonus Warrants Issue to the Overseas Shareholders in the above jurisdictions and on the compliance with the relevant restrictions and/or requirements.

#### **(a) *Overseas Shareholders who are Excluded Shareholders***

Based on the relevant legal opinions obtained, there are legal and/or regulatory restrictions and/or requirements for issuing the Warrants to Shareholders in Canada, Malaysia, the United Kingdom and the United States of America under the Bonus Warrants Issue. Having regard to the relevant legal and/or regulatory restrictions and/or requirements, the number of Overseas Shareholders as at the Record Date and the likely costs and time involved if overseas compliance were to be observed, the Board considers that it would be necessary or expedient not to issue the Warrants under the Bonus Warrants Issue to the Shareholders whose registered addresses were in Canada, Malaysia, the United Kingdom and the United States of America (collectively the “**Excluded Jurisdictions**”) as shown on the register of members of the Company on the Record Date.

This circular is being sent to the Shareholders in the Excluded Jurisdictions for information only and/or for the purpose of voting at the EGM only and should not be copied or distributed or otherwise made available to any other person within the Excluded Jurisdictions. Shareholders with a registered address in the Excluded Jurisdictions should note that the Warrants are not being offered, sold or made available in the Excluded Jurisdictions. This circular to be sent to them does not and will not constitute an offer or solicitation of an offer or invitation to buy or to subscribe for or to take up Warrants in the Excluded Jurisdictions, and does not and will not constitute an issue of the Warrants in the Excluded Jurisdictions. No person receiving this circular in the Excluded Jurisdictions may treat the same as constituting an invitation or offer to him/her/it. Accordingly, no Warrants will be issued to any Shareholders with registered addresses in the Excluded Jurisdictions on the register of members of the

---

## LETTER FROM THE BOARD

---

Company on the Record Date. This circular does not constitute a prospectus for the purposes of the Prospectus Rules made by the United Kingdom Financial Services Authority. Neither the United Kingdom Financial Services Authority nor London Stock Exchange plc has examined or approved the contents of this circular. No application has been or is being made for admission of the Warrants, whether for dealing or otherwise, to any market operating or situated in the United Kingdom, nor are the existing Shares dealt in on any such exchange.

Any Warrants which would otherwise have been issued to the Excluded Shareholders will be sold in the market as soon as practicable after dealings in the Warrants commence. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars pro rata to such Excluded Shareholders' respective entitlements by post at their own risk unless the amount falling to be distributed to any such person is less than HK\$100, in which case it will not be distributed but will be retained for the benefit of the Company.

(b) *Overseas Shareholders who are Qualified Shareholders*

Based on the relevant legal opinions obtained and having regard to the relevant legal and/or regulatory restrictions and/or requirements as at the Latest Practicable Date, Shareholders whose registered addresses were in Australia, Brunei Darussalam, Spain, France, Macau, the Philippines, Singapore and Taiwan as shown on the register of members of the Company on the Record Date are Qualified Shareholders and Warrants will be issued to them under the Bonus Warrants Issue. However, if because of changes in laws or other circumstances after the Latest Practicable Date, the Board considers that the likely costs and time involved in overseas compliance to be observed would outweigh the benefits which the Company and the Shareholders as a whole would receive by issuing Warrants to any such Overseas Shareholders under the Bonus Warrants Issue, it may be necessary and expedient not to issue the Warrants to such Overseas Shareholders under the Bonus Warrants Issue.

Based on the relevant legal opinions obtained, your attention is drawn to the following statements in respect of Australia, the Philippines, Singapore and Taiwan respectively:

*Australia*

This circular is not a prospectus under Australian law and holders of the Warrants should seek their own professional advice in deciding whether to exercise the subscription rights attaching to the Warrants.

*Philippines*

Shareholders whose addresses as shown on the register of members of the Company were in the Philippines on the Record Date should note that exemption from registration of the Bonus Warrants Issue is claimed under Section 10.1(c) of the Philippine Securities Regulation Code. No confirmation needs to be obtained from the Philippine Securities and Exchange Commission that the Bonus Warrants Issue qualifies as an exempt transaction and therefore, no such confirmation has been obtained. **THE SECURITIES BEING OFFERED OR SOLD HEREIN HAVE NOT BEEN**

---

## LETTER FROM THE BOARD

---

**REGISTERED WITH THE PHILIPPINE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES REGULATION CODE. ANY FUTURE OFFER OR SALE THEREOF IS SUBJECT TO REGISTRATION REQUIREMENTS UNDER THE CODE UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.**

### *Singapore*

This circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Warrants may not be circulated or distributed, nor may the Warrants be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to a Shareholder whose name appeared on the register of members of the Company on the Record Date pursuant to Section 273(1)(cd) of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”) or (ii) otherwise pursuant to, and in accordance with, the conditions of an exemption under any provision of Subdivision (4) of Division 1 of Part XIII of the SFA.

### *Taiwan*

The Warrants to be issued in relation to the Bonus Warrants Issue have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to the relevant securities laws and regulations of Taiwan and may not be offered or sold within Taiwan through a public offering or in a circumstance which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan.

### (c) *Other matter*

Notwithstanding that there was no Shareholder whose registered addresses was in Japan as shown on the register of members of the Company on the Record Date, based on the legal opinion obtained by the Company from its Japan legal advisor, your attention is also drawn to the fact that the Warrants may not be offered or sold in Japan in the absence of registration or an exemption from registration under the Japanese Financial Instruments and Exchange Law.

### **Status of the Warrants and the Shares to be Issued upon Exercise of the Warrants**

Other than the right to subscribe for new Shares, holders of Warrants will not be entitled to dividends or to participate in the distribution and/or any offers of further securities which may be made by the Company.

Shares which are allotted and issued on the exercise of the subscription rights attaching to the Warrants will rank *pari passu* in all respects with the fully paid Shares in issue on the relevant Subscription Date and accordingly shall entitle the holders to participate in all dividends or other distributions paid or made after the relevant Subscription Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be on or before the relevant Subscription Date and notice of the amount and record date for which shall have been given to the Stock Exchange prior to the relevant Subscription Date.

---

## LETTER FROM THE BOARD

---

### **Listing, Dealings and Settlement**

Application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrants and any Shares which may fall to be issued upon exercise of the subscription rights attaching to the Warrants. Subject to fulfillment of the conditions under the section headed “Conditions” above, certificates for the Warrants are expected to be despatched to the Qualified Shareholders by post at their own risk on or about Wednesday, 2 June, 2010. In the case of joint shareholdings, the certificates for the Warrants will be despatched to the address of the Shareholder first named in the register of members of the Company in respect of such joint shareholding by post.

Dealings in the Warrants are expected to commence on Friday, 4 June, 2010. The Warrants will be traded in board lots of 1,000 units and each board lot of the Warrant will entitle the holders thereof to subscribe an aggregate of up to 1,000 Shares.

Subject to the granting of the listing of, and permission to deal in, the Warrants and any Shares which may fall to be issued upon exercise of the subscription rights attaching to the Warrants on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the Warrants and any Shares which may fall to be issued upon exercise of the subscription rights attaching to the Warrants will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of their dealings on the Stock Exchange or such other date as shall be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

None of the Shares are listed or dealt in on any stock exchange other than the Stock Exchange, and the Warrants and the Shares which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants will not be listed or dealt in on any stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

Investors should seek the advice of their stockbroker or other professional adviser for details of settlement arrangements for the Warrants and the Shares which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants and how such arrangements affect their rights and interests.

### **Stamp duty**

Dealings in the Warrants and the Shares which may fall to be issued upon exercise of the subscription rights attaching to the Warrants will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, or any other applicable fees and charges in Hong Kong.

The Shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of holding or disposal of, dealing in or exercising, the Warrants and, as regards the Excluded Shareholders, their receipt of the net proceeds of sale of the Warrants otherwise falling to be issued to them under the Bonus Warrants Issue. It is emphasized that none of

---

## LETTER FROM THE BOARD

---

the Company, its Directors or any other parties involved in the Bonus Warrants Issue accepts responsibility for any tax implication or liabilities of Shareholders or the Warrants resulting from the purchase, holding or disposal of, or dealing in, the Shares or the Warrants or exercise of the subscription rights attaching to the Warrants.

### **Reasons for the Bonus Warrants Issue and Use of Proceeds**

The Board believes that the Bonus Warrants Issue will provide Shareholders with an opportunity to participate in the growth of the Company. The Bonus Warrants Issue will also strengthen the equity base of the Company and increase the Company's working capital if and when the subscription rights attaching to the Warrants are exercised.

The Company intends to apply any subscription moneys received as and when subscription rights under the Warrants are exercised towards the general working capital of the Group or for such other purposes as the Directors deem necessary, taking into consideration the requirements of the Company prevailing at the relevant time. The Company did not raise any other funds by issue of equity securities during the 12 months immediately preceding the Latest Practicable Date.

### **3. EGM**

An EGM is proposed to be convened to approve the Bonus Warrants Issue and the issue of new Shares falling to be issued upon exercise of the subscription rights attaching to the Warrants.

A notice convening the EGM to be held at the Harbour View Ballroom, Four Seasons Hotel, 8 Finance Street, Central, Hong Kong on Tuesday, 1 June, 2010 at 11:45 a.m. (or so soon thereafter as the annual general meeting of the Company convened for the same place and date at 11:30 a.m. shall have been concluded or adjourned) is set out in Appendix II on pages 23 and 24 of this circular.

A proxy form for use at the EGM is enclosed with this circular. Whether or not you intend to attend the EGM or any adjournment thereof, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and deposit to the Company's Registrars, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof should you wish. As disclosed in an announcement of the Company dated 30 March 2010, the register of members of the Company will be closed from Tuesday, 25 May, 2010 to Tuesday, 1 June, 2010, both days inclusive, for the purpose of determining Shareholders who are entitled to attend and vote at the annual general meeting of the Company convened on Tuesday, 1 June, 2010. In order to qualify for attending and voting at the EGM, all transfer of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Registrars, Computershare Hong Kong Investor Services Limited, Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Monday, 24 May 2010.

---

## LETTER FROM THE BOARD

---

### 4. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any votes of the Shareholders at a general meeting must be taken by poll. Accordingly, the chairman of the EGM will demand a poll for the resolution to be proposed at the EGM for the Bonus Warrants Issue.

### 5. RECOMMENDATION

The Board, including the independent non-executive Directors, considers the terms of the Bonus Warrants Issue to be fair and reasonable and in the interests of the Shareholders and the Company as a whole, and recommend the Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Bonus Warrants Issue.

### 6. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of each of the draft Instrument and the Memorandum and Articles of Association of the Company will be available for inspection by the Shareholders at the registered office of the Company situated at 72-76/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong during normal business hours on any weekday, except public holidays, from 12 May, 2010 up to and including 1 June, 2010.

### 7. GENERAL

Your attention is drawn to the Appendices to this circular. The English text of this circular and form of proxy shall prevail over the Chinese text.

HSBC has been appointed as financial adviser to the Company in connection with the Bonus Warrants Issue.

Yours faithfully,  
For and on behalf of the Board  
**Lee Shau Kee**  
*Chairman*

The Warrants will be issued subject to and with the benefit of the Instrument to be executed by the Company and they will be issued in registered form and will form one class and rank pari passu in all respects with each other. Warrants to be issued in relation to the Bonus Warrants Issue will only be issued to Qualified Shareholders. Based on the 2,146,742,390 Shares in issue as at the Record Date, the maximum number of Warrants to be issued will be 429,348,478 units entitling the holders thereof to subscribe a maximum of 429,348,478 new Shares (subject to adjustment in accordance with the terms and conditions of the Instrument) at an initial subscription price of HK\$58.00 per Share in cash (subject to adjustment).

The principal terms and conditions of the Warrants will be set out in the certificates for the Warrants and will include provisions to the effect set out below. Holders of the Warrants will be entitled to the benefit of, be bound by, and be deemed to have notice of all such terms and conditions and the provisions of the Instrument, a copy of the draft of which will be available for inspection by the Shareholders at the Company's registered office in Hong Kong situated at 72-76/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong during normal business hours on any weekday, except public holidays, from 12 May, 2010 up to and including 1 June, 2010.

#### 1. EXERCISE OF SUBSCRIPTION RIGHTS

- (A) Subject to the provisions of the terms and conditions of the Instrument and in compliance with all exchange control, fiscal and other laws and regulations applicable thereto, the registered holder (the "**Warrantholder**") of the Warrants represented by the certificate for the Warrants (the "**Warrant Certificate**") will have the right, which may be exercised in whole or in part (but not in respect of any fraction of a Share) at any time during the period commencing from 2 June, 2010 (*Note*) and ending on 1 June, 2011 (*Note*), both days inclusive (the "**Subscription Period**"), to subscribe for fully paid Shares at the subscription price of HK\$58.00 per Share (the "**Subscription Price**"), subject to adjustment (the "**Subscription Rights**"). After 1 June, 2011 (*Note*), any Subscription Rights which have not been exercised will lapse and the Warrants and the Warrant Certificates shall cease to be valid for any purpose whatsoever.

For the purpose of the Instrument, "**Shares**" shall mean ordinary shares of HK\$2 each in the share capital of the Company existing on the date of the Instrument and all other (if any) stock or shares from time to time and for the time being ranking pari passu therewith and all other (if any) Shares or stock in the equity share capital of the Company resulting from any sub-division, consolidation or reclassification of Shares.

- (B) In order to exercise in whole or in part the Subscription Rights represented by the Warrant Certificate, the Warrantholder(s) must deliver to the registrar of the Company who maintains the register of Warrantholders (the "**Registrar**"):
- (i) the Warrant Certificate;

*Note: Based on the timetable set out in this circular, the Subscription Period commences from 2 June 2010 and end on 1 June 2011, both days inclusive.*

- (ii) the completed and signed subscription form (the “**Subscription Form**”) printed on the overleaf of the Warrant Certificate (which shall be irrevocable); and
- (iii) a remittance for the Exercise Moneys (as defined below) for the Shares in respect of which the Subscription Rights are being exercised (or, in the case of a partial exercise, the relevant portion of the Exercise Moneys).

In each case compliance must also be made with any exchange control, fiscal or other laws or regulations for the time being applicable.

The date of receipt by the Registrar of the above documents is the “**Subscription Date**”. If such rights are exercised during a period when the register of holders of Shares is closed the Subscription Date will be the next following business day on which such register is open.

“**Exercise Moneys**” shall mean in relation to any Warrant or Warrants, the amount in cash which the Warrantholder of such Warrant or Warrants is entitled to subscribe upon the exercise of the Subscription Rights represented thereby.

- (C) No fraction of a Share will be allotted but any balance representing fractions of the Exercise Moneys paid on the exercise of the Subscription Rights will be refunded to the relevant Warrantholder, provided always that, if the Subscription Rights attached to the Warrants represented by two or more Warrant Certificates are exercised by the same Warrantholder on the same Subscription Date, then for the purpose of determining whether any (and if so, what) fraction of a Share arises, such Subscription Rights represented by such Warrant Certificates shall be aggregated.
- (D) The Company has undertaken in the Instrument that Shares falling to be issued upon the exercise of the Subscription Rights represented by the Warrant Certificate will be issued and allotted not later than 28 days (or such shorter period as may from time to time be required by the Listing Rules or the applicable laws and regulations) after the relevant Subscription Date and (unless adjustment thereof has been made as provided in the Instrument) will rank *pari passu* with the fully paid Shares in issue on the relevant Subscription Date and accordingly shall entitle the holders to participate in all dividends or other distributions paid or made after the relevant Subscription Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be on or before the relevant Subscription Date and notice of the amount and record date for which shall have been given to the Stock Exchange prior to the relevant Subscription Date.
- (E) As soon as practicable after the relevant allotment of Shares (and not later than 28 days (or such shorter period as may from time to time be required by the Listing Rules or the applicable laws and regulations) after the relevant Subscription Date) there will be issued free of charge to the Warrantholder(s):
  - (i) a certificate (or certificates) for the relevant Shares in the name(s) of such Warrantholder(s);

- (ii) (if applicable) a balancing Warrant Certificate in registered form in the name(s) of such Warrantholder(s) in respect of any Subscription Rights represented by the Warrant Certificate and remaining unexercised; and
- (iii) (if applicable) a cheque representing fractions of the Exercise Moneys in respect of the Warrantholder's fractional entitlement to Shares not allotted as mentioned in sub-paragraph (C) above.

The certificate(s) for Shares arising on the exercise of Subscription Rights, the balancing Warrant Certificate (if any) and the cheque in respect of the fractions of the Exercise Moneys in respect of the Warrantholder's fractional entitlement to the Shares (if any) will be sent by post at the risk of such Warrantholder to the address of such Warrantholder or (in the case of a joint holding) to that one of the joint Warranholders whose name stands first in the register of the Warranholders. If the Company agrees, such certificates and cheques may by prior arrangement be retained by the Registrar to await collection by the relevant Warrantholder(s).

## **2. ADJUSTMENTS OF SUBSCRIPTION RIGHTS AND/OR SUBSCRIPTION PRICE**

The Instrument contains detailed provisions relating to the adjustment of the Subscription Rights and/or the Subscription Price. The following is a summary of, and is subject to, the provisions of the Instrument:

- (A) The Subscription Rights shall be adjusted if and whenever there is an alteration of the nominal amount of the Shares by reason of any consolidation or subdivision and the Subscription Price at which the Warrantholder is entitled to subscribe for each Share shall be proportionately adjusted;
- (B) The Subscription Price shall (except as mentioned in sub-paragraphs (C) and (D) below) be adjusted as provided in the Instrument in each of the following cases:
  - (i) an issue (other than in lieu of a cash dividend) by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund);
  - (ii) Capital Distribution (as defined in the Instrument) being made by the Company, whether on a reduction of capital or otherwise, to holders of its Shares in their capacity as such;
  - (iii) a grant by the Company to the holders of Shares (in their capacity as such) of rights to acquire cash assets of the Company or any of its subsidiaries;
  - (iv) an offer or grant being made by the Company to holders of its Shares of Shares by way of rights or of options or warrants to subscribe for Shares at a price which is less than 90 per cent of the market price (calculated as provided in the Instrument);

- (v) an issue wholly for cash being made by the Company or any other company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the total Effective Consideration (as defined in the Instrument) per Share is less than 90 per cent of the market price (calculated as provided in the Instrument), or the terms of any such issue being altered so that the said total Effective Consideration is less than 90 per cent of the market price;
  - (vi) an issue being made wholly for cash of Shares (other than pursuant to a share option scheme) at a price less than 90 per cent of the market price (calculated as provided in the Instrument); and
  - (vii) the purchase of Shares by the Company in circumstances where the total Effective Consideration per Share (as defined in the Instrument) is more than 110 per cent of the closing price of one Share on the Stock Exchange (calculated as provided in the Instrument).
- (C) Except as mentioned in sub-paragraph (D) below, no such adjustment as is referred to in sub-paragraph (B) above shall be made in respect of:
- (i) an issue of fully paid Shares upon the exercise of any conversion rights attached to securities convertible into Shares or upon the exercise of any rights (including the Subscription Rights) to acquire Shares;
  - (ii) an issue of Shares or other securities of the Company or any subsidiary of the Company or a grant of rights to acquire Shares to directors or employees of the Company or any subsidiary of the Company or any other eligible participants pursuant to a share option scheme;
  - (iii) an issue by the Company of Shares or by the Company or any subsidiary of the Company of securities convertible into or a grant of rights to acquire Shares, in any such case in consideration or part consideration for the acquisition of any other securities, assets or business; or
  - (iv) an issue of Shares in lieu of a cash dividend where an amount not less than the nominal amount of the Shares so issued is capitalised and the market value (calculated as provided in the Instrument) of such Shares is not more than 110 per cent of the amount of dividend which holders of Shares could elect to or would otherwise receive in cash.

- (D) Notwithstanding the provisions referred to in sub-paragraphs (B) and (C) above, in any circumstance where the Company shall consider that an adjustment to the Subscription Price provided for under the said provisions should not be made or should be calculated on a different basis or that an adjustment to the Subscription Price should be made notwithstanding that no such adjustment is required under the said provisions, the Company may appoint an approved merchant bank or the auditors of the Company to consider whether for any reason whatever the adjustment to be made (or the absence of adjustment) would not or might not fairly and appropriately reflect the relative interests of the persons affected thereby and, if such approved merchant bank or the auditors of the Company shall consider this to be the case, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner (including, without limitation, making an adjustment calculated on a different basis) as shall be certified by such approved merchant bank or the auditors of the Company to be in its opinion appropriate.
- (E) Any adjustment to the Subscription Price shall be made to the nearest one cent so that any amount under half a cent shall be rounded down and any amount of half a cent or more shall be rounded up. No adjustment shall be made to the Subscription Price in any case in which the amount by which the same would be reduced would be less than one cent and any adjustment which would otherwise then be required shall not be carried forward. No adjustment may be made (except on a consolidation of Shares into Shares of a larger nominal amount) which would increase the Subscription Price.
- (F) Every adjustment to the Subscription Price will be certified to be fair and appropriate by the auditors of the Company or an approved merchant bank and notice of each adjustment (giving the relevant particulars) will be given to the Warrantholders. In giving any certificate or making any adjustment hereunder, the auditors of the Company or the approved merchant bank shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decision shall be conclusive and binding on the Company and the Warrantholders and all persons claiming through or under them respectively. Any such certificates of the auditors of the Company or approved merchant bank will be available at the registered office in Hong Kong for the time being of the Company, where copies may be obtained.

### **3. REGISTERED WARRANTS**

The Warrants are issued in registered form. The Company shall be entitled to treat the registered holder of any Warrant as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction or required by law, be bound to recognise any equitable or other claim to or interest in such Warrant on the part of any other person, whether or not it shall have express or other notice thereof.

### **4. TRANSFER, TRANSMISSION AND REGISTER**

- (A) The Subscription Rights represented by the Warrant Certificate are transferable, in multiples of one whole Share, by instrument of transfer in any usual or common form or in any other form which may be approved by the Directors. The Company shall maintain

a register of Warrantheolders accordingly. Transfers of Warrants must be executed by both the transferor and the transferee. Where the transferor or the transferee is HKSCC Nominees Limited or its successor thereto (or such other company as may be approved by the Board for this purpose), the transfer may be executed under the hands of authorised person(s) or by machine imprinted signatures on its behalf or of such person(s), as the case may be. The provisions of the Company's Articles of Association relating to the registration, transmission and transfer of Shares shall, mutatis mutandis, apply to the registration, transmission and transfer of the Warrants and shall have full effect as if the same had been incorporated herein.

- (B) Since the Warrants will be admitted to CCASS, so far as applicable laws or regulations of relevant regulatory authorities, terms of the Instrument and circumstances permit, the Company may determine the last trading day of the Warrants to be a date at least 3 trading days before the last day of subscription being 1 June, 2011 (*Note*). Persons who own Warrants and have not registered the Warrants in their own names and wish to exercise the Subscription Rights should note that they may incur additional costs and expenses in connection with any expedited re-registration of the Warrants prior to the transfer or exercise of the Subscription Rights, in particular during the period commencing 10 business days, or any period from time to time fixed by the Listing Rules or other rules or regulations of other relevant regulatory authorities for standard securities registration service, prior to and including the last day of subscription being 1 June, 2011 (*Note*).
- (C) The register of Warrantheolders may be closed from time to time, subject to the same restrictions, mutatis mutandis, as apply to the closure of the register of members of the Company in accordance with the Companies Ordinance. Any exercise of Subscription Rights during the period for which the register of Warrantheolders is closed shall be deemed to be and shall be effective upon the first day upon which the register of Warrantheolders reopens and such date shall be deemed to be the relevant Subscription Date for all purposes in respect of such exercise of Subscription Rights.

## 5. PURCHASE AND CANCELLATION

The Company or any of its subsidiaries may at any time purchase Warrants:

- (i) in the open market or by tender (available to all Warrantheolders alike) at any price; or
- (ii) by private treaty at a price, exclusive of expenses, not exceeding 110 per cent of the closing price on the Stock Exchange per Warrant on the last trading date immediately prior to the date of purchase of the Warrants,

but not otherwise. All Warrants purchased as aforesaid shall be cancelled forthwith and may not be reissued or resold.

*Note: Based on the timetable set out in this circular, the Subscription Period commences from 2 June 2010 and end on 1 June 2011, both days inclusive.*

**6. MEETINGS OF WARRANTHOLDERS AND MODIFICATION OF RIGHTS**

- (A) The Instrument contains provisions for convening meetings of Warrantholders to consider any matter affecting the interests of Warrantholders, including the modification by special resolution of the provisions of the Instrument and/or these conditions. A special resolution duly passed at any such meeting shall be binding on the Warrantholders, whether present or not.
- (B) All or any of the rights for the time being attached to the Warrants (including any of the provisions of the Instrument) may from time to time (whether or not the Company is being wound up) be altered or abrogated (including but without prejudice to that generality by waiving compliance with, or by waiving or authorising any past or proposed breach of, any of the provisions of these conditions and/or the Instrument) and the sanction of a special resolution shall be necessary and sufficient to effect such alteration or abrogation.
- (C) Where the Warrantholder is a recognised clearing house (within the meaning of the SFO) or its nominee(s), it may authorise such person or persons as it thinks fit to act as its representative (or representatives) or proxy (or proxies) at any Warrantholders' meeting provided that, if more than one person is so authorised, the authorisation or proxy form must specify the number of Warrants in respect of which each such person is so authorised. The person so authorised will be deemed to have been duly authorised without the need of producing any documents of title, notarized authorization and/or further evidence for substantiating the facts that it is duly authorised and will be entitled to exercise the same power on behalf of the recognised clearing house as that clearing house or its nominee(s) could exercise as if such person were an individual Warrantholder.
- (D) On a poll, votes may be given either personally or by proxy or by authorised representative. On a show of hands, votes may be given either personally (in the case of a member being an individual) or by authorised representative (in the case of a member being a corporation).

**7. REPLACEMENT OF WARRANT CERTIFICATES**

In the case of lost Warrant Certificates, Section 71A of the Company Ordinance shall apply as if "shares" referred to therein include the Warrants.

If a Warrant Certificate is mutilated, defaced, lost or destroyed, it may, at the discretion of the Company, be replaced at the office of the Registrar on payment of such costs as may be incurred in connection therewith and on such terms as to evidence, indemnity and/or security as the Company may require and on payment of such fee not exceeding HK\$2.50 (or such higher fee as may from time to time be permitted by the Stock Exchange) as the Company may determine. Mutilated or defaced Warrant Certificates must be surrendered before replacements will be issued.

**8. PROTECTION OF SUBSCRIPTION RIGHTS**

The Instrument contains certain undertakings by and restrictions on the Company designed to protect the Subscription Rights.

**9. CALL**

If at any time the aggregate number of Shares which would fall to be issued on the exercise of outstanding Warrants is equal to or less than 10 per cent of the aggregate number of Shares which would fall to be issued on the exercise of all the Warrants issued under the Instrument then the Company may, on giving not less than 1 month's notice, require Warranholders either to exercise their Subscription Rights or to allow them to lapse. On expiry of such notice, all unexercised Warrants will be automatically cancelled without compensation to such Warranholders.

**10. FURTHER ISSUES**

The Company shall be at liberty to issue further warrants to subscribe for Shares in such manner and on such terms as it sees fit.

**11. UNDERTAKINGS BY THE COMPANY**

In addition to the undertakings given by it in relation to the grant and exercise of the Subscription Rights and the protection thereof the Company has undertaken in the Instrument that:

- (i) it will use its best endeavours to ensure that all Shares allotted on the exercise of Subscription Rights shall be admitted to listing on the Stock Exchange;
- (ii) it will send to each Warranholder, at the same time as the same are sent to the holders of Shares, its audited accounts and all other notices, reports and communications despatched by it to the holders of the Shares generally; and
- (iii) it will pay all Hong Kong stamp duties, registration fees or similar charges in respect of the execution of the Instrument, the creation and initial issue of the Warrants in registered form, the exercise of the Subscription Rights and the issue of Shares upon exercise of the Subscription Rights. If any Warranholder shall take any action or proceedings in any jurisdiction to enforce the obligations of the Company in respect of the Warrants or the Instrument, and for the purposes of such action or proceedings the Instrument or any Warrant is taken into such jurisdiction and any stamp duties or similar duties or taxes become payable thereon or in respect thereof in connection with or as a result of such action or proceedings, the Company shall not be under any obligation to pay (or reimburse any person making payment of) any such duties or taxes (including, if applicable, penalties).

**12. NOTICES**

The Instrument contains provisions relating to notices to be given to Warranholders.

Every Warrantholder shall register with the Company an address either in Hong Kong or elsewhere to which notices can be sent.

The provisions of the Company's Articles of Association relating to service of notices on members of the Company shall apply, *mutatis mutandis*, to service of notices on Warrantholders and shall have full effect as if the same had been incorporated herein.

### **13. OVERSEAS WARRANTHOLDERS**

If a Warrantholder has a registered address in any territory other than Hong Kong where, in the opinion of the Directors (after making enquiry regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange), the allotment of Shares to such Warrantholder upon the exercise of any Subscription Rights would or may in the absence of compliance with registration or any other special formalities in such territory be unlawful or impracticable under the laws of such territory or Hong Kong, then the Company will as soon as practicable after the exercise by such Warrantholder of any Subscription Rights allot such Shares to such Warrantholder and then, on his behalf, sell them to one or more third parties selected by the Company for the best consideration then reasonably obtainable by the Company. As soon as reasonably practicable following such allotment and sale, the Company will pay such Warrantholder an amount equal to the consideration received (less expenses and duties) by it by posting the remittance to him as his risk.

### **14. WINDING UP OF THE COMPANY**

- (A) In the event a notice is given by the Company to its shareholders to convene a shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to wind-up the Company voluntarily, every Warrantholder shall be entitled by irrevocable surrender of his Warrant Certificate(s) to the Company with the Subscription Form(s) duly completed, together with payment of the Exercise Moneys or the relative portion thereof (such Subscription Form(s) and Exercise Moneys to be received by the Company not less than 5 business days prior to the proposed shareholders' meeting) to be allotted and issued, as soon as possible and in any event no later than the day immediately prior to the date of the proposed shareholder's meeting, the Shares which fall to be issued pursuant to the exercise of the relevant Subscription Rights.
- (B) If an effective resolution is passed during the Subscription Period for the voluntary winding-up of the Company for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warrantholders, or some persons designated by them for such purpose by special resolution, shall be a party or in conjunction with which a proposal is made to the Warrantholders and is approved by special resolution, the terms of such scheme of arrangement or (as the case may be) proposal shall be binding on all the Warrantholders.

- (C) Subject to the foregoing, if the Company is wound up, all Subscription Rights which have not been exercised at the date of the passing of such resolution shall lapse and each Warrant Certificate shall cease to be valid for any purpose.

**15. GOVERNING LAW**

The Instrument and the Warrants are governed by and shall be construed in accordance with the laws of Hong Kong.



**恒基兆業地產有限公司**  
**HENDERSON LAND DEVELOPMENT COMPANY LIMITED**

Incorporated in Hong Kong with limited liability

(Stock Code: 12)

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “**Meeting**”) of Henderson Land Development Company Limited (the “**Company**”) will be held at the Harbour View Ballroom, Four Seasons Hotel, 8 Finance Street, Central, Hong Kong on Tuesday, 1 June, 2010 at 11:45 a.m. (or so soon thereafter as the annual general meeting of the Company convened for the same place and date at 11:30 a.m. shall have been concluded or adjourned) for the purposes of considering and, if thought fit, passing (with or without amendments) the following resolution:

**ORDINARY RESOLUTION**

“**THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Warrants (as defined below) and the ordinary shares of HK\$2 each in the share capital of the Company (the “**Shares**”) which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants:

- (a) the creation and issue of up to a maximum of 429,348,478 units of warrants (the “**Warrants**”) entitling the holders thereof to subscribe a maximum of 429,348,478 new Shares (subject to adjustment in accordance with the terms and conditions of the Instrument (as defined below)) at an initial subscription price of HK\$58.00 per Share (subject to adjustment in accordance with the terms and conditions of the Instrument) at any time during a period of one (1) year commencing from the date of first issue of the Warrants up to the date immediately preceding the first anniversary of the date of first issue of the Warrants, both days inclusive, subject to the terms substantially set out in the instrument constituting the Warrants (a copy of the final draft of which has been produced to this Meeting marked “A” and signed by the Chairman of the Meeting for the purpose of identification) (the “**Instrument**”) to be executed by way of deed poll by the Company, by way of bonus to the holders of the Shares (the “**Shareholders**”) whose names appeared on the register of members of the Company on 23 April, 2010 on the basis of one (1) Warrant for every five (5) Shares held on 23 April, 2010 (the “**Bonus Warrants Issue**”) be and is hereby approved, provided that no Warrants shall be issued to those Shareholders whose addresses as shown on the register of members of the Company on 23 April, 2010 were in places outside Hong Kong and to whom the board of directors of the Company (the “**Directors**”), after making relevant enquiry, considers that it would be necessary or expedient not to issue the Warrants on account either of the legal restrictions under the laws of the relevant jurisdiction or any requirements of the relevant regulatory body or stock exchange in that jurisdiction (the “**Excluded Shareholders**”);

- (b) (i) the Directors be and are hereby authorised to allot and issue a maximum of 429,348,478 Warrants pursuant to the Bonus Warrants Issue and the shares of the Company which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants in accordance with the terms and conditions of the Bonus Warrants Issue notwithstanding that the same may be offered, allotted or issued otherwise than pro rata to the existing Shareholders; and
- (ii) the Directors be and are hereby authorised to make such exclusions or other arrangements in relation to fractional entitlements or Excluded Shareholders as they may, at their absolute discretion, deem necessary or expedient or appropriate; and
- (c) the Directors be and are hereby authorised to do all such acts and things to sign, seal and execute the Instrument and all such further deeds, documents, instruments, agreements and to take such steps as the Directors may in their absolute discretion consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Bonus Warrants Issue and all transactions contemplated thereunder.”

By Order of the Board  
**Henderson Land Development Company Limited**  
**Timon Liu Cheung Yuen**  
*Company Secretary*

Hong Kong, 12 May, 2010

**Notes:**

1. Any member of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and on a poll, to vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, a form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be deposited at Company's Registrars, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
3. The register of members of the Company was closed from Tuesday, 20 April, 2010 to Friday, 23 April, 2010 (both days inclusive) for determination of entitlements under the Bonus Warrants Issue. The register of members of the Company will also be closed from Tuesday, 25 May, 2010 to Tuesday, 1 June, 2010, both days inclusive. In order to qualify for attending and voting at the Meeting, all transfer of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Registrars, Computershare Hong Kong Investor Services Limited, Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Monday, 24 May 2010.