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If you have sold all your shares in Henderson Investment Limited, you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.



恒基兆業發展有限公司
HENDERSON INVESTMENT LIMITED
Incorporated in Hong Kong with limited liability
(Stock Code: 97)

PROPOSALS FOR

GENERAL MANDATES TO REPURCHASE THE COMPANY'S
OWN SHARES AND TO ISSUE SHARES

AND

RE-ELECTION OF THE RETIRING DIRECTORS

A notice convening the annual general meeting of the Company to be held at the Four Seasons Grand Ballroom, Four Seasons Hotel, 8 Finance Street, Central, Hong Kong on 3 December 2007 at 11:00 a.m. is set out in the Annual Report for the year ended 30 June 2007.

16 October 2007

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DEFINITIONS

In this circular, unless the context requires otherwise, the expressions as stated below will have the following meanings:

“Articles of Association”	the Articles of Association of the Company;
“Annual General Meeting”	the annual general meeting of the Company to be held at the Four Seasons Grand Ballroom, Four Seasons Hotel, 8 Finance Street, Central, Hong Kong on 3 December 2007 at 11:00 a.m.;
“Chairman”	the chairman presiding at any meeting of members or of the board of Directors;
“Company”	Henderson Investment Limited;
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the laws of Hong Kong) and any amendments thereto;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange;
“Issue Mandate”	the general and unconditional mandate to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution approving the Issue Mandate;
“Latest Practicable Date”	1 October 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular;
“Notice”	the notice convening the Annual General Meeting dated 16 October 2007 contained in the Company’s annual report for the year ended 30 June 2007;
“Report of Directors”	the report of directors of the Company for the year ended 30 June 2007 contained in the Company’s annual report for the year ended 30 June 2007;

DEFINITIONS

“Repurchase Mandate”	the general mandate to exercise the power of the Company to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution approving the Repurchase Mandate;
“Shares”	the shares of nominal value of HK\$0.20 each in the share capital of the Company;
“Shareholders”	registered holders of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers; and
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong.

LETTER FROM THE BOARD OF DIRECTORS



恒基兆業發展有限公司 HENDERSON INVESTMENT LIMITED

Incorporated in Hong Kong with limited liability
(Stock Code: 97)

Executive Directors:

Dr. the Hon. Lee Shau Kee
(Chairman and Managing Director)
Lee Ka Kit (Vice Chairman)
Colin Lam Ko Yin (Vice Chairman)
Lee Ka Shing (Vice Chairman)
Lee Tat Man
Suen Kwok Lam
Lee King Yue
Eddie Lau Yum Chuen
Li Ning
Patrick Kwok Ping Ho
Augustine Wong Ho Ming
Sit Pak Wing

Non-executive Directors:

Sir Po-shing Woo
Philip Yuen Pak Yiu
Leung Hay Man
Jackson Woo Ka Biu
(Alternate Director to Sir Po-shing Woo)

Independent Non-executive Directors:

Gordon Kwong Che Keung
Professor Ko Ping Keung
Wu King Cheong

Registered Office:

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

16 October 2007

To the Shareholders of the Company

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE THE COMPANY'S
OWN SHARES AND TO ISSUE SHARES
AND
RE-ELECTION OF THE RETIRING DIRECTORS**

The purpose of this circular is to provide you with information regarding the proposals for the Repurchase Mandate, the Issue Mandate and the re-election of the retiring Directors and to seek your approval at the Annual General Meeting in connection with, inter alia, such matters.

LETTER FROM THE BOARD OF DIRECTORS

PROPOSED GENERAL MANDATES TO REPURCHASE THE COMPANY'S OWN SHARES AND TO ISSUE SHARES

At the annual general meeting held on 12 December 2006, general mandates were given to the Directors: (i) to exercise the powers of the Company to repurchase Shares up to a maximum of 10 per cent of the issued share capital of the Company as at the date of the ordinary resolution and (ii) to allot, issue and deal with Shares not exceeding 20 per cent of the issued share capital of the Company as at the date of the ordinary resolution. Such mandates will lapse at the conclusion of the Annual General Meeting.

An ordinary resolution set out in the Notice will be proposed at the Annual General Meeting to grant the Repurchase Mandate to the Directors.

The Repurchase Mandate would continue in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting of the Company is required by law or the Articles of Association to be held or until the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever is the earlier.

Separate ordinary resolutions will also be proposed at the Annual General Meeting to grant the Issue Mandate by way of a general mandate to the Directors and extending the Issue Mandate by adding to it the number of Shares repurchased by the Company under the Repurchase Mandate.

The explanatory statement required by the Listing Rules and the Companies Ordinance to be included in this circular is set out in Appendix I hereto.

PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

In accordance with Article 116 of the Articles of Association, Dr. Lee Shau Kee, Mr. Patrick Kwok Ping Ho, Mr. Sit Pak Wing, Sir Po-shing Woo, Mr. Gordon Kwong Che Keung and Professor Ko Ping Keung shall retire by rotation at the Annual General Meeting and, being eligible, have offered themselves for re-election.

Their biographical details which are required to be disclosed by the Listing Rules are set out in Appendix II to this circular.

DEMAND FOR POLL AT THE ANNUAL GENERAL MEETING

In accordance with Article 80 of the Articles of Association, 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 or otherwise required under the Listing Rules. A poll may be demanded:

- (a) by the Chairman; or
- (b) by at least three members present in person or by proxy for the time being entitled to vote at the meeting; or

LETTER FROM THE BOARD OF DIRECTORS

- (c) by a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or
- (d) by 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 shares conferring that right.

In accordance with Article 96 of the Articles of Association, any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

Whether or not you intend to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's registered office at 72-76/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting. The return of a form of proxy will not preclude you from attending and voting in person if you so wish.

Yours faithfully,
Lee Shau Kee
Chairman

This explanatory statement constitutes the memorandum required under section 49BA(3)(b) of the Companies Ordinance and contains all the information required under the Listing Rules for you to consider the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 3,047,327,395 Shares.

Subject to the passing of the ordinary resolution number 5(A) set out in the Notice and on the basis that no further Shares are issued or repurchased prior to the date of the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 304,732,739 Shares.

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per share and/or earnings per share of the Company and will only be made when the Directors believe that a repurchase of Shares will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association and the Companies Ordinance. The Companies Ordinance provides that the amount of capital repaid in connection with a share repurchase may only be paid from the distributable profits of the company or the proceeds of a new issue of shares made for the purpose of the repurchase and any premium payable on repurchase shall be paid out of distributable profits of the company. If such repurchased Shares were issued at a premium, any premium payable on repurchase may be paid out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase to such extent allowable under the Companies Ordinance.

Pursuant to the Repurchase Mandate, repurchases would be financed by the Company's internal resources and/or available banking facilities.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital or gearing position of the Company compared with that as at 30 June 2007, being the date of its last audited accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months were as follows:

		Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2006	October	14.16	13.48
	November	14.10	13.60
	December	14.80	13.70
2007	January	15.06	14.16
	February	15.10	14.00
	March	16.04	13.90
	April	16.62	15.68
	May	17.18	16.10
	June	16.92	11.00
	July	13.66	11.02
	August	13.20	11.26
	September	14.18	12.50

5. UNDERTAKING AND DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, has any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the Companies Ordinance and any other applicable laws of Hong Kong.

6. TAKEOVERS CODE AND SHARE REPURCHASES

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the powers of the Company to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. The controlling shareholder of the Company owns 69.27% of the existing share capital of the Company. On the assumption of the full exercise of the Repurchase Mandate, the controlling shareholder's shareholding interests in the Company

will be increased to approximately 76.97%. If the present shareholdings and capital structure of the Company remain the same, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate. However, the Directors will not exercise the Repurchase Mandate such that the minimum amount of Shares held by the public will fall below 25% of the issued share capital of the Company, being the minimum public float requirement under the Listing Rules.

7. SHARE PURCHASE MADE BY THE COMPANY

The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.

The following are the biographical details of Dr. Lee Shau Kee, Mr. Patrick Kwok Ping Ho, Mr. Sit Pak Wing, Sir Po-shing Woo, Mr. Gordon Kwong Che Keung and Professor Ko Ping Keung, all of whom shall retire by rotation at the Annual General Meeting in accordance with Article 116 of the Company's Articles of Association and, being eligible, have offered themselves for re-election. Save as disclosed herein below, there are no other matters relating to their re-election that need to be brought to the attention of Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

Dr. the Hon. LEE Shau Kee, GBM, DBA (Hon), DSSc (Hon), LLD (Hon), aged 78, is the founder of the Company. He has been the Chairman and Managing Director of the Company since 1975 and has been engaged in property development in Hong Kong for more than 50 years. He is also the founder and the chairman and managing director of Henderson Land Development Company Limited, the chairman of The Hong Kong and China Gas Company Limited, Miramar Hotel and Investment Company, Limited, the vice chairman of Sun Hung Kai Properties Limited as well as a director of Hong Kong Ferry (Holdings) Company Limited and The Bank of East Asia, Limited, all of which are companies listed on the Stock Exchange. In addition, Dr. Lee is a director of Henderson China Holdings Limited (being a listed company in Hong Kong until its privatisation on 15 August 2005). He served as a director of Henderson Cyber Limited (being a listed company in Hong Kong until its privatisation on 12 December 2005) until his resignation in March 2007. He is also a director of various members of the Group. Save as disclosed herein, Dr. Lee has not held any other directorships in listed public companies in the last three years. Dr. Lee was awarded Grand Bauhinia Medal by the Government of the Hong Kong Special Administrative Region in 2007. Dr. Lee is the brother of Mr. Lee Tat Man, the father of Mr. Lee Ka Kit and Mr. Lee Ka Shing and the father-in-law of Mr. Li Ning.

As at the Latest Practicable Date, Dr. Lee was taken to be interested in 2,110,868,943 shares in the Company (representing 69.27% of the issued share capital of the Company) within the meaning of Part XV of the Securities and Futures Ordinance. The details of his other interests in associated corporation(s) of the Company are disclosed in the Report of Directors of the Company for the year ended 30 June 2007. He is a director of Gainwise Investment Limited (which has a 7.13% shareholding interest in the Company), Covite Investment Limited, Markshing Investment Limited, Banshing Investment Limited (substantial shareholders of the Company), Kingslee S.A., Henderson Land Development Company Limited, Henderson Development Limited, Hopkins (Cayman) Limited, Riddick (Cayman) Limited and Rimmer (Cayman) Limited (controlling shareholders of the Company) which have aggregate interests in 2,076,089,007 shares in the Company, representing 68.13% of the issued share capital of the Company. Save as disclosed herein, he has no relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

As the Latest Practicable Date, Dr. Lee was not appointed for a specific term but was subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company. He has not entered into nor proposed to enter into any service contracts which fall within the meanings of Rule 13.68 of the Listing Rules requiring the prior approval of Shareholders at general meetings. The director's fee payable to him shall

be subject to Shareholders' approval at general meetings. His other remuneration, if any, shall from time to time be determined by the Board with reference to his duties and responsibilities. For the year ended 30 June 2007, he was entitled to receive director's fee of HK\$20,000 and other remuneration of approximately HK\$8,404,000 from the Company. Save as disclosed above, he had not received any bonus payments (whether fixed or discretionary in nature) from the Company.

KWOK Ping Ho, Patrick, *BSc, MSc, Post-Graduate Diploma in Surveying, ACIB*, aged 55, has been an Executive Director since 1988. He holds a B.Sc. (Engineering) degree as well as a M.Sc. (Administrative Sciences) degree and he is also a holder of the Post-Graduate Diploma in Surveying (Real Estate Development). Mr. Kwok is an Associate Member of The Chartered Institute of Bankers of the United Kingdom and he had worked in the international banking field for more than 11 years with postings in London, Chicago, Kuala Lumpur, Singapore as well as in Hong Kong before joining the Company. He is an executive director of Henderson Land Development Company Limited, which is a company listed on the Stock Exchange and a non-executive director of Henderson Sunlight Asset Management Limited, the manager of the publicly-listed Sunlight Real Estate Investment Trust. He served as a director of Henderson China Holdings Limited (being a listed company in Hong Kong until its privatisation on 15 August 2005) until his resignation in June 2006. He is also a director of various members of the Group. Save as disclosed herein, he has not held any other directorships in listed public companies in the last three years.

As at the Latest Practicable Date, Mr. Kwok did not have any interests in the shares in the Company within the meaning of Part XV of the Securities and Future Ordinance. He is a director of Henderson Land Development Company Limited (a controlling shareholder of the Company) which has interests in 2,070,473,859 shares in the Company, representing 67.94% of the issued share capital of the Company. Save as disclosed herein, he has no relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

As at the latest Practicable Date, Mr. Kwok was not appointed for a specific term but was subject to retirement by rotation and re-election in accordance with the Articles and Association of the Company. He has not entered into nor proposed to enter into any service contracts which fall within the meanings of Rule 13.68 of the Listing Rules requiring the prior approval of shareholders of the Company at general meetings. The director's fee payable to him shall be subject to Shareholders' approval at general meetings. His other remuneration, if any, shall from time to time be determined by the Board with reference to his duties and responsibilities. For the year ended 30 June 2007, he was entitled to receive a director's fee of HK\$20,000 from the Company. Save as disclosed above, he had not received any bonus payments (whether fixed or discretionary in nature) from the Company.

SIT Pak Wing, *ACIS, FHIREA*, aged 59, has been an Executive Director of the Company since May 2001. He joined Henderson Land Group in 1991. He is a Member of The Institute of Chartered Secretaries and Administrators, a Fellow Member of the Hong Kong Institute of Real Estate Administration and an individual Member of The Real Estate Developers

Association of Hong Kong. He has over 30 years' experience in marketing development, leasing and property management. Apart from directorship of the Company, he was not a director of any listed public companies in the last three years.

As at the Latest Practicable Date, Mr. Sit had no relationship with any Directors, senior management or substantial or controlling shareholders of the Company and did not have any interests in the shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

As at the latest Practicable Date, Mr. Sit was not appointed for a specific term but was subject to retirement by rotation and re-election in accordance with the Articles and Association of the Company. He has not entered into nor proposed to enter into any service contracts which fall within the meanings of Rule 13.68 of the Listing Rules requiring the prior approval of shareholders of the Company at general meetings. The director's fee payable to him shall be subject to Shareholders' approval at general meetings. His other remuneration, if any, shall from time to time be determined by the Board with reference to his duties and responsibilities. For the year ended 30 June 2007, he was entitled to receive a director's fee of HK\$20,000 from the Company. Save as disclosed above, he had not received any bonus payments (whether fixed or discretionary in nature) from the Company.

Sir Po-shing WOO, *Hon LLD, FCI Arb, FIMgt, FInstD, FHKMA*, aged 78, has been a Director of the Company since 1972 and was re-designated as a Non-executive Director in 2004. He is a solicitor and a Consultant of Jackson Woo & Associates. He is also a director of Henderson Land Development Company Limited and Sun Hung Kai Properties Limited, both of which are companies listed on the Stock Exchange. Save as disclosed herein, Sir Po-shing Woo has not held any other directorships in listed public companies in the last three years. He was admitted to practice as solicitor in England and Hong Kong and is also a Fellow of The Chartered Institute of Arbitrators, The Institute of Management and The Institute of Directors of England. He was awarded Hon. LL.D. by the City University of Hong Kong and is a Fellow of King's College of London as well as Honorary Professor of Nankai University of Tianjin. Sir Po-shing Woo became Fellow of The Hong Kong Management Association in 2000. He is also the founder of Woo Po Shing Medal in Law and Woo Po Shing Overseas Summer School Travelling Scholarship, both at the University of Hong Kong. Sir Po-shing Woo is also the founder of the Woo Po Shing Professor (Chair) of Chinese and Comparative Law in City University. He is the father of Mr. Woo Ka Bui, Jackson.

As at the Latest Practicable Date, Sir Po-shing Woo did not have any interest in the shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance. The details of his other interests in associated corporation(s) of the Company are disclosed in the Report of Directors of the Company for the year ended 30 June 2007. He is a director of Henderson Land Development Company Limited and Henderson Development Limited (controlling shareholders of the Company) which have aggregate interests in 2,070,473,859 shares in the Company, representing 67.94% of the issued share capital of the Company. Save as disclosed herein, he has no relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

As at the latest Practicable Date, Sir Po-shing Woo was appointed for a term of three years and was subject to retirement by rotation and re-election in accordance with the Articles and Association of the Company. He has not entered into nor proposed to enter into any service contracts which fall within the meanings of Rule 13.68 of the Listing Rules requiring the prior approval of shareholders of the Company at general meetings. The director's fee payable to him shall be subject to Shareholders' approval at general meetings. His other remuneration, if any, shall from time to time be determined by the Board with reference to his duties and responsibilities. For the year ended 30 June 2007, he was entitled to receive a director's fee of HK\$20,000 from the Company. Save as disclosed above, he had not received any bonus payments (whether fixed or discretionary in nature) from the Company.

KWONG Che Keung, Gordon, FCA, aged 58, has been an Independent Non-executive Director of the Company since 2004. He graduated from the University of Hong Kong with a bachelor's degree in social sciences in 1972 and qualified as a chartered accountant in England in 1977. He was a partner of Pricewaterhouse from 1984 to 1998 and an independent member of the Council of The Stock Exchange of Hong Kong from 1992 to 1997. He is an independent non-executive director of COSCO International Holdings Limited, Henderson Land Development Company Limited, Tianjin Development Holdings Limited, Beijing Capital International Airport Company Limited, Frasers Property (China) Limited, NWS Holdings Limited, China Oilfield Services Limited, Concepta Investments Limited, China Chengtong Development Group Limited, Global Digital Creations Holdings Limited, Ping An Insurance (Group) Company of China, Ltd., Quam Limited, China Power International Development Limited, Agile Property Holdings Limited and CITIC 1616 Holdings Limited, all of which are companies listed on the Stock Exchange. He is also an independent non-executive director of Tom Online Inc., being a listed company in Hong Kong until its privatisation on 3 September 2007. Mr. Kwong served as a non-executive director of COSCO Pacific Limited, an independent non-executive director of Henderson China Holdings Limited (being a listed company in Hong Kong until its privatisation on 15 August 2005) and New World Mobile Holdings Limited until his resignation in January 2006, June 2006 and January 2007 respectively. Save as disclosed above, he has not held any other directorships in listed public companies in the last three years.

As at the Latest Practicable Date, Mr. Kwong did not have any interests in the shares in the Company within the meaning of Part XV of the Securities and Future Ordinance. He is a director of Henderson Land Development Company Limited (a controlling shareholder of the Company) which has interest in 2,070,473,859 shares in the Company, representing 67.94% of the issued share capital of the Company. Save as disclosed herein, he has no relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Kwong was appointed for a term of three years and was subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company. He has not entered into nor proposed to enter into any service contracts which fall within the meanings of Rule 13.68 of the Listing Rules requiring the prior approval of Shareholders at general meetings. He was entitled to a fixed annual remuneration of HK\$200,000 per annum for acting as an Independent Non-executive

Director, a member of Audit Committee and a member of the Remuneration Committee of the Company, which was determined by the Board with reference to his duties and responsibilities. For the year ended 30 June 2007, he was entitled to receive director's fee of HK\$20,000 and other remuneration of HK\$180,000 from the Company. Save as disclosed above, he had not received any bonus payments (whether fixed or discretionary in nature) from the Company.

Professor KO Ping Keung, PhD, FIEEE, FHKIE, JP, aged 56, has been an Independent Non-executive Director of the Company since 2004. Professor Ko holds a Bachelor of Science (Honours) degree from the University of Hong Kong, a Doctor of Philosophy degree and a Master of Science degree from the University of California at Berkeley. He is an Adjunct Professor of Beijing University and Tsinghua University and Emeritus Professor of Electrical & Electronic Engineering and the former Dean of the School of Engineering of The Hong Kong University of Science and Technology. He was the Vice Chairman of Electrical Engineering and Computer Science Department of the University of California at Berkeley in 1991 - 1993 and a member of Technical staff, Bell Labs, Holmdel, in 1982 - 1984. Professor Ko is an independent non-executive director of Henderson Land Development Company Limited and China Resources Logic Limited, both of which are companies listed on the Stock Exchange. He also served as an independent non-executive director of Henderson Cyber Limited (being a listed company in Hong Kong until its privatisation on 12 December 2005) until his resignation in March 2006. Save as disclosed above, he has not held any other directorships in listed public companies in the last three years.

As at the Latest Practicable Date, Professor Ko did not have any interests in the shares in the Company within the meaning of Part XV of the Securities and Future Ordinance. He is a director of Henderson Land Development Company Limited (a controlling shareholder of the Company) which has interest in 2,070,473,859 shares in the Company, representing 67.94% of the issued share capital of the Company. Save as disclosed herein, he has no relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Professor Ko was appointed for a term of three years and was subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company. He has not entered into nor proposed to enter into any service contracts which fall within the meanings of Rule 13.68 of the Listing Rules requiring the prior approval of Shareholders at general meetings. He was entitled to a fixed annual remuneration of HK\$200,000 per annum for acting as an Independent Non-executive Director, a member of Audit Committee and a member of the Remuneration Committee of the Company, which was determined by the Board with reference to his duties and responsibilities. For the year ended 30 June 2007, he was entitled to receive director's fee of HK\$20,000 and other remuneration of HK\$180,000 from the Company. Save as disclosed above, he had not received any bonus payments (whether fixed or discretionary in nature) from the Company.