



THE HONGKONG AND SHANGHAI HOTELS, LIMITED
香港上海大酒店有限公司

(Incorporated in Hong Kong with limited liability 於香港註冊成立的有限公司)
(Stock Code 股份代號 : 45)

General mandates to issue and repurchase shares

Re-election of retiring Directors

Revision of Directors' fees

Notice of Annual General Meeting

發行及購回股份的一般性授權

重選行將屆滿退任的董事

修訂董事袍金

股東週年大會通告

**This document is important and
requires your immediate attention**

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If you have sold or otherwise transferred all your shares in The Hongkong and Shanghai Hotels, Limited (the "Company"), you should at once hand this document and the attached form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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The notice convening the Annual General Meeting of the Company to be held in the Salisbury Room, The Peninsula, Salisbury Road, Kowloon, Hong Kong on Wednesday, 7 May 2008 at 12:00 noon is set out on pages 9 to 11 of this document. Shareholders are advised to read the notice and to complete and return the attached form of proxy in accordance with the instructions printed thereon as soon as possible and in any event so that it arrives not less than 24 hours before the time of the Meeting.

本公司將於2008年5月7日(星期三)正午12時假座香港九龍梳士巴利道半島酒店利是廳舉行股東週年大會，召開大會的通告詳載於本文件第21至23頁。務請各股東細閱通告並盡速按照所列印的指示填妥及交回隨附的代表委任表格，惟無論如何不得遲於大會指定舉行時間24小時前交回。

14 April 2008
2008年4月14日

Directors*Chairman*

The Hon. Sir Michael Kadoorie

Deputy Chairman

Ian Duncan Boyce

Executive Directors*Managing Director*

and Chief Executive Officer

Clement King Man Kwok

Chief Operating Officer

Peter Camille Borer

Non-Executive Directors

Ronald James McAulay

William Elkin Mocatta

Pierre Roger Boppe

John Andrew Harry Leigh

Nicholas Timothy James Colfer

Independent Non-Executive Directors

Dr. The Hon. Sir David Kwok Po Li

Robert Chee Siong Ng

Robert Warren Miller

Patrick Blackwell Paul

Registered office

8th Floor, St. George's Building

2 Ice House Street

Central, Hong Kong

To the Shareholders
Dear Sir or Madam,

General mandates to issue and repurchase shares
Re-election of retiring Directors
Revision of Directors' fees
Notice of Annual General Meeting

Introduction

The purpose of this document is to provide you with information on the proposed resolutions relating to (i) the renewal of the general mandates to issue and repurchase shares; (ii) the re-election of retiring Directors; and (iii) the revision of Directors' fees and to give you the notice and the proxy form for the annual general meeting to be held on 7 May 2008 (the "Annual General Meeting").

General mandate to issue and repurchase shares

At the annual general meeting of the Company held on 11 May 2007, ordinary resolutions were passed giving general mandates to Directors (i) to allot, issue and otherwise deal with shares equal to 20% of the shares of the Company in issue at 11 May 2007, plus the aggregate number of shares repurchased by the Company and (ii) to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") up to 10% of the issued share capital of the Company as at 11 May 2007.

Under the terms of the Companies Ordinance (Chapter 32) of the Laws of Hong Kong (the "Companies Ordinance") and the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), these general mandates will lapse at the conclusion of the Annual General Meeting for 2008, unless renewed at that Meeting. Resolutions will be proposed at the 2008 Annual General Meeting to renew the mandates to allot or issue new shares and repurchase shares.

Based on the 1,441,839,780 shares in issue as at 7 April 2008, the latest practicable date, (and assuming that there is no change in respect of the issued share capital of the Company after the latest practicable date and up to the passing of the relevant resolution), the Directors would be authorised under the general mandate to issue a maximum of 288,367,956 shares.

The Explanatory Statement required by the Listing Rules to be sent to shareholders in connection with the proposed general mandate for the repurchase of shares is set out in Appendix I to this document.

Re-election of retiring Directors

In accordance with the Articles of Association of the Company, Mr. Clement King Man Kwok, Mr. William Elkin Mocatta, Mr. Pierre Roger Boppe and Mr. Robert Warren Miller will retire by rotation. All the retiring Directors, being eligible, have agreed to offer themselves for re-election.

Biographical details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this document.

Revision of Directors' fees

At the annual general meeting of the Company held on 6 May 2004, shareholders resolved that the ordinary remuneration of the Directors (with the exception of Executive Directors who do not receive such fees) be at the rate of HK\$100,000 per annum for each Director. There has been no increase to the ordinary remuneration of the Directors since that time.

The Board has reviewed the fees payable to Directors given the responsibilities, workload, and complexity of role of Directors in overseeing the business of the Company and it has proposed revision to the ordinary remuneration of the Directors. Under the proposal, the ordinary remuneration of each Director (except the Executive Directors) is to be fixed at the rate of HK\$200,000 per annum. The proposed revised level of fees has been reviewed and endorsed by Remuneration Committee and is recommended to shareholders for approval.

A resolution will accordingly be proposed at the Annual General Meeting of the Company to approve the ordinary remuneration of Directors (except Executive Directors) at the rate of HK\$200,000 per annum with effect from 8 May 2008 and will be payable to Directors on a pro rata basis for the financial year ending 31 December 2008.

Board Committees' fees

Under the Articles of Association of the Company, the Board has the power to fix the additional remuneration of Directors who serve on Board Committees which is not subject to shareholders' approval. Since 26 February 2004, Non-Executive Directors who were also members of the Executive Committee and the Audit Committee were entitled to an additional fixed fee of HK\$100,000 each per annum for serving on the respective Committees. No fee had been paid to members of the Remuneration Committee in the past.

It was approved by the Board on 19 March 2008 that members of the Remuneration Committee will receive an additional HK\$50,000 each per annum for serving on the Committee with effect from 8 May 2008 and be payable to members of the Remuneration Committee on a pro rata basis for the financial year ending 31 December 2008. Members of the Executive Committee and the Audit Committee will continue to receive a fixed fee of HK\$100,000 each per annum for serving on the respective Committees.

Notice of the Annual General Meeting

Notice of the Annual General Meeting to be held on 7 May 2008 is set out in this document. A form of proxy for use at the Annual General Meeting is attached. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's registrars, Computershare Hong Kong Investor Services Limited, Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible, but in any case so as to arrive no later than 24 hours before the time of the Meeting. Completion and return of the form of proxy will not preclude a shareholder from attending and voting in person at the Annual General Meeting and at any adjournment thereof, should he or she so wish.

Procedures for voting by poll at general meetings

As required by the Listing Rules, the procedures for voting by poll at general meetings of the Company are set out in Appendix III to this document.

Recommendation

The Directors consider that the proposed general mandates to issue shares of the Company and to repurchase shares of the Company, the re-election of retiring Directors and the revision of the Directors' fees are in the best interests of the Company and its shareholders and recommend that shareholders vote in favour of the resolutions.

Yours faithfully,

The Hon. Sir Michael Kadoorie

Chairman

14 April 2008

Explanatory statement

The following is the Explanatory Statement required to be sent to shareholders under the Listing Rules in connection with the proposed general mandate for repurchase of shares and also constitutes the Memorandum required under Section 49BA of the Companies Ordinance. References in this Appendix to “Shares” mean ordinary share(s) of HK\$0.50 each in the capital of the Company:

- (a) It is proposed that up to 10% of the Shares of HK\$0.50 each of the Company in issue at the date of passing of the resolution to approve the general mandate may be repurchased. As at 7 April 2008, the latest practicable date for determining such figures, the number of Shares of the Company in issue was 1,441,839,780. On the basis of such figures (and assuming no further Shares are repurchased and issued after 7 April 2008 and up to the date of passing such resolution) the Directors would be authorised to repurchase Shares of the Company up to a limit of 144,183,978 Shares.
- (b) The Directors believe that the ability to repurchase Shares is in the interests of the Company and its shareholders. Repurchases may, depending on the circumstances, result in an increase in net assets and/or earnings per share. The Directors are seeking the grant of a general mandate to repurchase Shares to give the Company the flexibility to do so if and when appropriate. The timing and the number(s), the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.
- (c) It is envisaged that the funds required for any repurchase would be derived from the distributable profits of the Company being funds legally available for such repurchase in accordance with the Company’s Articles of Association and the laws of Hong Kong.
- (d) There could be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent published audited accounts) in the event that the proposed Share repurchases were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the general mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.
- (e) There are no Directors or (to the best of the knowledge of the Directors, having made all reasonable enquiries) any associates (as defined in the Listing Rules) of Directors of the Company who have a present intention, in the event that the general mandate is granted by shareholders, to sell Shares to the Company.
- (f) The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the general mandate in accordance with the Listing Rules and the laws of Hong Kong.
- (g) The Directors are not aware of any consequences which would arise under the Hong Kong Code on Takeovers and Mergers as a consequence of any purchases pursuant to the general mandate. As at 7 April 2008, 55.01% of the issued share capital of the Company was held by controlling shareholders and, assuming full exercise of the repurchase mandate given to the Directors, 61.12% will be held by such shareholders.

- (h) No connected persons (as defined in the Listing Rules) of the Company have notified the Company of a present intention to sell Shares of the Company to the Company and no such persons have undertaken not to sell any such Shares to the Company in the event that the general mandate is granted by shareholders.
- (i) The highest and lowest prices at which Shares of the Company have traded on the Stock Exchange in each of the previous twelve months up to and including 7 April 2008 (being the latest practicable date) were as follows:

	Highest (HK\$)	Lowest (HK\$)
April 2007	13.70	11.98
May 2007	13.56	11.98
June 2007	14.70	12.70
July 2007	15.00	12.86
August 2007	13.16	10.90
September 2007	14.00	12.28
October 2007	15.00	12.92
November 2007	15.46	13.02
December 2007	13.80	12.70
January 2008	14.50	11.38
February 2008	13.16	11.82
March 2008	13.06	10.30
1 April to 7 April 2008	13.20	12.50

- (j) No Shares have been repurchased by the Company during the six months prior to the date of this document.

Details of retiring Directors proposed for re-election

The following are the particulars of the Directors proposed to be re-elected at the Annual General Meeting to be held on 7 May 2008.

Mr. Clement King Man Kwok

Mr. Clement King Man Kwok, aged 48, is an Executive Director of the Company. He was appointed to the Board as Managing Director and Chief Executive Officer in February 2002. Mr. Kwok is a member of the Finance Committee and Executive Committee, and a Director in most of the Group entities. He is a Bachelor of Science in Economics from the London School of Economics and a Member of the Institute of Chartered Accountants in England and Wales and of the Hong Kong Institute of Certified Public Accountants. Mr. Kwok's career began with Price Waterhouse and Barclays de Zoete Wedd in the United Kingdom, following which he returned to Hong Kong to work with Schroders Asia. Prior to joining the Group, he had served as Finance Director of MTR Corporation since 1996. He was appointed an Independent Non-Executive Director of Swire Pacific Limited in September 2002 and also serves on the Securities and Futures Appeals Tribunal and the Board of the Community Chest. Except as disclosed above, Mr. Kwok has not held any directorship in other listed companies in the last three years.

Mr. Kwok does not have any relationship with any Director, member of senior management or substantial or controlling shareholder of the Company. As at 7 April 2008, the latest practicable date, Mr. Kwok had personal interest in 627,428 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Kwok has an existing service contract with the Company and is subject to retirement by rotation and to re-election at the annual general meetings of the Company in accordance with the Articles of Association of the Company. The total amount of his emoluments, inclusive of basic salary, various allowances, a guaranteed bonus payment and a discretionary bonus payment depending on the performance of the Company, amounted to approximately HK\$11 million in 2007. Mr. Kwok is eligible to join the Company's 1994 Retirement Plan and the Company contributes to the retirement funds a percentage of his basic salary. The Company has no obligation to give notice of more than one year or to pay Mr. Kwok compensation equivalent to more than one year's emoluments when his appointment terminates. The amount of the emoluments payable to Mr. Kwok under his service contract was determined by the Remuneration Committee with reference to his qualifications, experience and market benchmarks.

Save as disclosed above, Mr. Kwok has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed pursuant to rule 13.51(2) of the Listing Rules.

Mr. William Elkin Mocatta

Mr. William Elkin Mocatta, aged 55 is a Non-Executive Director of the Company. He was appointed to the Board in 1985 and served as Deputy Chairman from 1993 until May 2002. He is also a Director in several subsidiaries of the Company and a Fellow of the Institute of Chartered Accountants in England and Wales. Mr. Mocatta is an Executive Director of Sir Elly Kadoorie & Sons Limited overseeing a number of Kadoorie Family's interests in Hong Kong and overseas and, as such, is associated with a substantial shareholder of the Company. He also holds other non-executive positions including Vice Chairman of CLP Holdings Limited

and Chairman of CLP Power Hong Kong Limited. He is also an Alternate Director for The Hon. Sir Michael Kadoorie in Hutchison Whampao Limited. Except as disclosed above, Mr. Mocatta has not held any directorship in other listed companies in the last three years.

Save as disclosed above, Mr. Mocatta does not have any other relationship with any Director, member of senior management or substantial or controlling shareholder of the Company. As at 7 April 2008, the latest practicable date, Mr. Mocatta is the founder of a discretionary trust which is the ultimate owner of the 1,017,000 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Mocatta's appointment is subject to retirement by rotation and to re-election at the annual general meetings of the Company in accordance with the Articles of Association of the Company. The Company has no obligation to pay Mr. Mocatta compensation when his appointment terminates.

As a Non-Executive Director, Mr. Mocatta does not have a service contract with the Company but he does have a letter of appointment detailing the terms of his appointment. He receives a Director's fee of HK\$100,000 per annum, as authorised by shareholders at the 2004 annual general meeting. Subject to the approval at the forthcoming Annual General Meeting the Directors' fee will be fixed at the rate of HK\$200,000 per annum and will take effect from 8 May 2008 and be payable to Directors on a pro rata basis for the financial year ending 31 December 2008.

Save as disclosed above, Mr. Mocatta has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed pursuant to rule 13.51(2) of the Listing Rules.

Mr. Pierre Roger Boppe

Mr. Pierre Roger Boppe, aged 60, is a Non-Executive Director of the Company. He was Managing Director and Chief Executive Officer of the Group from 1996 until January 2002. Mr. Boppe does not hold any other position in the Group. He holds a Master of Science from both the Swiss Federal Institute of Technology, Lausanne and Stanford University. Mr. Boppe is still active in the hospitality industry in Europe where he serves on the Boards of Luxury Lifestyle Hotels and Resorts, a marketing and distribution company, and of Stein Hotels and Resorts, a leading pan-European hotel management company involved with small luxury properties. Mr. Boppe was formerly Deputy Chairman of Kuoni Travel Group until he retired in mid 2007 to become co-founder of a luxury consumer goods company. Except as disclosed above, Mr. Boppe has not held any directorship in other listed companies in the last three years.

Mr. Boppe does not have any relationship with any Director, member of senior management or substantial or controlling shareholder of the Company. As at 7 April 2008, the latest practicable date, Mr. Boppe had personal interests in 150,000 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Boppe's appointment is subject to retirement by rotation and to re-election at the annual general meetings of the Company in accordance with the Articles of Association of the Company. The Company has no obligation to pay Mr. Boppe compensation when his appointment terminates.

As a Non-Executive Director, Mr. Boppe does not have a service contract with the Company but he does have a letter of appointment detailing the terms of his appointment. He receives a Director's fee of HK\$100,000 per annum, as authorised by shareholders at the 2004 annual general meeting. Subject to the approval at the forthcoming Annual General Meeting

the Directors' fee will be fixed at the rate of HK\$200,000 per annum and will take effect from 8 May 2008 and be payable to Directors on a pro rata basis for the financial year ending 31 December 2008.

Save as disclosed above, Mr. Boppe has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed pursuant to rule 13.51(2) of the Listing Rules.

Mr. Robert Warren Miller

Mr. Robert Warren Miller, aged 74, is an Independent Non-Executive Director, and a member of the Remuneration Committee of the Company. He was appointed to the Board in July 2001 and does not hold any other position in the Group. He holds a Bachelor of Science Degree in Hotel Administration from Cornell University and is a Presidential Councillor and Trustee Emeritus of the University. Mr. Miller, a resident of Hong Kong since 1960, is the founder of the DFS Group, Duty Free Shoppers Limited, and Chairman of the Search Group, a private international investment group. Save for his directorship in the Company, Mr. Miller has not held any directorship in other listed companies in the last three years.

Mr. Miller has met the independence guidelines set out in rule 3.13 of the Listing Rules and has submitted to the Exchange a written confirmation concerning his independence from the Company. He has also given an annual confirmation of his independence to the Company which considers him to be independent.

Mr. Miller does not have any relationship with any Director, member of senior management or substantial or controlling shareholder of the Company nor does he have any interest in the shares within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Miller's appointment is subject to retirement by rotation and to re-election at the annual general meetings of the Company in accordance with the Articles of Association of the Company. The Company has no obligation to pay Mr. Miller compensation when his appointment terminates.

As an Independent Non-Executive Director, Mr. Miller does not have a service contract with the Company but he does have a letter of appointment detailing the terms of his appointment. He receives a Director's fee of HK\$100,000 per annum, as authorised by shareholders at the 2004 annual general meeting. Subject to the approval at the forthcoming Annual General Meeting the Directors' fee will be fixed at the rate of HK\$200,000 per annum. Mr. Miller will also receive a further fee of HK\$50,000 per annum as a member of the Remuneration Committee of the Company which was determined by the Board of Directors on 19 March 2008 pursuant to the power given to it under the Articles of Association of the Company. Both fees will take effect from 8 May 2008 and be payable to Directors on a pro rata basis for the financial year ending 31 December 2008.

Save as disclosed above, Mr. Miller has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed pursuant to rule 13.51(2) of the Listing Rules.

Procedures for voting by poll at general meetings

The following Articles of Association of the Company set out the procedures for voting by poll:

58. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:
- (i) the chairman of the meeting; or
 - (ii) not less than three members present in person or by proxy and entitled to vote; or
 - (iii) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - (iv) a member or members present in person 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 the shares conferring that right.
59. A demand for a poll may be withdrawn only with the approval of the meeting. Unless a poll is required a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or carried by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place, day and time fixed by him for the purpose of declaring the result of the poll.
60. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.
61. A poll demanded on the choice of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

Pursuant to Article 58, the Chairman will demand a poll on each of the resolutions at the forthcoming Annual General Meeting. The results of the poll will be uploaded on the Company's and the Stock Exchange's websites after market closes on the day of the Annual General Meeting.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held in the Salisbury Room, The Peninsula, Salisbury Road, Kowloon, Hong Kong on Wednesday, 7 May 2008 at 12:00 noon for the following purposes:

1. To receive and consider the audited Financial Statements and the Reports of the Directors and auditors for the year ended 31 December 2007.
2. To declare a final dividend.
3. To re-elect retiring Directors.
4. To re-appoint the auditors and authorise the Directors to fix their remuneration.

As special business, to consider and, if thought fit, to pass with or without modification the following Resolutions as ordinary resolutions:

5. **“THAT:**
 - (a) subject to paragraph (c), a general mandate be unconditionally granted to the Directors of the Company to exercise during the Relevant Period all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options or warrants which would or might require the exercise of such powers;
 - (b) the mandate in paragraph (a) shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
 - (c) the aggregate number of shares in the capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the mandate in paragraph (a), otherwise than pursuant to (i) a Rights Issue, or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company, or (iii) any scrip dividend or similar arrangement pursuant to the Articles of Association of the Company from time to time, shall not exceed 20% of the aggregate number of shares in the capital of the Company in issue at the date of this Resolution and the said mandate shall be limited accordingly; and
 - (d) for the purpose of this Resolution:
‘Relevant Period’ means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
 - (iii) the date on which the authority given under this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

‘Rights Issue’ means an offer of shares open for a period fixed by the Directors of the Company to holders of shares in the capital of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

6. “**THAT:**

- (a) a general mandate be unconditionally granted to the Directors of the Company to exercise during the Relevant Period all the powers of the Company to repurchase or otherwise acquire shares of HK\$0.50 each in the capital of the Company in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, provided that the aggregate number of shares in the capital of the Company so repurchased or otherwise acquired shall not exceed 10% of the aggregate number of the shares in the capital of the Company in issue at the date of this Resolution; and
- (b) for the purpose of this Resolution:
‘Relevant Period’ means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
 - (iii) the date on which the authority given under this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

7. “**THAT**, subject to the passing of Resolutions 5 and 6 set out in the notice of this Meeting, the aggregate number of the shares in the capital of the Company which are repurchased or otherwise acquired by the Company pursuant to Resolution 6 shall be added to the aggregate number of the shares in the capital of the Company which may be issued pursuant to Resolution 5.”

8. “**THAT** pursuant to Article 77 of the Articles of Association of the Company, with effect from 8 May 2008, the ordinary remuneration of the Directors (other than Executive Directors) be fixed at the rate of HK\$200,000 per annum for each Director.”

By Order of the Board

Christobelle Liao

Company Secretary

14 April 2008

Notes:

1. *A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint not more than two proxies to attend and, on a poll, vote instead of him or her. A proxy need not be a member of the Company.*
2. *In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.*
3. *The register of members will be closed from 5 May to 7 May 2008, both days inclusive, during which period no transfer of shares can be registered.*
4. *To be entitled to receive the final dividend, shareholders must ensure that all transfer documents accompanied by the relevant share certificates are lodged with the Company's registrars, Computershare Hong Kong Investor Services Limited of Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Friday, 2 May 2008.*
5. *Subject to the passing of the necessary resolution at the forthcoming Annual General Meeting, the final dividend will be payable on or about 13 June 2008, to shareholders whose names appear on the register of members on 7 May 2008. Shareholders will be given the option to receive their dividend in the form of scrip rather than cash.*
6. *The retiring Directors are Mr. Clement King Man Kwok, Mr. William Elkin Mocatta, Mr. Pierre Roger Boppe and Mr. Robert Warren Miller. All of the retiring Directors eligible for re-election, have agreed to put their names forward for re-election. Details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II of the document to the shareholders dated 14 April 2008.*
7. *Pursuant to Article 58 of the Company's Articles of Association, the Chairman will demand a poll on each of the resolutions submitted at the Annual General Meeting. The results of the poll will be uploaded on the Company's and the Stock Exchange's websites after market closes on the day of the Annual General Meeting.*



THE HONGKONG AND SHANGHAI HOTELS, LIMITED
香港上海大酒店有限公司

ANNUAL GENERAL MEETING — PROXY FORM

I/We ^(Note 1) _____

of ^(Note 2) _____

being the registered shareholder(s) of _____ ^(Note 3) shares of HK\$0.50 each in
The Hongkong and Shanghai Hotels, Limited 香港上海大酒店有限公司 (the “Company”) hereby appoint ^(Notes 4 and 5) _____

of _____

or failing him/her the Chairman of the Annual General Meeting of the Company to be held on 7 May 2008 as my/our proxy to attend and, on a poll, vote for me/us and on my/our behalf at the aforementioned Annual General Meeting of the Company and at any adjournment thereof on the resolutions below as follows:

		For ^(Note 6)	Against ^(Note 6)
(1)	To receive the audited Financial Statements and the Reports of the Directors and auditors for the year ended 31 December 2007.		
(2)	To declare a final dividend.		
(3)	(a) To re-elect Mr. Clement King Man Kwok as a Director.		
	(b) To re-elect Mr. William Elkin Mocatta as a Director.		
	(c) To re-elect Mr. Pierre Roger Boppe as a Director.		
	(d) To re-elect Mr. Robert Warren Miller as a Director.		
(4)	To re-appoint KPMG as auditors of the Company at a fee to be agreed by the Directors.		
(5)	To grant a general mandate to issue new shares.		
(6)	To grant a general mandate for share repurchase.		
(7)	To add shares repurchased to the general mandate to issue new shares in Resolution No. 5.		
(8)	To determine the ordinary remuneration of the Directors.		

Dated this _____ day of _____ 2008. Signature(s): _____ ^(Notes 7 and 8)

Notes:

1. Full name(s) to be inserted in BLOCK CAPITALS.
2. Full address(es) to be inserted in BLOCK CAPITALS.
3. Please insert the number of shares of HK\$0.50 each registered in your name(s). If no number is inserted, this proxy form will be deemed to relate to all the shares of the Company registered in your name(s). If a number is inserted, this form of proxy will be deemed to relate only to that number of shares.
4. A member entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and, on a poll, vote instead of him or her. A proxy need not be a member of the Company. If you wish to appoint a proxy, insert the name and address of your proxy in the spaces provided.
5. As a matter of law, you have the right to appoint separate proxies to represent respectively such number of the shares you hold as you may specify in this proxy form; but the number of proxies so appointed must not exceed two.
6. Please indicate with a “√” in the appropriate space beside each of the resolutions how you wish the proxy to vote on your behalf. In the absence of such an indication, the proxy will vote for or against the resolution or will abstain at his or her discretion.
7. This proxy form must be signed by the appointor or his or her attorney, or if the appointor is a corporation must be either under its common seal or signed on its behalf by an attorney or duly authorised officer of the corporation.
8. In the case of joint holders, any one shareholder may sign the proxy form. The vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
9. To be valid this proxy form and the power of attorney or other authority (if any) under which it is signed, or a duly certified copy thereof, must be deposited at the Company’s registrars, Computershare Hong Kong Investor Services Limited, Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, at least 24 hours before the time appointed for holding the Meeting.
10. The Chairman will demand a poll on each of the resolutions submitted at the Annual General Meeting. On a poll, every shareholder present in person or by proxy or (being a corporation) which is represented by proxy shall have one vote for every share held by him/her.
11. Completion and delivery of this proxy form will not preclude you from attending and voting at the Meeting if you so wish.