



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 document is important and
requires your immediate attention**

If you are in any doubt as to any aspect of this document 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 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 transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, 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 document.

此乃重要文件 請即處理

閣下如對本文件任何方面或閣下應採取的行動有任何疑問，應諮詢閣下的股票經紀或其他註冊證券商、銀行經理、律師、專業會計師或其他專業顧問。

閣下如已將名下的香港上海大酒店有限公司（「本公司」）股份全部售出或以其他方式轉讓，應立即將本文件及隨附的代表委任表格送交買主或承讓人，或經手買賣或轉讓的銀行、股票經紀或其他代理商，以便轉交買主或承讓人。

香港交易及結算所有限公司與香港聯合交易所有限公司對本文件的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示，概不對因本文件全部或任何部份內容而產生或因倚賴該等內容而引致的任何損失承擔任何責任。

The notice convening the Annual General Meeting of the Company to be held at The Peninsula, Salisbury Road, Kowloon, Hong Kong on Wednesday, 12 May 2010 at 12:00 noon is set out on pages 9 and 10 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2010年5月12日（星期三）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，召開大會的通告詳載於本文件第19頁及第20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。

13 April 2010
2010年4月13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

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 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; 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 12 May 2010 (the “Annual General Meeting”).

General mandate to issue and repurchase shares

At the annual general meeting of the Company held on 13 May 2009, 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 13 May 2009, 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 13 May 2009.

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 2010, unless renewed at that Meeting. Resolutions will be proposed at the 2010 Annual General Meeting to renew the mandates to allot or issue new shares and repurchase shares.

Based on the 1,470,392,572 shares in issue as at 7 April 2010, being the latest practicable date prior to the printing of this document (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 294,078,514 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, The Hon. Sir Michael Kadoorie, Mr. Ian D. Boyce, Mr. Robert C.S. Ng, Mr. Patrick B. Paul and Mr. Peter C. Borer 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 document.

Notice of the Annual General Meeting

Notice of the Annual General Meeting to be held on 12 May 2010 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 advised to complete the form of proxy 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 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.

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

13 April 2010

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 the Latest Practicable Date for determining such figures, the number of Shares of the Company in issue was 1,470,392,572. 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 147,039,257 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 financial statements) 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, 57.26% 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, 63.62% 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\$)
April 2009	6.30	4.75
May 2009	7.30	6.06
June 2009	8.70	6.92
July 2009	9.08	7.48
August 2009	9.60	8.13
September 2009	10.84	8.67
October 2009	11.48	9.80
November 2009	11.98	10.56
December 2009	11.66	11.02
January 2010	11.84	10.32
February 2010	11.44	10.60
March 2010	12.20	10.70
1 April to 7 April 2010	12.28	11.96

- (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 12 May 2010.

The Hon. Sir Michael Kadoorie

The Hon. Sir Michael Kadoorie, aged 68, is a Non-Executive Chairman and the Chairman of the Executive Committee of the Company. He was appointed a Director in 1964 and elected Chairman in 1985. Sir Michael and certain trusts/companies of which he is a discretionary objects/beneficiaries/founders are substantial shareholders of the Company by virtue of the Securities and Futures Ordinance. He is the brother-in-law of a fellow Director, Mr. Ronald J. McAulay, and is a Director of several subsidiaries of the Company. He is also Chairman of CLP Holdings Limited, an Independent Non-Executive Director of Hutchison Whampoa Limited, an Alternate Director of Hong Kong Aircraft Engineering Company Limited, a Director of Sir Elly Kadoorie & Sons Limited, as well as holding a number of other directorships. In addition, Sir Michael acts as a trustee of a number of leading, local charitable institutions. Except as disclosed above, Sir Michael has not held any directorship in other listed companies in Hong Kong and overseas in the last three years.

Save as disclosed above, Sir Michael 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, Sir Michael was deemed (by virtue of the Securities and Futures Ordinance) to be interested in 746,550,056 shares in the Company. Of these, 149,109,947 shares were ultimately held by discretionary trusts, of which Sir Michael is one of the discretionary objects; 305,039,115 shares were ultimately held by a discretionary trust, of which Sir Michael is one of the beneficiaries and the founder; and 292,400,994 shares were ultimately held by a discretionary trust, of which Sir Michael is one of the beneficiaries and the founder.

Sir Michael'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 Michael compensation when his appointment terminates.

As a Non-Executive Director, Sir Michael 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\$200,000 per annum, as authorised by shareholders at the 2008 annual general meeting. Sir Michael also receives a further fee of HK\$100,000 per annum as a member of the Executive Committee of the Company 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.

Save as disclosed above, Sir Michael 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. Ian Duncan Boyce

Mr. Ian Duncan Boyce, aged 65, is a Non-Executive Deputy Chairman and the Chairman of Finance Committee and Remuneration Committee, as well as a member of Audit Committee and Executive Committee. Mr. Boyce was appointed to the Board in 1999 and elected Deputy Chairman in May 2002; he is also Chairman of two subsidiaries of the Company. He is a Fellow of the Institute of Chartered Accountants in England and Wales. Mr. Boyce, based in Hong Kong since 1984, was formerly Managing Director of Schroders Asia and had held executive positions with the S.G. Warburg Group. He is Non-Executive Chairman of Schroder Investment Management (Hong Kong) Limited, a Director of CLP Holdings Limited and Tai Ping Carpets International Limited, and Chairman of Sir Elly Kadoorie & Sons Limited, overseeing a number of the 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. Boyce has not held any directorship in other listed companies in Hong Kong and overseas in the last three years.

Save as disclosed above, Mr. Boyce 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, Mr. Boyce had personal interests in 216,696 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Boyce'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. Boyce compensation when his appointment terminates.

As a Non-Executive Director, Mr. Boyce 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\$200,000 per annum, as authorised by shareholders at the 2008 annual general meeting. Mr. Boyce also receives a further fee of HK\$100,000 per annum as a member of the Audit Committee; a fee of HK\$100,000 per annum as a member of the Executive Committee; and a fee of HK\$50,000 per annum as a member of the Remuneration Committee of the Company. These fees are 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.

Save as disclosed above, Mr. Boyce has confirmed that there are no other matters relating to his 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 Chee Siong Ng

Mr. Robert Chee Siong Ng, aged 57, is an Independent Non-Executive Director. He was appointed to the Board in 1987 and is also a member of the Audit Committee of the Company. He was called to the English Bar in 1975. He is Chairman of Sino Hotels (Holdings) Limited, which owns 3.6% of the Company's issued share capital. He is also Chairman of Sino Land Company Limited and its holding company, Tsim Sha Tsui Properties Limited. He was formerly a Director of SCMP Group Limited until he resigned in May 2007. Except as disclosed above, Mr. Ng has not held any directorship in other listed companies in Hong Kong and overseas in the last three years.

Mr. Ng 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 from the Company. He has also given an annual confirmation of his independence to the Company which considers him to be independent. Although Mr. Ng has served in this capacity for more than nine years, the Directors are of the opinion that Mr. Ng 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.

Mr. Ng 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, Mr. Ng had family interests in 126,083 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Ng'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. Ng compensation when his appointment terminates.

As an Independent Non-Executive Director, Mr. Ng 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\$200,000 per annum, as authorised by shareholders at the 2008 annual general

meeting. Mr. Ng also receives a further fee of HK\$100,000 per annum as a member of the Audit Committee of the Company 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.

Save as disclosed above, Mr. Ng has confirmed that there are no other matters relating to the 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. Patrick Blackwell Paul

Mr. Patrick Blackwell Paul, aged 62, is an Independent Non-Executive Director, the Chairman of the Audit Committee and a member of the Remuneration Committee of the Company. He was appointed to the Board in February 2004 and does not hold any other position in the Group. He is a Fellow of the Institute of Chartered Accountants in England and Wales. Mr. Paul began his career with Price Waterhouse in London in 1969. A resident of Hong Kong since 1980, he was Chairman and senior partner of PricewaterhouseCoopers in Hong Kong from 1994 until 2001. He is an Independent Non-Executive Director of Johnson Electric Holdings Limited and Pacific Basin Shipping Limited. Mr. Paul was formerly a Director of Kingsway International Holdings Limited until he resigned in April 2008. His civic commitments include chairing the Supervisory Board of the British Chamber of Commerce in Hong Kong. Except as disclosed above, Mr. Paul has not held any directorship in other listed companies in Hong Kong and overseas in the last three years.

Mr. Paul 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 from the Company. He has also given an annual confirmation of his independence to the Company which considers him to be independent.

Mr. Paul 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 of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Paul'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. Paul compensation when his appointment terminates.

As an Independent Non-Executive Director, Mr. Paul 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\$200,000 per annum, as authorised by shareholders at the 2008 annual general meeting. Mr. Paul also receives a further fee of HK\$100,000 per annum as a member of the Audit Committee; and a fee of HK\$50,000 per annum as a member of the Remuneration Committee of the Company. Both of these fees are 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.

Save as disclosed above, Mr. Paul has confirmed that there are no other matters relating to his 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. Peter Camille Borer

Mr. Peter Camille Borer, aged 56, was appointed to the Board as an Executive Director in April 2004. He is a graduate of the Ecole Hoteliere Lausanne, Switzerland and is now a member of the International Advisory Board of the school. Mr. Borer joined the Group in 1981. He was appointed General Manager of The Peninsula Hong Kong in 1994, taking on additional regional responsibility in 1999 and culminating in his appointment as Chief Operating Officer, The Peninsula Hotels, in April 2004. Mr. Borer is also a Director in most of the Group's entities. Save for his directorship in the Company, Mr. Borer has not held any directorships in other listed companies in Hong Kong and overseas in the last three years.

Mr. Borer 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, Mr. Borer had personal interests in 325,733 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Borer 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\$6 million in 2009. Mr. Borer 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. Borer'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. Borer compensation equivalent to more than one year's emoluments when his appointment terminates. The amount of the emoluments payable to Mr. Borer under his service contract was reviewed by the Remuneration Committee with reference to market benchmarks, his qualifications and experience.

Save as disclosed above, Mr. Borer 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 the Company will be held at The Peninsula, Salisbury Road, Kowloon, Hong Kong on Wednesday, 12 May 2010 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 2009.
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, to pass with or without modification the following 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 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; 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 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; 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.”

By Order of the Board
Christobelle Liao
Company Secretary
13 April 2010

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. *The register of members will be closed from 10 May to 12 May 2010, 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 registrar, Computershare Hong Kong Investor Services Limited of 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 Friday, 7 May 2010.*
5. *Subject to the passing of the necessary resolution at the forthcoming Annual General Meeting, the final dividend will be payable on or about 25 June 2010, to shareholders whose names appear on the register of members on 12 May 2010. Shareholders will be given the option to receive their dividend in the form of scrip rather than cash.*
6. *The retiring Directors are The Hon. Sir Michael Kadoorie, Mr. Ian D. Boyce, Mr. Robert C.S. Ng, Mr. Patrick B. Paul and Mr. Peter C. Borer. 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 13 April 2010.*
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.*