



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

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

股東週年大會通告

**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 you should take, 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 The Hongkong and Shanghai Hotels, Limited (the "Company"), you should at once hand this circular and the attached proxy form 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.

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The notice convening the Annual General Meeting of the Company to be held at The Peninsula, Salisbury Road, Kowloon, Hong Kong on Monday, 21 May 2012 at 12:00 noon is set out on pages 10 to 12 of this circular. Shareholders are advised to read the notice and to complete and return the attached proxy form 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2012年5月21日(星期一)正午12時假座香港九龍梳士巴利道半島酒店舉行股東週年大會，召開大會的通告載於本通函第22頁至第24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舉行時間24小時前交回。

18 April 2012
2012年4月18日

Directors

Non-Executive Chairman
The Hon. Sir Michael Kadoorie

Non-Executive Deputy Chairman
Ian Duncan Boyce

Executive Directors

*Managing Director
and Chief Executive Officer*
Clement King Man Kwok

Chief Financial Officer
Neil John Galloway

Chief Operating Officer
Peter Camille Borer

Non-Executive Directors

Ronald James McAulay
William Elkin Mocatta
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
Pierre Roger Boppe
Dr. William Kwok Lun Fung

Registered Office

8th Floor, St. George's Building
2 Ice House Street
Central, Hong Kong

Dear Shareholder,

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

Introduction

The purpose of this circular is to provide you with information on the proposed resolutions relating to (i) the renewal of the general mandates to issue and repurchase shares; and (ii) the re-election of retiring Directors and to give you the notice and the proxy form for the annual general meeting to be held on 21 May 2012 (the “Annual General Meeting”).

General mandate to issue and repurchase shares

At the annual general meeting of the Company held on 16 May 2011, 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 16 May 2011, 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 16 May 2011.

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 2012, unless renewed at that Meeting. Resolutions will be proposed at the 2012 Annual General Meeting to renew the mandates to allot or issue new shares and repurchase shares.

Based on the 1,490,442,388 shares in issue as at 11 April 2012, being the latest practicable date prior to the printing of this circular (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 298,088,477 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 circular.

Re-election of retiring Directors

In accordance with the Articles of Association of the Company, Mr. Neil J. Galloway, Mr. Ronald J. McAulay, Mr. John A.H. Leigh, Mr. Nicholas T.J. Colfer and Dr. the Hon. Sir David K.P. Li will retire at the conclusion of Annual General Meeting. 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 circular.

Annual General Meeting

Notice of the Annual General Meeting to be held on 21 May 2012 is set out in this circular. A proxy form for use at the Annual General Meeting is attached. Whether or not you intend to attend the Annual General Meeting, you are advised to complete the proxy form and return it to the Company's registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, 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 proxy form 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.

At the Annual General Meeting, the Chairman will put each of the proposed resolutions to the vote by way of a poll in accordance with Article 58 of the Articles of Association of the Company. 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 Annual General Meeting.

Recommendation

The Directors consider that the proposed general mandates to issue and repurchase shares of the Company and the re-election of retiring Directors 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

18 April 2012

Explanatory Statement

The following is the Explanatory Statement required to be sent to shareholders under Rule 10.06(1)(b) of the Listing Rules in connection with the proposed general mandate for repurchase of shares and also constitutes the Memorandum required under Section 49BA(3) 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 the Latest Practicable Date for determining such figures, the number of Shares of the Company in issue was 1,490,442,388. On the basis of such figures (and assuming no further Shares are repurchased and issued after the Latest Practicable Date 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 149,044,238 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 the Latest Practicable Date, 57.76% 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, 64.18% 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 the Latest Practicable Date were as follows:

	Highest (HK\$)	Lowest (HK\$)
2011		
April	14.28	13.10
May	13.76	12.72
June	14.30	12.64
July	13.36	12.10
August	12.58	10.08
September	12.88	10.36
October	10.84	9.69
November	10.74	8.15
December	8.93	8.10
2012		
January	10.66	8.63
February	11.92	10.00
March	11.60	10.24
1 April to 11 April	10.72	9.62

- (j) The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the six months prior to the Latest Practicable Date.

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 21 May 2012.

Neil John Galloway

Mr. Neil John Galloway, aged 43, is an Executive Director of the Company. He was appointed to the Board as Finance Director and Chief Financial Officer of the Company in September 2008. Mr. Galloway has also been appointed as a member of the Group Management Committee and Finance Committee of the Company and a Director in most of the Group entities. He holds a Bachelor of Laws Degree (with Honours) from the University of Edinburgh. His career began with Midland Montagu (subsequently HSBC Investment Bank) in 1990 in London with subsequent postings in France, the Philippines and Hong Kong. Mr. Galloway joined ABN AMRO Bank in 2000, where he held a range of senior positions in Hong Kong and the United Kingdom specialising in the telecom, media and technology sectors, and latterly heading the Asian mergers and acquisitions and equity capital markets business. Save for his directorship in the Company, Mr. Galloway has not held any directorship in other listed companies in Hong Kong and overseas in the last three years.

Mr. Galloway does not have any relationship with any Director, member of senior management or substantial or controlling shareholder of the Company. As at the Latest Practicable Date, he had no interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Galloway has an existing service contract with the Company and is subject to retirement at the conclusion of the third annual general meeting following his appointment and to re-election at the annual general meetings 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\$7.4 million for the financial year ended 31 December 2011. Mr. Galloway is eligible to join the Company's 1994 Retirement Plan and the Company contributes a percentage of his basic salary to the retirement funds. Mr. Galloway's service contract does not have a specified term but however, the Company has no obligation to give notice of more than one year or to pay Mr. Galloway compensation equivalent to more than one year's emoluments when his appointment terminates. The amount of the emoluments payable to Mr. Galloway under his service contract was reviewed by the Remuneration Committee with reference to market benchmarks, his qualifications and experience.

Save as disclosed above, Mr. Galloway 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.

Ronald James McAulay

Mr. Ronald James McAulay, aged 76, is a Non-Executive Director of the Company. He was appointed to the Board in 1972. He is a graduate of the University of Glasgow and a Member of the Institute of Chartered Accountants of Scotland. Mr. McAulay is a substantial shareholder of the Company and the brother-in-law of a fellow director, The Hon. Sir Michael Kadoorie, and does not hold any other position in the Group. He also serves on the Board of CLP Holdings Limited, Sir Elly Kadoorie & Sons Limited and several other companies. Mr. McAulay is an Honorary Trustee of the Tate Foundation in London and a trustee of various other charitable organisations. He is a member of the International Council of the Victoria and Albert Museum in London. Except as disclosed above, Mr. McAulay has not held any directorship in other listed companies in Hong Kong and overseas in the last three years.

Save as disclosed above, Mr. McAulay does not have any other relationship with any Director, member of senior management or substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Mr. McAulay was deemed (by virtue of the Securities and Futures Ordinance) to be interested in 245,050,516 shares in the Company. Of these, 170,156,589 shares were ultimately held by discretionary trusts, of which Mr. McAulay is one of the discretionary objects and 74,893,927 shares were ultimately held by a discretionary trust, of which Mr. McAulay, his wife and members of his family are discretionary objects.

Mr. McAulay's appointment is subject to retirement at the conclusion of the third annual general meeting following his appointment 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. McAulay compensation when his appointment terminates.

As a Non-Executive Director, Mr. McAulay does not have a service contract with the Company but he does have a letter of appointment detailing the terms of his appointment. He received a Non-Executive Director's fee of HK\$200,000, as authorised by shareholders at the 2008 annual general meeting, for the financial year ended 31 December 2011. The above fee payable to Mr. McAulay was reviewed by the Remuneration Committee with reference to market benchmarks and taking into account his responsibilities and workload.

Save as disclosed above, Mr. McAulay 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.

John Andrew Harry Leigh

Mr. John Andrew Harry Leigh, aged 58, is a Non-Executive Director of the Company. He was appointed to the Board in May 2006 and is also a member of the Finance Committee and Executive Committee. He was in private practice as a solicitor in Hong Kong and the United Kingdom. He serves on the Boards of CLP Holdings Limited and Sir Elly Kadoorie & Sons Limited, overseeing a number of Kadoorie family interests in Hong Kong and overseas and, as such, is associated with the major shareholders of the Company. Except as disclosed above, Mr. Leigh has not held any directorship in other listed companies in Hong Kong and overseas in the last three years.

Save as disclosed above, Mr. Leigh does not have any other relationship with any Director, member of senior management or substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Mr. Leigh was deemed (by virtue of the Securities and Futures Ordinance) to be interested in 74,893,927 shares in the Company. These shares were ultimately held by a discretionary trust. Mr. Leigh was deemed to be interested in such 74,893,927 shares in his capacity as one of the trustees of a trust which was deemed to be interested in such 74,893,927 shares.

Mr. Leigh's appointment is subject to retirement at the conclusion of the third annual general meeting following his appointment 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. Leigh compensation when his appointment terminates.

As a Non-Executive Director, Mr. Leigh does not have a service contract with the Company but he does have a letter of appointment detailing the terms of his appointment. He received a Non-Executive Director's fee of HK\$200,000, as authorised by shareholders at the 2008 annual general meeting, for the financial year ended 31 December 2011 and Mr. Leigh also received a further fee of HK\$100,000 as a member of the Executive Committee which is determined by the Board of Directors from time to time pursuant to the power given to it under the Articles of Association of the Company. The above fees payable to Mr. Leigh were reviewed by the Remuneration Committee with reference to market benchmarks and taking into account his responsibilities and workload.

Save as disclosed above, Mr. Leigh 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.

Nicholas Timothy James Colfer

Mr. Nicholas Timothy James Colfer, aged 52, is a Non-Executive Director of the Company. He was appointed to the Board in May 2006 and does not hold any other position in the Group. He has a Master of Arts and has over 29 years' experience of corporate management in the Asia Pacific region, principally in real estate, manufacturing and distribution. He is Chairman of Tai Ping Carpets International Limited and Director of Sir Elly Kadoorie & Sons Limited, overseeing a number of Kadoorie family interests in Hong Kong and overseas and, as such, is associated with the major shareholders of the Company. He also serves on several other corporate Boards in Hong Kong. Except as disclosed above, Mr. Colfer has not held any directorship in other listed companies in Hong Kong and overseas in the last three years.

Save as disclosed above, Mr. Colfer does not have any relationship with any Director, member of senior management or substantial or controlling shareholder of the Company. As at the Latest Practicable Date, he had no interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Colfer's appointment is subject to retirement at the conclusion of the third annual general meeting following his appointment 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. Colfer compensation when his appointment terminates.

As a Non-Executive Director, Mr. Colfer does not have a service contract with the Company but he does have a letter of appointment detailing the terms of his appointment. He received a Non-Executive Director's fee of HK\$200,000, as authorised by shareholders at the 2008 annual general meeting, for the financial year ended 31 December 2011. The above fee payable to Mr. Colfer was reviewed by the Remuneration Committee with reference to market benchmarks and taking into account his responsibilities and workload.

Save as disclosed above, Mr. Colfer 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.

Dr. the Hon. Sir David Kwok Po Li

GBM, GBS, OBE, MA Cantab. (Economics & Law), Hon. DSc. (Imperial), Hon. DBA (Edinburgh Napier), Hon. D.Hum.Litt. (Trinity, USA), Hon. DSocSc (Lingnan), Hon. LLD (Hong Kong), Hon. LLD (Warwick), Hon. LLD (Cantab), Hon. DLitt (Macquarie), FCA, FCPA, FCPA (Aust.), FCIB, FHKIB, FBCS, CITP, FCIArb, JP, Officier de L'Ordre de la Couronne, Grand Officer of the Order of the Star of Italian Solidarity, The Order of the Rising Sun, Gold Rays with Neck Ribbon, Commandeur dans l'Ordre National de la Légion d'Honneur

Dr. the Hon. Sir David Kwok Po Li, aged 73, is an Independent Non-Executive Director of the Company. He was appointed to the Board in 1987 and is also a member of the Nomination Committee as of 30 March 2012. He is a member of the Legislative Council of Hong Kong and the Chairman of The Chinese Banks' Association, Limited and the Hong Kong Management Association. He is also a member of the Banking Advisory Committee and the Council of the Treasury Markets Association.

Sir David is also Chairman and Chief Executive of The Bank of East Asia, Limited and a Director of numerous other companies in Hong Kong and overseas, including AFFIN Holdings Berhad, China Overseas Land & Investment Limited, COSCO Pacific Limited, CaixaBank, S.A. (formerly known as Criteria CaixaCorp, S.A.), Guangdong Investment Limited, The Hong Kong and China Gas Company Limited, PCCW Limited, San Miguel Brewery Hong Kong Limited, SCMP Group Limited and Vitasoy International Holdings Limited. Except as disclosed above, Sir David has not held any directorship in other listed companies in Hong Kong and overseas in the last three years.

Sir David has met the independence guidelines set out in rule 3.13 of the Listing Rules and has submitted to the Stock Exchange a written confirmation concerning his independence to the Company. He has also given an annual confirmation of his independence to the Company. Although Sir David has served in this capacity for more than nine years, the Board is of the opinion that Sir David continues to bring relevant experience and knowledge to the Board and that, notwithstanding his long services, he maintains an independent view of the Company's affairs. The Board, therefore, consider him to be independent.

Sir David does not have any relationship with any Director, member of senior management or substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Sir David had personal interests in 561,956 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Sir David's appointment is subject to retirement at the conclusion of the third annual general meeting following his appointment 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 Sir David compensation when his appointment terminates.

As an Independent Non-Executive Director, Sir David does not have a service contract with the Company but he does have a letter of appointment detailing the terms of his appointment. He received an Independent Non-Executive Director's fee of HK\$231,320, as authorised by shareholders at the 2011 annual general meeting, for the financial year ended 31 December 2011. The above fee payable to Sir David was reviewed by the Remuneration Committee with reference to market benchmarks and taking into account his responsibilities and workload.

Save as disclosed above, Sir David 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.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of shareholders of The Hongkong and Shanghai Hotels, Limited (the “Company”) will be held at The Peninsula, Salisbury Road, Kowloon, Hong Kong on Monday, 21 May 2012 at 12:00 noon for the following purposes:

1. To receive and consider the audited Financial Statements and the Reports of the Directors and independent auditor for the year ended 31 December 2011.
2. To declare a final dividend.
3. To re-elect retiring Directors.
4. To re-appoint the auditor and authorise the Directors to fix their remuneration.

As special business, to consider and, if thought fit, pass with or without modification the following 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 passing 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; or
 - (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 passing 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; or
 - (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.”

By Order of the Board
Christobelle Liao
Company Secretary
Hong Kong, 18 April 2012

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 vote instead of him/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. *In order to be valid, the proxy form, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority must be deposited at the Company's registrar, Computershare Hong Kong Investor Service Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, at least 24 hours before the time appointed for holding the Meeting.*
4. *The Register of Members of the Company will be closed during the following periods:*
 - (i) *from Thursday, 17 May 2012 to Monday, 21 May 2012, both days inclusive, for the purpose of ascertaining shareholders' entitlement to attend and vote at the Annual General Meeting. In order to be entitled to attend and vote at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Wednesday, 16 May 2012.*
 - (ii) *from Friday, 25 May 2012 to Tuesday, 29 May 2012, both days inclusive, for the purpose of ascertaining shareholders' entitlement to receive the final dividend. In order to be entitled to receive the final dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's registrar, Computershare Hong Kong Investor Services Limited for registration at the address as set out in sub-paragraph (i) above no later than 4:30 p.m. on Thursday, 24 May 2012.*

During the periods mentioned in sub-paragraphs (i) and (ii) above, no transfers of shares will be registered.
5. *Subject to the passing of the necessary resolution at the forthcoming Annual General Meeting, the final dividend will be payable on 29 June 2012, to shareholders whose names appear on the register of members on 29 May 2012. Shareholders will be given the option to receive their dividend in the form of scrip rather than cash.*
6. *The retiring Directors are Mr. Neil J. Galloway, Mr. Ronald J. McAulay, Mr. John A.H. Leigh, Mr. Nicholas T.J. Colfer and Dr. the Hon. Sir David K.P. Li. 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 circular to the shareholders dated 18 April 2012.*
7. *At the Meeting, the Chairman will put each of the above resolutions to the vote by way of a poll in accordance with Article 58 of the Articles of Association of the Company. 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 Annual General Meeting.*