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MIRAMAR HOTEL AND INVESTMENT CO., LTD.

(Incorporated in Hong Kong with limited liability)

(Stock Code: 71)

GENERAL MANDATE TO REPURCHASE SHARES AND RE-ELECTION OF DIRECTORS

A notice convening the Annual General Meeting of Miramar Hotel And Investment Co., Ltd. (the "Company") to be held at Miramar Ballroom, Hotel Miramar Penthouse, 130 Nathan Road, Kowloon on Tuesday, 5 September 2006 at 12:00 noon is set out on pages 1 to 2 of the 2005-2006 annual report of the Company. Whether or not you propose to attend the Annual General Meeting, you are requested to complete the form of proxy accompanying the 2005-2006 annual report of the Company in accordance with the instructions printed thereon and return the same to the registered office of the Company at 118-130 Nathan Road, Kowloon, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not prevent shareholders of the Company from attending and voting at the Annual General Meeting or any adjournment thereof if they so wish.

DEFINITIONS

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

| | |
|---------------------------|--|
| “Annual General Meeting” | the Annual General Meeting of the Company to be held at Miramar Ballroom, Hotel Miramar Penthouse, 130 Nathan Road, Kowloon on Tuesday, 5 September 2006 at 12:00 noon and notice of which is set out on pages 1 to 2 of the 2005-2006 annual report of the Company |
| “Articles of Association” | the articles of association of the Company from time to time |
| “Companies Ordinance” | the Companies Ordinance (Chapter 32) of the Laws of Hong Kong |
| “Company” | Miramar Hotel And Investment Co., Ltd., a company incorporated in Hong Kong with limited liability under the Companies Ordinance whose shares are listed on the Stock Exchange |
| “Directors” | the directors of the Company |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Latest Practicable Date” | 17 July 2006, being the latest practicable date prior to the printing of this document for ascertaining certain information contained herein |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Repurchase Proposal” | the proposal to give a general mandate to the Directors to exercise the powers of the Company to repurchase during the period as set out in the Repurchase Resolution, Shares up to a maximum of 10 per cent. of the issued share capital of the Company as at the date of passing the Repurchase Resolution |
| “Repurchase Resolution” | the proposed ordinary resolution as referred to in item 5 of the notice of Annual General Meeting |
| “Share Repurchase Rules” | the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange |
| “Share(s)” | share(s) of HK\$0.70 each in the share capital of the Company |

DEFINITIONS

| | |
|------------------|---|
| “SFO” | the Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | the Hong Kong Code on Takeovers and Mergers |

LETTER FROM THE CHAIRMAN



MIRAMAR HOTEL AND INVESTMENT CO., LTD.

(Incorporated in Hong Kong with limited liability)

(Stock Code: 71)

Directors:

- * Dr LEE Shau Kee (*Chairman*)
- # Dr David SIN Wai Kin (*Vice Chairman*)
- + Mr WOO Kim Phoe (*Vice Chairman*)
- + Dr Patrick FUNG Yuk Bun
- + Mr Dominic CHENG Ka On
- * Mr Richard TANG Yat Sun
- * Mr Colin LAM Ko Yin
- * Mr Eddie LAU Yum Chuen
- + Mr Tony NG
- * Mr Norman HO Hau Chong
- + Mr Howard YEUNG Ping Leung
- * Mr LEE Ka Shing
- + Mr Thomas LIANG Cheung Biu
- # Mr WU King Cheong
- + Mr Alexander AU Siu Kee
- # Mr Timpson CHUNG Shui Ming
- * Mr Peter YU Tat Kong

* *executive directors*

+ *non-executive directors*

independent non-executive directors

Registered Office:

118-130 Nathan Road
Kowloon
Hong Kong

21 July 2006

To shareholders,

Dear Sir or Madam,

GENERAL MANDATE TO REPURCHASE SHARES AND RE-ELECTION OF DIRECTORS

INTRODUCTION

The purpose of this circular is to seek your approval of the resolutions, inter alia, relating to the Repurchase Proposal and the re-election of directors which will be proposed at the Annual General Meeting to be held on Tuesday, 5 September 2006, notice of which is set out on pages 1 to 2 of the 2005-2006 annual report of the Company.

LETTER FROM THE CHAIRMAN

GENERAL MANDATE TO REPURCHASE SHARES

At the last annual general meeting of the Company held on 31 August 2005, ordinary resolution was passed to grant a general mandate to the Directors to repurchase Shares. This general mandate will lapse at the conclusion of the forthcoming Annual General Meeting.

Ordinary resolution will be proposed at the Annual General Meeting to grant to the Directors a general mandate to exercise all powers of the Company to repurchase Shares representing up to 10 per cent. of the issued share capital of the Company as at the date of passing the Repurchase Resolution.

An explanatory statement, as required to be sent to the shareholders of the Company under the Share Repurchase Rules and under the Companies Ordinance, to provide requisite information to you for your consideration of the ordinary resolution as referred to in item 5 of the notice of Annual General Meeting in respect of the Repurchase Proposal is set out in the Appendix I.

RE-ELECTION OF DIRECTORS

In accordance with Article 73, the term of Mr Timpson Chung Shui Ming serving as director of the Company will expire at the forthcoming Annual General Meeting and in accordance with Articles 77, 78 and 79, Dr David Sin Wai Kin, Mr Richard Tang Yat Sun, Mr Tony Ng, Mr Norman Ho Hau Chong, Mr Howard Yeung Ping Leung and Mr Peter Yu Tat Kong will retire at the forthcoming Annual General Meeting by rotation. The above seven Directors, being all eligible, offer themselves for re-election. Details of the retiring directors proposed for re-election at the Annual General Meeting are set out in Appendix II to this circular.

RIGHT TO DEMAND A POLL

Pursuant to Article 56 of the Articles of Association of the Company, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded or unless a poll must be taken as may from time to time be required under the Listing Rules or under any other applicable laws, rules or regulations. Subject to the Ordinance, a poll may be demanded by:

- (a) the chairman of the meeting; or
- (b) at least three Members present in person or by proxy and entitled to vote; or
- (c) any Member or Members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Members having the right to attend and vote at the meeting; or
- (d) any Member or Members present in person or by proxy and holding Shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all Shares conferring that right.

LETTER FROM THE CHAIRMAN

RECOMMENDATION

The Directors believe that the proposal for the Repurchase Proposal and the re-election of directors are all in the best interests of the Company and its shareholders. Accordingly, the Directors recommend that all shareholders of the Company should vote in favour of the resolutions set out in the notice of Annual General Meeting.

By Order of the Board
LEE SHAU KEE
Chairman

This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10 per cent. of the issued share capital of the Company as at the date of passing the Repurchase Resolution. For the purpose of this appendix, the term “shares” shall be as defined in the Hong Kong Code on Share Repurchases to mean shares of all classes and securities which carry a right to subscribe or purchase shares. This appendix also constitutes the memorandum required under Section 49BA(3) of the Companies Ordinance.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 577,231,252 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 57,723,125 Shares.

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Proposal is in the best interests of the Company and its shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such repurchase will benefit the Company and its shareholders.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association 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 and/or the proceeds of a new issue of Shares, made for the purpose of the repurchase to such an extent allowable under the Companies Ordinance.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 March 2006 in the event that the power to repurchase Shares pursuant to the Repurchase Resolution was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the power to repurchase Shares pursuant to the Repurchase Resolution 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.

4. SHARES PRICES

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

| | Shares | |
|---|------------------------|-----------------------|
| | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
| July 2005 | 12.60 | 11.85 |
| August 2005 | 12.85 | 11.65 |
| September 2005 | 12.55 | 11.40 |
| October 2005 | 11.50 | 9.55 |
| November 2005 | 11.20 | 9.75 |
| December 2005 | 11.15 | 10.50 |
| January 2006 | 11.20 | 10.70 |
| February 2006 | 11.00 | 10.70 |
| March 2006 | 11.05 | 10.75 |
| April 2006 | 11.15 | 10.80 |
| May 2006 | 11.00 | 10.30 |
| June 2006 | 10.70 | 10.05 |
| July 2006 (up to the Latest Practicable Date) | 10.70 | 10.50 |

5. UNDERTAKING

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 Resolution and in accordance with the Listing Rules and the applicable laws of Hong Kong.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Proposal if such is approved by the shareholders of the Company.

No other 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 its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Proposal is approved by the shareholders of the Company.

6. TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Resolution, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, 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.

As at the Latest Practicable Date, the following person and corporations (together the “Substantial Shareholders”) hold interests of 10 per cent. or more of the issued share capital of the Company:

| Name of Corporation | No. of Shares | Per cent. of existing issued capital | Per cent. of issued capital after exercise in full of Repurchase Resolution |
|--|-----------------------------|--|---|
| Dr Lee Shau Kee | 255,188,250 <i>(Note 1)</i> | 44.21% (approx.) | 49.12% (approx.) |
| Dr Lee Ka Shing | 255,188,250 <i>(Note 5)</i> | 44.21% (approx.) | 49.12% (approx.) |
| Rimmer (Cayman) Limited (“Rimmer”) | 255,188,250 <i>(Note 2)</i> | 44.21% (approx.) | 49.12% (approx.) |
| Riddick (Cayman) Limited (“Riddick”) | 255,188,250 <i>(Note 2)</i> | 44.21% (approx.) | 49.12% (approx.) |
| Hopkins (Cayman) Limited (“Hopkins”) | 255,188,250 <i>(Note 2)</i> | 44.21% (approx.) | 49.12% (approx.) |
| Henderson Development Limited (“Henderson Development”) | 255,188,250 <i>(Note 3)</i> | 44.21% (approx.) | 49.12% (approx.) |
| Henderson Land Development Company Limited (“Henderson Land”) | 255,188,250 <i>(Note 3)</i> | 44.21% (approx.) | 49.12% (approx.) |
| Kingslee S.A. | 255,188,250 <i>(Note 4)</i> | 44.21% (approx.) | 49.12% (approx.) |
| Henderson Investment Limited (“Henderson Investment”) | 255,188,250 <i>(Note 4)</i> | 44.21% (approx.) | 49.12% (approx.) |
| Aynbury Investments Limited (“Aynbury”) | 255,188,250 <i>(Note 4)</i> | 44.21% (approx.) | 49.12% (approx.) |
| Higgins Holdings Limited (“Higgins”) | 100,612,750 <i>(Note 4)</i> | 17.43% (approx.) | 19.37% (approx.) |
| Multiglade Holdings Limited (“Multiglade”) | 79,121,500 <i>(Note 4)</i> | 13.71% (approx.) | 15.23% (approx.) |
| Threadwell Limited (“Threadwell”) | 75,454,000 <i>(Note 4)</i> | 13.07% (approx.) | 14.52% (approx.) |

Notes:

- (1) Dr Lee Shau Kee beneficially owned all the issued shares in Rimmer, Riddick and Hopkins. By virtue of the SFO, Dr Lee Shau Kee is taken to be interested in 255,188,250 Shares, which are duplicated in the interests described in Notes 2, 3, 4 and 5.
- (2) Rimmer and Riddick, trustees of different discretionary trusts, held units in a unit trust (“Unit Trust”). Hopkins was the trustee of the Unit Trust which beneficially owned all the issued ordinary shares in the share capital of Henderson Development. These 255,188,250 Shares are duplicated in the interests described in Notes 1, 3, 4 and 5.

- (3) Henderson Development had a controlling interest in Henderson Land which was the holding company of Kingslee S.A. These 255,188,250 Shares are duplicated in the interests described in Notes 1, 2, 4 and 5.
- (4) Kingslee S.A., a subsidiary of Henderson Land, was the holding company of Henderson Investment. The 255,188,250 Shares were beneficially owned by some of the subsidiaries of Henderson Investment. Higgins, Multiglade and Threadwell were subsidiaries of Aynbury. Aynbury was a subsidiary of Henderson Investment. These 255,188,250 Shares represent the shares described in Notes 1, 2, 3 and 5.
- (5) As director of the Company and one of the discretionary beneficiaries of two discretionary trusts holding units in the Unit Trust, Mr Lee Ka Shing is taken to be interested in 255,188,250 Shares, which are duplicated in the interests described in Notes 1, 2, 3 and 4, by virtue of the SFO.

Based on the above shareholding interest of the Substantial Shareholders, and in the event that the Directors exercise the power in full to repurchase Shares pursuant to the Repurchase Resolution, the interest of the Substantial Shareholders, being concert parties (other than Higgins, Multiglade and Threadwell) in the issued share capital of the Company would be increased from 44.21 per cent. to approximately 49.12 per cent., and such an increase may give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. The Directors have no present intention to exercise the power to repurchase Shares to such an extent that it will trigger the obligations of the Substantial Shareholders under the Takeovers Code to make a mandatory offer.

7. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

Particulars of the retiring Directors subject to re-election at the Annual General Meeting are set out below:

1. **Dr David SIN Wai Kin**, *DSSc (Hon)*

Aged 76. Dr Sin was appointed director of the Company in 1974 and has been a Vice Chairman of the Company since 1985. He is the Chairman of Myer Jewelry Manufacturer Limited, the executive director of New World Development Company Limited and a director of Hang Seng Bank Limited and King Fook Holdings Limited. He is also a director of certain subsidiaries of the Company.

Save as disclosed above, Dr Sin has not held any other directorships in listed public companies in the last three years.

As at 31 March 2006, Dr Sin is interested in 4,158,000 shares of the Company (representing approximately 0.72% of the issued share capital of the Company) within the meaning of Part XV of the SFO. Dr Sin has no relationship with any directors, senior management, substantial or controlling shareholders of the Company.

Dr Sin has not entered into any service contract with the Company. He was appointed for a specific term of three years until 31 December 2008 but is subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company. He is entitled to a fixed annual remuneration of HK\$250,000 per annum for acting as an independent non-executive director, a member of the Audit Committee and a member of the Remuneration Committee of the Company, which is determined from time to time by the board of directors of the Company with reference to his duties and responsibilities.

Save as disclosed above, there is nothing required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the shareholders in connection with Dr Sin's re-election.

2. **Mr Richard TANG Yat Sun**, *MBA, BBS, JP*

Aged 53. Mr Tang was appointed director of the Company in 1986. He is an MBA graduate from the University of Santa Clara, California, U.S.A., and a holder of Bachelor of Science degree in Business Administration from Menlo College, California, U.S.A. He is currently the Chairman and Managing Director of Richcom Company Limited, Vice Chairman of King Fook Holdings Limited, a director of Hang Seng Bank Limited and various private business enterprises. He is a member of Tang Shiu Kin and Ho Tim Charitable Fund. He is also a director of certain subsidiaries of the Company.

Save as disclosed above, Mr Tang has not held any other directorships in listed public companies in the last three years.

As at 31 March 2006, Mr Tang is interested in 11,366,900 shares of the Company (representing approximately 1.97% of the issued share capital of the Company) within the meaning of Part XV of the SFO. Mr Tang has no relationship with any directors, senior management, substantial or controlling shareholders of the Company.

Mr Tang has not entered into any service contract with the Company. He was not appointed for a specific term but is subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company. He is entitled to a fixed annual remuneration of HK\$100,000 per annum for acting as an executive director and a member of the Remuneration Committee of the Company, which is determined from time to time by the board of directors of the Company with reference to his duties and responsibilities.

Save as disclosed above, there is nothing required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the shareholders in connection with Mr Tang's re-election.

3. Mr Tony NG

Aged 65. Mr Ng was appointed director of the Company in 1997. He is a graduate of Hotel Management from Ecole Hoteliere Lausanne, Switzerland. He has over 37 years' experience in the fields of hotel management and food and beverage in Hong Kong, Switzerland, Australia, Hawaii and Singapore. He is also a director of certain subsidiaries of the Company.

Save as disclosed above, Mr Ng has not held any other directorships in listed public companies in the last three years.

As at 31 March 2006, Mr Ng does not hold any shares in the Company within the meaning of Part XV of the SFO. Mr Ng is the brother-in-law of Mr Howard Yeung Ping Leung. Save as disclosed herein, Mr Ng has no relationship with any directors, senior management, substantial or controlling shareholders of the Company.

Mr Ng has not entered into any service contract with the Company. He was appointed for a specific term of one and a half year until 31 December 2006 but is subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company. He is entitled to a fixed annual remuneration of HK\$50,000 per annum for acting as a non-executive director of the Company, which is determined from time to time by the board of directors of the Company with reference to his duties and responsibilities.

Save as disclosed above, there is nothing required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the shareholders in connection with Mr Ng's re-election.

4. Mr Norman HO Hau Chong, BA, ACA, FCPA

Aged 50. Mr Ho was appointed director of the Company in 1998. He is a member of the Institute of Chartered Accountants in England and Wales, and a Fellow of the Hong Kong Institute of Certified Public Accountants. He is an executive director of Honorway Investments Limited and Tak Hung (Holding) Company Limited and has over 24 years' experience in management and property development. He is also a director of CITIC Pacific Limited, Tai Fook Securities Group Limited and

New World Mobile Holdings Limited as well as an independent non-executive director of Hong Kong Ferry (Holdings) Company Limited, Lee Hing Development Limited, Shun Tak Holdings Limited, Starlight International Holdings Limited and Cheung Tai Hong Holdings Limited. He is also a director of certain subsidiaries of the Company.

Save as disclosed above, Mr Ho has not held any other directorships in listed public companies in the last three years.

As as 31 March 2006, Mr Ho does not hold any shares in the Company within the meaning of Part XV of the SFO. Mr Ho has no relationship with any directors, senior management, substantial or controlling shareholders of the Company.

Mr Ho has not entered into any service contract with the Company. He was not appointed for a specific term but is subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company. He is entitled to a fixed annual remuneration of HK\$50,000 per annum for acting as an executive director of the Company, which is determined from time to time by the board of directors of the Company with reference to his duties and responsibilities.

Save as disclosed above, there is nothing required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the shareholders in connection with Mr Ho's re-election.

5. Mr Howard YEUNG Ping Leung

Aged 49. Mr Yeung was appointed director of the Company in 2000. He is also the Chairman of King Fook Holdings Limited and a director of New World Development Company Limited.

Save as disclosed above, Mr Yeung has not held any other directorships in listed public companies in the last three years.

As at 31 March 2006, Mr Yeung does not hold any shares in the Company within the meaning of Part XV of the SFO. Mr Yeung is the brother-in-law of Mr Tony Ng. Save as disclosed herein, Mr Yeung has no relationship with any directors, senior management, substantial or controlling shareholders of the Company.

Mr Yeung has not entered into any service contract with the Company. He was appointed for a specific term of one and a half year until 31 December 2006 but is subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company. He is entitled to a fixed annual remuneration of HK\$50,000 per annum for acting as a non-executive director of the Company, which is determined from time to time by the board of directors of the Company with reference to his duties and responsibilities.

Save as disclosed above, there is nothing required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the shareholders in connection with Mr Yeung's re-election.

6. Mr Peter YU Tat Kong, BSc, MBA, CA, CHA

Aged 57. Mr Yu joined the Company in 1996 as the Group General Manager and was appointed director of the Company in 1997. He holds a Bachelor degree in Statistics & Computer Science from the University of Manitoba and a Master degree in Business Administration from the University of British Columbia in Canada. He is a U.S. Certified Hotel Administrator as well as a Canadian Chartered Accountant. He has over 28 years' solid experience in the fields of hospitality and tourism, general administration and corporate finance. He is also a director of certain subsidiaries of the Company.

Save as disclosed above, Mr Yu has not held any other directorships in listed public companies in the last three years.

As at 31 March 2006, Mr Yu does not hold any shares in the Company within the meaning of Part XV of the SFO. Mr Yu has no relationship with any directors, senior management, substantial or controlling shareholders of the Company.

Mr Yu has not entered into any service contract with the Company. He was not appointed for a specific term but is subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company. He is entitled to a fixed annual remuneration of HK\$50,000 per annum for acting as an executive director of the Company and receive other remuneration of HK\$4,345,000 for acting as Group General Manager of the Company for the year ended 31 March 2006, which are determined from time to time by the board of directors of the Company with reference to his duties and responsibilities.

Save as disclosed above, there is nothing required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the shareholders in connection with Mr Yu's re-election.

7. Mr Timpson CHUNG Shui Ming, GBS, JP

Aged 55. Mr Chung was appointed as an independent non-executive director of the Company in 2006. Mr Chung obtained a bachelor's degree in science from the University of Hong Kong and a master's degree in business administration from the Chinese University of Hong Kong. He is a fellow member of Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. He is a member of the National Committee of the 10th Chinese People's Political Consultative Conference, the Chairman of the Council of the City University of Hong Kong and a member of the Hong Kong Housing Authority. Currently, Mr Chung is an independent non-executive director of China Netcom Group Corporation (Hong Kong) Limited, Nine Dragons Paper (Holdings) Limited, Tai Shing International (Holdings) Limited, Hantec Investment Holdings Limited and Glorious Sun Enterprises Limited. Formerly, Mr Chung was the Chairman of the Hong Kong Housing Society and the Chief Executive of the Hong Kong Special Administrative Region Government Land Fund Trust. He was previously an executive director and the Chief Executive Officer of Shimao International Holdings Limited, an independent non-executive director of Stockmartnet Holdings Limited and Extrawell Pharmaceutical Holdings Limited.

Save as disclosed above, Mr Chung has not held any other directorships in listed public companies in the last three years.

As at 31 March 2006, Mr Chung does not hold any shares in the Company within the meaning of Part XV of the SFO. Mr Chung has no relationship with any directors, senior management, substantial or controlling shareholders of the Company.

Mr Chung has not entered into any service contract with the Company. He was appointed for a specific term of two years and ten months until 31 December 2008 but is subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company. He is entitled to a fixed annual remuneration of HK\$250,000 per annum for acting as an independent non-executive director, a member of the Audit Committee and a member of the Remuneration Committee of the Company, which is determined from time to time by the board of directors of the Company with reference to his duties and responsibilities.

Save as disclosed above, there is nothing required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the shareholders in connection with Mr Chung's re-election.