

## HUTCHISON WHAMPOA LIMITED

(Incorporated in Hong Kong with limited liability)

### CONNECTED TRANSACTIONS

The Directors announce that on 10 November 2003, Superdrug and H3GUK executed the Agreements pursuant to which H3GUK acquires a non-exclusive right to establish a retail presence in Superdrug's stores for sale of third generation mobile handsets, accessories and network subscriptions and such other related items and services as may be approved in writing by Superdrug from time to time in areas to be agreed within the UK. The Agreements contemplate concession agreements and sub-leases for between 300 and 500 of Superdrug's UK stores in main shopping areas to be entered into upon suitable stores being identified and requisite approvals or consents therefor having been obtained.

Superdrug is an indirect wholly owned subsidiary of the Company and H3GUK is wholly owned by H3G HoldCo, a non wholly owned subsidiary of the Company of which DoCoMo is a shareholder. DoCoMo is a connected person of the Company by virtue of it being (i) a substantial shareholder of H3G HoldCo, which is the immediate holding company of H3GUK and a subsidiary of the Company and (ii) a substantial shareholder of another non wholly owned subsidiary of the Company. The Agreements constitute connected transactions for the Company under Rule 14.25(1) of the Listing Rules insofar as DoCoMo is concerned.

As the aggregate amount of the consideration payable and expected to be payable by H3GUK pursuant to the Agreements and under concession agreements and sub-leases expected to be entered into pursuant to the Agreements for the year 2003 is within the *de-minimis* exemption in respect of connected transactions under Rule 14.25(1) of the Listing Rules, details of these arrangements are required to be disclosed in this announcement and will be included in the Company's next published annual report and accounts in accordance with Rule 14.25(1)(A) to (D) of the Listing Rules.

An application will be made by the Company to the Stock Exchange for a waiver, subject to the standard terms and conditions (including annual report disclosure), to disclose concession agreements and sub-leases to be entered into between Superdrug and H3GUK pursuant to the Agreements by way of press announcement as long as the aggregate annual consideration payable under these concession agreements and sub-leases on an annual basis falls within the *de-minimis* exemption as it applies to the Company under Rule 14.25(1) of the Listing Rules and that they are effected on normal commercial terms reached after arm's length negotiations.

#### THE AGREEMENTS

**Date:** 10 November 2003

**Parties:** Superdrug  
H3GUK

**Purpose:** Superdrug agrees to grant H3GUK a non-exclusive right to share occupation (and to enjoy certain rights ancillary to such occupation) of between 300 and 500 Superdrug stores in main shopping areas within the UK to be agreed for sale of third generation mobile handsets, accessories and network subscriptions and such other related items and services as may be approved in writing by Superdrug from time to time. Such right will continue until either party provides the other at least twelve (12) months' notice of its intention to determine. The Agreements contemplate concession agreements and sub-leases on normal commercial terms and negotiated on arms' length basis to be entered into by the same parties upon suitable stores being identified and requisite approvals or consents therefor having been obtained and reflecting then current rent, fees, rates, costs and charges to which Superdrug is subject for such stores. H3GUK agrees to pay Superdrug cash consideration in connection with the grant of such right and for the sharing of occupation (and enjoyment of certain rights ancillary to such occupation) on terms and conditions to be set out in the concession agreements and/or sub-leases and entered into from time to time between the same parties (the "**Consideration**"). The Consideration payable and expected to be payable by H3GUK under the Agreements and pursuant to concession agreements and sub-leases expected by both parties to be entered into pursuant to the Agreements for the year 2003 is within the *de-minimis* exemption in respect of connected transactions under Rule 14.25(1) of the Listing Rules.

#### REASONS FOR ENTERING INTO THE CONNECTED TRANSACTIONS

The Directors consider that the entering into of the Agreements to be in the interests of the Company as such arrangements will not only allow H3GUK to establish with great rapidity a retail presence in main shopping areas throughout the UK and give H3GUK an advantage in its drive to generate sales and to attract new subscribers for its third generation mobile service and related products but it will also generate further income and increase customer traffic for Superdrug's UK retail outlets.

The Directors, including the independent non executive Directors, consider that the Agreements are on normal commercial terms, which are arrived at after arm's length negotiations between the parties and are fair and reasonable insofar as the shareholders of the Company are concerned.

#### GENERAL

The Group operates and invests in five core businesses: ports and related services; telecommunications; property and hotels; retail and manufacturing and energy and infrastructure.

Superdrug is an indirect wholly owned subsidiary of the Company which operates the largest health and beauty chain with over 700 stores in England, Wales, Scotland and Northern Ireland.

H3GUK holds a third generation telecommunications licence in the UK and carries on the business of 3G mobile multimedia services in the UK. H3GUK is wholly owned by H3G HoldCo, a non wholly owned subsidiary of the Company of which DoCoMo is a shareholder. DoCoMo is a connected person of the Company by virtue of it being (i) a substantial shareholder of H3G HoldCo, which is the immediate holding company of H3GUK and a subsidiary of the Company and (ii) a substantial shareholder of another non wholly owned subsidiary of the Company. The Agreements constitute connected transactions for the Company under Rule 14.25(1) of the Listing Rules insofar as DoCoMo is concerned. As the aggregate amount of the Consideration payable and estimated to be payable by H3GUK under the Agreements and the concession agreements and sub-leases expected to be entered into pursuant to the Agreements for the year 2003 is within the *de-minimis* exemption in respect of connected transactions under Rule 14.25(1) of the Listing Rules, details of the Agreements are required to be disclosed in this announcement and will be included in the Company's next published annual report and accounts in accordance with Rule 14.25(1)(A) to (D) of the Listing Rules.

An application will be made by the Company to the Stock Exchange for a waiver, subject to the standard terms and conditions (including annual report disclosure), to disclose further concession agreements and sub-leases to be entered into from time to time between H3GUK and Superdrug pursuant to the Agreements as long as the aggregate consideration payable under such agreements on an annual basis falls within the *de-minimis* exemption as it applies to the Company under Rule 14.25(1) of the Listing Rules and that they are effected on normal commercial terms reached after arm's length negotiations.

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"Company"	Hutchison Whampoa Limited, a limited liability company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange
"Directors"	the directors of the Company
"DoCoMo"	NTT DoCoMo, Inc., a company incorporated in Japan
"Group"	the Company and its subsidiaries
"H3G HoldCo"	Hutchison 3G UK Holdings Limited, a company registered in England and Wales and indirectly owned as to 65% by the Company, indirectly owned as to 20% by DoCoMo and as to the balance by a party who is a connected person (as such term is defined in the Listing Rules) only by virtue of its 15% interest in H3G HoldCo
"H3GUK"	Hutchison 3G UK Limited, a company registered in England and Wales and a wholly owned subsidiary of H3G HoldCo
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder"	shall have the meaning ascribed to it under the Listing Rules
"Superdrug"	Superdrug Stores plc, a company registered in England and Wales and an indirect wholly owned subsidiary of the Company
"UK"	United Kingdom

By Order of the Board

**Edith Shih**  
Company Secretary

Hong Kong, 10 November 2003

**Hutchison Whampoa Limited**



*Please also refer to the published version of this announcement in The Standard and Sing Tao Daily.*