
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Hutchison Whampoa Limited, you should at once hand this circular and the accompanying 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.

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Hutchison Whampoa Limited



(incorporated in Hong Kong with limited liability)

(Stock Code: 13)

**PROPOSALS FOR
RE-ELECTION OF RETIRING DIRECTORS
AND
GENERAL MANDATES TO ISSUE SHARES
AND REPURCHASE SHARES
AND
CONTINUING CONNECTED TRANSACTIONS
NOTICE OF ANNUAL GENERAL MEETING**

**Independent financial adviser to
the Independent Board Committee and the Independent Shareholders**



SOMERLEY LIMITED

The notice convening the Annual General Meeting of Hutchison Whampoa Limited to be held at the Ballroom, 1st Floor, Harbour Grand Kowloon, 20 Tak Fung Street, Hung Hom, Kowloon, Hong Kong on Thursday, 27 May 2010 at 12:00 noon at which the above proposals will be considered is set out on pages 49 to 54 of this circular. Whether or not you are able to attend the meeting, please complete and return the relevant form of proxy as instructed as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting to the registered office of the Company at 22nd Floor, Hutchison House, 10 Harcourt Road, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you so wish.

26 April 2010

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RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of providing information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

DEFINITIONS

In this circular, unless otherwise defined or the context otherwise requires, the following expressions have the following meanings:

“2009 CCT Approval”	the approval sought and obtained from the then independent Shareholders at the extraordinary general meeting of the Company held on 21 May 2009 for possible acquisition of the Connected Debt Securities pursuant to the 2009 Master Agreements and subject to the limitations set out in the 2009 Master Agreements and the resolution seeking the same;
“2009 Master Agreements”	(i) the master agreement dated 17 April 2009 and made between the Company and CKH setting out the basis upon which the CKH Connected Debt Securities may be issued by the CKH Connected Issuers and acquired by the Company or its wholly owned subsidiaries; and (ii) the master agreement dated 17 April 2009 and made between the Company and HSE setting out the basis upon which the HSE Connected Debt Securities may be issued by the HSE Connected Issuers and acquired by the Company or its wholly owned subsidiaries;
“AGM”	the annual general meeting of the Company convened to be held on Thursday, 27 May 2010 at 12:00 noon at the Ballroom, 1st Floor, Harbour Grand Kowloon, 20 Tak Fung Street, Hung Hom, Kowloon, Hong Kong, notice of which is set out on pages 49 to 54 of this circular and any adjournment thereof;
“Articles of Association”	the Articles of Association of the Company;
“associate(s)”	has the meaning ascribed thereto under the Listing Rules;
“Board”	the board of Directors;
“CCT Approval”	the approval to be sought from the Independent Shareholders at the AGM for the possible acquisition of Connected Debt Securities pursuant to the relevant Master Agreements and subject to the limitations set out in the Master Agreements and the proposed resolutions seeking the same;
“CCT Relevant Period”	the period from the obtaining of the CCT Approval until the earlier of: (i) the conclusion of the next annual general meeting of the Company; and (ii) the date on which the authority set out in the CCT Approval is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company;
“CKH”	Cheung Kong (Holdings) Limited, a company incorporated in Hong Kong with limited liability, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1), the controlling shareholder and a connected person of the Company;
“CKH Connected Debt Securities”	such bonds, notes, commercial paper or other similar debt instruments as are or to be issued by any of the CKH Connected Issuers pursuant to the CKH Master Agreement;
“CKH Connected Issuers”	the issuers of the CKH Connected Debt Securities, being CKH or any of its subsidiaries;

DEFINITIONS

“CKH Master Agreement”	the master agreement dated 20 April 2010 and made between the Company and CKH setting out the basis upon which the CKH Connected Debt Securities may be issued by the CKH Connected Issuers and acquired by the Company or its wholly owned subsidiaries;
“CKH Net Connected Debt Securities Position”	on any day during the CCT Relevant Period means (i) the aggregate gross purchase price paid in respect of the CKH Connected Debt Securities held by the Connected Debt Purchasers at the commencement of the CCT Relevant Period, if any; (ii) the aggregate gross purchase price paid in respect of the CKH Connected Debt Securities acquired by the Connected Debt Purchasers prior to such date during the CCT Relevant Period, if any; and (iii) the aggregate gross purchase price in respect of the CKH Connected Debt Securities of a particular issue proposed to be acquired by the Connected Debt Purchasers on such day; less (iv) the aggregate net sale proceeds in respect of CKH Connected Debt Securities sold by the Connected Debt Purchasers prior to such date during the CCT Relevant Period; any amount(s) in foreign currency for the above calculations shall be converted into HK\$ at exchange rate(s) quoted by Bloomberg as at 5:00 p.m. in Hong Kong on the day immediately preceding such date;
“Companies Ordinance”	the Companies Ordinance (Cap 32 of the Laws of Hong Kong);
“Company”	Hutchison Whampoa Limited, a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 13);
“Connected Debt Securities”	either CKH Connected Debt Securities or HSE Connected Debt Securities, as the context may require;
“Connected Debt Securities Purchaser”	the Company or any of its wholly owned subsidiaries which is designated as the purchaser of Connected Debt Securities as contemplated under either the CKH Master Agreement or the HSE Master Agreement, and “Connected Debt Securities Purchasers” shall be construed accordingly;
“Connected Issuer”	either a CKH Connected Issuer or an HSE Connected Issuer, as the case may be, and “Connected Issuers” shall be construed accordingly;
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“General Mandate”	the general mandate to issue and dispose of additional Shares;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of The People’s Republic of China;

DEFINITIONS

“HSE”	Husky Energy Inc, a corporation incorporated under the laws of Alberta, Canada whose securities are listed on the Toronto Stock Exchange under the symbol HSE, and a connected person of the Company;
“HSE Connected Debt Securities”	such bonds, notes, commercial paper or other similar debt instruments as are or to be issued by any of the HSE Connected Issuers pursuant to the HSE Master Agreement;
“HSE Connected Issuers”	the issuers of the HSE Connected Debt Securities, being HSE or any of its subsidiaries;
“HSE Master Agreement”	the master agreement dated 20 April 2010 and made between the Company and HSE setting out the basis upon which the HSE Connected Debt Securities may be issued by the HSE Connected Issuers and acquired by the Company or its wholly owned subsidiaries;
“HSE Net Connected Debt Securities Position”	on any day during the CCT Relevant Period means (i) the aggregate gross purchase price paid in respect of the HSE Connected Debt Securities held by the Connected Debt Purchasers at the commencement of the CCT Relevant Period, if any; (ii) the aggregate gross purchase price paid in respect of the HSE Connected Debt Securities acquired by the Connected Debt Purchasers prior to such date during the CCT Relevant Period, if any; and (iii) the aggregate gross purchase price in respect of the HSE Connected Debt Securities of a particular issue proposed to be acquired by the Connected Debt Purchasers on such date; less (iv) the aggregate net sale proceeds in respect of HSE Connected Debt Securities sold by the Connected Debt Purchasers prior to such date during the CCT Relevant Period; any amount(s) in foreign currency for the above calculations shall be converted into HK\$ at exchange rate(s) quoted by Bloomberg as at 5:00 p.m. in Hong Kong on the day immediately preceding such date;
“Independent Board Committee”	an independent committee of the Board, comprising of all the Independent Non-executive Directors, namely, The Hon Sir Michael David KADOORIE, Messrs Holger KLUGE, Margaret LEUNG KO May Yee and WONG Chung Hin, established to provide a recommendation to the Independent Shareholders based on the advice from the Independent Financial Adviser in relation to the respective terms of the Master Agreements and the CCT Approval;
“Independent Financial Adviser” or “Sommerley”	Sommerley Limited, a corporation licensed to carry out business in type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under SFO, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the respective terms of the Master Agreements and the CCT Approval;

DEFINITIONS

“Independent Shareholders”	in relation to a Master Agreement, Shareholders who do not have any material interests in such Master Agreement other than by virtue of their respective shareholdings in the Company;
“Latest Practicable Date”	22 April 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Master Agreements”	collectively the CKH Master Agreement and the HSE Master Agreement, and a “Master Agreement” shall be construed accordingly;
“Memorandum”	the Memorandum of Association of the Company;
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers;
“percentage ratio(s)”	has the meaning ascribed thereto under the Listing Rules;
“Repurchase Mandate”	the general mandate to repurchase Shares;
“Retiring Directors”	the Directors retiring at the AGM and, being eligible, are offering themselves for re-election at the AGM, in accordance with the Articles of Association;
“SFO”	the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time;
“Share(s)”	ordinary share(s) of par value HK\$0.25 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	the Code on Takeovers and Mergers.

For the purpose of this circular and for reference only, an exchange rate of US\$1.00 to HK\$7.7631 is adopted.

LETTER FROM THE BOARD

Hutchison Whampoa Limited



(incorporated in Hong Kong with limited liability)
(Stock Code: 13)

Directors:

LI Ka-shing, *Chairman*
LI Tzar Kuoi, Victor, *Deputy Chairman*
FOK Kin-ning, Canning, *Group Managing Director*
CHOW WOO Mo Fong, Susan
Deputy Group Managing Director
Frank John SIXT, *Group Finance Director*
LAI Kai Ming, Dominic, *Executive Director*
KAM Hing Lam, *Executive Director*
Michael David KADOORIE, *Independent Non-executive Director*
Holger KLUGE, *Independent Non-executive Director*
Margaret LEUNG KO May Yee,
Independent Non-executive Director
George Colin MAGNUS, *Non-executive Director*
William Elkin MOCATTA
(Alternate to Michael David Kadoorie)
William SHURNIAK, *Non-executive Director*
WONG Chung Hin, *Independent Non-executive Director*

Registered Office:

22nd Floor, Hutchison House
10 Harcourt Road
Hong Kong

26 April 2010

To the Shareholders

**PROPOSALS FOR
RE-ELECTION OF RETIRING DIRECTORS
AND
GENERAL MANDATES TO ISSUE SHARES
AND REPURCHASE SHARES
AND
CONTINUING CONNECTED TRANSACTIONS
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The Company will propose at the AGM resolutions to, inter alia, (i) re-elect the Retiring Directors; (ii) grant to the Directors the General Mandate and the Repurchase Mandate upon the expiry of the current general mandates to issue Shares and repurchase Shares granted to the Directors at the annual general meeting held on 21 May 2009; and (iii) approve the entering into of the respective Master Agreements and grant the CCT Approval.

The purpose of this circular is to provide you with further information on resolutions to be proposed at the AGM and to give you notice of the AGM at which the resolutions will be proposed to consider and, if thought fit, approve such matters.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 85 and 91 of the Articles of Association, Mr Li Tzar Kuoi, Victor, Mr Frank John Sixt, The Hon Sir Michael David Kadoorie, Mr George Colin Magnus and Mrs Margaret Leung Ko May Yee will retire at the AGM and, being eligible, will offer themselves for re-election at the AGM. Information on the Retiring Directors who are proposed to be re-elected at the AGM as required to be disclosed under the Listing Rules is set out in Appendix I to this circular.

GENERAL MANDATE AND REPURCHASE MANDATE

At the annual general meeting of the Company held on 21 May 2009, ordinary resolutions were passed to grant general mandates to the Directors (i) to issue and dispose of additional Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of approving the relevant resolution and the nominal amount (up to a maximum of 10% of the aggregate nominal amount of the Company's then issued share capital) of any Shares repurchased by the Company; and (ii) to repurchase, inter alia, Shares, the aggregate nominal amount of which does not exceed 10% of the aggregate nominal amount of the issued share capital of the Company in issue as at the date of approving the relevant resolution.

These general mandates will expire at the conclusion of the AGM. Resolutions will be proposed at the AGM to grant the General Mandate and the Repurchase Mandate to the Directors. With reference to these resolutions, the Directors wish to state that they have no immediate plans to repurchase any Shares or to issue any new Shares pursuant to the relevant mandates.

An explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix II to this circular.

CONTINUING CONNECTED TRANSACTIONS

Introduction

On 20 April 2010, the Directors announced that the Company had entered into the CKH Master Agreement and the HSE Master Agreement pursuant to which the Company or its wholly owned subsidiaries may acquire the respective Connected Debt Securities issued by the respective Connected Issuers. The Connected Issuers are connected persons of the Company by virtue of being either a substantial Shareholder, an associate of a substantial Shareholder or an associate of a Director. The transactions underlying the CKH Master Agreement or the HSE Master Agreement will constitute continuing connected transactions for the Company which are subject to the reporting, announcement and independent shareholders' approval requirements of the Listing Rules if these transactions, on an aggregated basis, are in excess of the percentage ratios of the Company under the Listing Rules.

The purpose of this circular is to provide Shareholders with, amongst others, further details of the Master Agreements and to give notice of the AGM to Shareholders to consider and, if thought fit, to approve the entering into of the Master Agreements on the terms of the CCT Approval.

LETTER FROM THE BOARD

Master Agreements

(1) CKH Master Agreement

Parties: Company
CKH

Date: 20 April 2010

Subject matter: The parties agree that the Company or its wholly owned subsidiaries may acquire in the secondary market the CKH Connected Debt Securities issued by the CKH Connected Issuers subject to (i) the Company obtaining all applicable approvals (including the CCT Approval, if applicable), and (ii) the entering into of separate contracts from time to time during the CCT Relevant Period in forms and on terms to be agreed between Connected Debt Securities Purchaser(s) and third parties (such as banks, debt securities dealers and institutional investors) who are independent of the Group. By entering into the CKH Master Agreement, no CKH Connected Issuer is under any obligation to issue, and none of the Company and its subsidiaries is under any obligation to acquire, any CKH Connected Debt Securities.

Pursuant to the CKH Master Agreement, any acquisition of the CKH Connected Debt Securities will be made on normal commercial terms including the consideration which will be determined with reference to market prices quoted on financial data providers (such as Bloomberg), which will be updated from time to time to reflect the ask/bid prices quoted by independent third parties (such as banks, debt securities dealers and institutional investors) having regard to the prevailing credit spread, market liquidity and counterparty risks, and, where applicable, accrued coupons of the CKH Connected Debt Securities and will be settled in accordance with such terms of the CKH Connected Issuers as may be applicable from time to time. For the other terms of the CKH Connected Debt Securities, they would have been determined by the relevant CKH Connected Issuers at the time such securities were first issued.

The cap applicable to the transactions contemplated under the CKH Master Agreement and effected during the CCT Relevant Period shall be subject to the limitations more particularly set out below.

The limitations pursuant to which the CCT Approval is granted include the following:

- (a) the aggregate gross purchase price of the CKH Connected Debt Securities of a particular issue held and proposed to be acquired by Connected Debt Securities Purchasers during the CCT Relevant Period pursuant to the CCT Approval sought shall not exceed 20% of the aggregate value of the subject issue and all outstanding CKH Connected Debt Securities of the same issuer with the same maturity or shorter maturities;

LETTER FROM THE BOARD

- (b) the aggregate amount of the CKH Net Connected Debt Securities Position and the HSE Net Connected Debt Securities Position at any time during the CCT Relevant Period shall not exceed HK\$22,580 million being approximately 20% of the Company's "net liquid assets" as at 31 December 2009 (the "Reference Date"). For this purpose, the Company's "net liquid assets" as at the Reference Date shall mean the aggregate value of cash, deposits and marketable securities held by the Company or any entity which is accounted for and consolidated in the accounts of the Company as subsidiaries as at the Reference Date less the aggregate value of any such assets which are subject to pledges or other encumbrances as at the Reference Date. The above formulation was determined as the cap for any acquisition of the Connected Debt Securities to avoid any undue concentration in a single issue of Connected Debt Securities and to achieve a reasonable degree of diversification, which is in line with the market practice as opined by the Independent Financial Adviser. For information purpose only, as at 31 December 2009, the aggregate amount of the CKH Net Connected Debt Securities Position and the HSE Net Connected Debt Securities Position amounted to US\$91,608,600 (or approximately HK\$711 million);
- (c) the CKH Connected Debt Securities shall be (i) listed for trading on a recognised exchange, (ii) offered to qualified institutional buyers in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended, (iii) offered to persons outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, or (iv) offered pursuant to an issue where the aggregate value of such issue and all other outstanding CKH Connected Debt Securities of the same issuer is no less than US\$500 million (or approximately HK\$3,882 million) or its equivalent in other currencies permitted under paragraph (1)(f) below, and in all cases the CKH Connected Debt Securities shall be acquired by the Company or any of its wholly owned subsidiaries only from the secondary market and on normal commercial terms arrived at after arm's length negotiations;
- (d) the CKH Connected Debt Securities shall be of at least investment grade or its equivalent;
- (e) the CKH Connected Debt Securities shall not include zero coupon instruments or instruments with any imbedded option, right to convert into or exchange for any form of equity interest or derivative;

LETTER FROM THE BOARD

- (f) the CKH Connected Debt Securities shall be issued in any of the following currencies, Hong Kong dollars, the United States dollars, Canadian dollars or such other currency as the Directors who have no material interest in the proposed acquisition of CKH Connected Debt Securities consider in their reasonable opinion as posing a risk acceptable to the Group having regard to the Group's assets and businesses from time to time; and
- (g) the CKH Connected Debt Securities shall have maturity not in excess of 15 years.

Term: The term of the CKH Master Agreement is for duration of the CCT Relevant Period, unless terminated earlier in accordance with the CKH Master Agreement.

(2) HSE Master Agreement

Parties: Company
HSE

Date: 20 April 2010

Subject matter: The parties agree that the Company or its wholly owned subsidiaries may acquire in the secondary market the HSE Connected Debt Securities issued by the HSE Connected Issuers subject to (i) the Company obtaining all applicable approvals (including the CCT Approval, if applicable), and (ii) the entering into of separate contracts from time to time during the CCT Relevant Period in forms and on terms to be agreed between Connected Debt Securities Purchaser(s) and third parties (such as banks, debt securities dealers and institutional investors) who are independent of the Group. By entering into the HSE Master Agreement, no HSE Connected Issuer is under any obligation to issue, and none of the Company and its subsidiaries is under any obligation to acquire, any HSE Connected Debt Securities.

Pursuant to the HSE Master Agreement, any acquisition of the HSE Connected Debt Securities will be made on normal commercial terms including the consideration which will be determined with reference to market prices quoted on financial data providers (such as Bloomberg), which will be updated from time to time to reflect the ask/bid prices quoted by independent third parties (such as banks, debt securities dealers and institutional investors) having regard to the prevailing credit spread, market liquidity and counterparty risks, and, where applicable, accrued coupons of the HSE Connected Debt Securities and will be settled in accordance with such terms of the HSE Connected Issuers as may be applicable from time to time. For the other terms of the HSE Connected Debt Securities, they would have been determined by the relevant HSE Connected Issuers at the time such securities were first issued.

The cap applicable to the transactions contemplated under the HSE Master Agreement and effected during the CCT Relevant Period shall be subject to limitations more particularly set out below.

LETTER FROM THE BOARD

The limitations pursuant to which the CCT Approval is granted include the following:

- (a) the aggregate gross purchase price of the HSE Connected Debt Securities of a particular issue held and proposed to be acquired by Connected Debt Securities Purchasers during the CCT Relevant Period pursuant to the CCT Approval sought shall not exceed 20% of the aggregate value of the subject issue and all outstanding HSE Connected Debt Securities of the same issuer with the same maturity or shorter maturities;
- (b) the aggregate amount of the HSE Net Connected Debt Securities Position and the CKH Net Connected Debt Securities Position at any time during the CCT Relevant Period shall not exceed HK\$22,580 million being approximately 20% of the Company's "net liquid assets" as at 31 December 2009 (the "Reference Date"). For this purpose, the Company's "net liquid assets" as at the Reference Date shall mean the aggregate value of cash, deposits and marketable securities held by the Company or any entity which is accounted for and consolidated in the accounts of the Company as subsidiaries as at the Reference Date less the aggregate value of any such assets which are subject to pledges or other encumbrances as at the Reference Date. The above formulation was determined as the cap for any acquisition of the Connected Debt Securities to avoid any undue concentration in a single issue of Connected Debt Securities and to achieve a reasonable degree of diversification, which is in line with the market practice as opined by the Independent Financial Adviser. For information purpose only, as at 31 December 2009, the aggregate amount of the HSE Net Connected Debt Securities Position and the CKH Net Connected Debt Securities Position amounted to US\$91,608,600 (or approximately HK\$711 million);
- (c) the HSE Connected Debt Securities shall be (i) listed for trading on a recognised exchange, (ii) offered to qualified institutional buyers in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended, (iii) offered to persons outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, or (iv) offered pursuant to an issue where the aggregate value of such issue and all other outstanding HSE Connected Debt Securities of the same issuer is no less than US\$500 million (or approximately HK\$3,882 million) or its equivalent in other currencies permitted under paragraph 2(f) below, and in all cases the HSE Connected Debt Securities shall be acquired by the Company or any of its wholly owned subsidiaries only from the secondary market and on normal commercial terms arrived at after arm's length negotiations;
- (d) the HSE Connected Debt Securities shall be of at least investment grade or its equivalent;
- (e) the HSE Connected Debt Securities shall not include zero coupon instruments or instruments with any imbedded option, right to convert into or exchange for any form of equity interest or derivative;

LETTER FROM THE BOARD

- (f) the HSE Connected Debt Securities shall be issued in any of the following currencies, Hong Kong dollars, the United States dollars, Canadian dollars or such other currency as the Directors who have no material interest in the proposed acquisition of HSE Connected Debt Securities consider in their reasonable opinion as posing a risk acceptable to the Group having regard to the Group's assets and businesses from time to time; and
- (g) the HSE Connected Debt Securities shall have maturity not in excess of 15 years.

Term: The term of the HSE Master Agreement is for duration of the CCT Relevant Period, unless terminated earlier in accordance with the HSE Master Agreement.

Reasons for, and benefits of, the Continuing Connected Transactions

It is one of the core businesses of the Group to be engaged in finance and investments activities and the Group has consistently applied conservative treasury policies in its cash and financial management. Since the returns available on surplus liquidity have continued to remain low, it is prudent to include the possibility of investing in longer dated instruments, particularly corporate bonds of good quality as part of the Group's investment and treasury strategy. The Directors consider it to be in the interests of the Company and the Shareholders as a whole to have the flexibility of being able to invest in debt securities issued by corporations which may be classified as connected persons of the Company, as among other things, the Directors are more familiar with the business, management and credit standing of such companies than they would normally be for arms' length companies. As it would be imprudent to put all or even a majority of Group's liquidity into such debt securities, protections and limitations are proposed in the Master Agreements and in the resolutions for the CCT Approval to be sought from the Independent Shareholders with a view to setting a sound framework for a liquidity investment policy applicable to Connected Debt Securities which may be acquired in the CCT Relevant Period which should improve the Group's returns while keeping increased risks within prudent limits.

Listing Rules Implications

The Connected Issuers are connected persons of the Company by virtue of being either a substantial Shareholder, an associate of a substantial Shareholder or an associate of a Director. The transactions underlying the CKH Master Agreement and the HSE Master Agreement will constitute continuing connected transactions for the Company which are subject to the reporting, announcement and independent shareholders' approval requirements of the Listing Rules if these transactions, on an aggregated basis, are in excess of the percentage ratios of the Company under the Listing Rules.

By virtue of their respective interests in the Master Agreements, CKH, Messrs Li Ka-shing and Li Tzar Kuoi, Victor and their respective associates will abstain from voting at the AGM on the relevant resolution proposed to be passed to approve the relevant Master Agreement and grant the CCT Approval. As at the Latest Practicable Date, CKH and its associates were together interested in 2,130,202,773 Shares (representing approximately 49.97% of the voting rights of the Company) while Messrs Li and their respective associates were together interested in 2,212,910,543 Shares (representing approximately 51.91% of the voting rights of the Company). The votes of the Independent Shareholders at the AGM will be taken by poll.

LETTER FROM THE BOARD

Any acquisition of Connected Debt Securities will also constitute a “transaction” for the Company within the meaning ascribed to that term in Listing Rule 14.04(1)(a). The Company will comply with any applicable and outstanding requirements prescribed by the Listing Rules prevailing at the time on any acquisition of Connected Debt Securities made pursuant to and in accordance with the respective Master Agreements.

Additional Information

Your attention is drawn to (i) the letter from the Independent Board Committee set out in Appendix III to this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders regarding the respective terms of the Master Agreements and the CCT Approval; and (ii) the letter from the Independent Financial Adviser set out in Appendix IV to this circular which contains, among other things, its advice to the Independent Board Committee and the Independent Shareholders in respect of the respective terms of the Master Agreements and the CCT Approval. Your attention is also drawn to the additional information set out in Appendix V to this circular.

AGM

Notice convening the AGM is set out on pages 49 to 54 of this circular. Form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM, please complete the form of proxy as instructed and sign and return the same to the Company Secretary at the registered office of the Company at 22nd Floor, Hutchison House, 10 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting. You can still attend and vote at the AGM even if you have completed and sent in the proxy form.

Pursuant to Article 58 of the Articles of Association, 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 by:

- (i) the chairman of the meeting; or
- (ii) not less than five members present in person or by proxy and entitled to vote; or
- (iii) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) a member or members present in person or by proxy and holding Shares 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 the Shares conferring that right.

Pursuant to Listing Rule 13.39(4), any vote of shareholders at a general meeting must be taken by poll. The Chairman of the AGM will exercise his power under Article 58 of the Articles of Association to put each of the resolutions to be proposed at the AGM to the vote by way of a poll.

LETTER FROM THE BOARD

RECOMMENDATION

The Board believes that the proposals mentioned above, including the proposals for re-election of the Retiring Directors and the granting of the General Mandate and the Repurchase Mandate are all in the interests of the Company and the Shareholders. Accordingly, the Directors recommend you to vote in favour of the ordinary resolutions to approve the re-election of the Retiring Directors and the granting of the General Mandate and the Repurchase Mandate to be proposed at the AGM.

The Board (other than the Director(s) who has or have material interest in the relevant Master Agreement(s) and has or have accordingly abstained from voting on such matter but including the Independent Non-executive Directors having regard to the advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders) considers the terms of the Master Agreements and the CCT Approval to be fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Board is also of the view that any acquisition of Connected Debt Securities made as contemplated in and subject to the terms of the Master Agreements will be on normal commercial terms. The Independent Board Committee has been established to give a recommendation to the Independent Shareholders based on the advice of the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the terms of the Master Agreements and the CCT Approval. Somerley has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the respective terms of the Master Agreements and the CCT Approval. The Independent Board Committee, having taken into account the respective terms of the Master Agreements and the CCT Approval and the advice of Somerley, considers the respective terms of the Master Agreements and the CCT Approval to be fair and reasonable and in the interests of the Company and the Shareholders as a whole and accordingly recommends that you vote in favour of the ordinary resolutions to approve the entering into of the respective Master Agreements and grant the CCT Approval to be proposed at the AGM.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Master Agreements will be available for inspection by Shareholders at the Company's registered office at 22nd Floor, Hutchison House, 10 Harcourt Road, Hong Kong from 9:00 a.m. to 5:00 p.m. on any weekday (Saturdays and public holidays excepted) for a period of 14 days from the date of this circular.

Yours faithfully
For and on behalf of the Board

FOK Kin-ning, Canning
Group Managing Director

The following is the information, as required to be disclosed by the Listing Rules, on the Retiring Directors proposed to be re-elected at the AGM.

(1) Li Tzar Kuoi, Victor, BSc, MSc, LL.D (Hon)

Mr Li, aged 45, has been Executive Director and Deputy Chairman of the Company since 1995 and 1999 respectively. He holds a Bachelor of Science degree in Civil Engineering, a Master of Science degree in Structural Engineering and an honorary degree, Doctor of Laws, *honoris causa* (LL.D.). Mr Li serves as a member of the Standing Committee of the 11th National Committee of the Chinese People's Political Consultative Conference of the People's Republic of China. He is also a member of the Commission on Strategic Development, the Greater Pearl River Delta Business Council and the Council for Sustainable Development of the Hong Kong Special Administrative Region, and vice chairman of the Hong Kong General Chamber of Commerce. Mr Li is the Honorary Consul of Barbados in Hong Kong.

In addition, he is chairman of Cheung Kong Infrastructure Holdings Limited ("CKI", whose shares are listed on the Main Board of the Stock Exchange) and CK Life Sciences Int'l., (Holdings) Inc. ("CKLS", whose shares are listed on the Main Board of the Stock Exchange) and managing director and deputy chairman of CKH which is a substantial Shareholder within the meaning of Part XV of the SFO. He is also co-chairman of HSE, executive director of Hongkong Electric Holdings Limited ("HEH", whose shares are listed on the Main Board of the Stock Exchange) and a director of The Hongkong and Shanghai Banking Corporation Limited.

Mr Li Tzar Kuoi, Victor is the son of Mr Li Ka-shing, Chairman of the Company, and the nephew of Mr Kam Hing Lam, Executive Director of the Company. He is also director of Continental Realty Limited ("CRL"), Honourable Holdings Limited ("HHL"), Winbo Power Limited ("WPL"), Polycourt Limited ("PL") and Well Karin Limited ("WKL"). CRL is a substantial Shareholder within the meaning of Part XV of the SFO and HHL, WPL, PL and WKL are companies which have interests in the Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO. For the purposes of the SFO, Li Ka-Shing Unity Trustee Corporation Limited ("TDT1") as trustee of The Li Ka-Shing Unity Discretionary Trust ("DT1"), Li Ka-Shing Unity Trustcorp Limited ("TDT2") as trustee of another discretionary trust ("DT2"), and Li Ka-Shing Unity Trustee Company Limited ("TUT1") as trustee of The Li Ka-Shing Unity Trust ("UT1") in which each of TDT1 and TDT2 holds units, are also substantial Shareholders. The discretionary beneficiaries of each of DT1 and DT2 include, *inter alia*, Mr Li Tzar Kuoi, Victor, his wife and children. Mr Li also holds directorships in certain companies controlled by certain substantial Shareholders. Save as disclosed above, Mr Li does not have any relationship with any other Directors, senior management, substantial or controlling Shareholders of the Company.

As at the Latest Practicable Date, Mr Li had corporate interests in 1,086,770 Shares and other interests in 2,141,698,773 Shares, in aggregate representing approximately 50.2604% of the issued share capital of the Company, within the meaning of Part XV of the SFO. There is no service contract entered into between the Company and Mr Li, and the term of his service as a Director is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. He is entitled to a director's fee of HK\$120,000 per annum (or a pro rata amount for the duration of his directorship for an incomplete year and subject to review by the Board from time to time). Such emoluments are determined with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Mr Li previously held directorship in Star River Investment Limited ("Star River") (*ceased to act as director on 4 June 2005*), a company owned as to 50% by CKH with its place of incorporation in Hong Kong and active in acquiring property for development. Star River commenced creditors' voluntary winding up on 28 September 2004, with a wholly owned subsidiary of CKH being the petitioning creditor. The amount involved in the winding up was HK\$17,259,710.34 and Star River was dissolved on 4 June 2005.

Save as disclosed above, there are no other matters concerning Mr Li Tzar Kuoi, Victor that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Listing Rule 13.51(2).

(2) Frank John SIXT, MA, LLL

Mr Sixt, aged 58, has been Executive Director and Group Finance Director of the Company since 1991 and 1998 respectively. He holds a Master's degree in Arts and a Bachelor's degree in Civil Law, and is a member of the Bar and of the Law Society of the Provinces of Quebec and Ontario, Canada.

Mr Sixt is the non-executive chairman of TOM Group Limited ("TOM", whose shares are listed on the Main Board of the Stock Exchange) and TOM Online Inc. (whose shares were previously listed on the Growth Enterprise Market of the Stock Exchange). He is also an executive director of CKI and HEH, a non-executive director of Hutchison Telecommunications Hong Kong Holdings Limited ("HTHKH", whose shares are listed on the Main Board of the Stock Exchange) and Hutchison Telecommunications International Limited ("HTIL", whose shares are listed on the Main Board of the Stock Exchange and its American depository shares are listed on New York Stock Exchange, Inc.), a director and an alternate director of Hutchison Telecommunications (Australia) Limited ("HTAL", whose shares are listed on Australian Securities Exchange Limited) and a director of HSE. He was previously a director of Partner Communications Company Ltd. (whose shares are listed on the Tel-Aviv Stock Exchange and were previously traded on the London Stock Exchange and its American depository shares are quoted on the US NASDAQ) (*resigned on 28 October 2009*).

In addition, Mr Sixt is a non-executive director of CKH and a director of TUT1 as trustee of UT1, TDT1 as trustee of DT1 and TDT2 as trustee of DT2, all being substantial Shareholders within the meaning of Part XV of the SFO. He also holds directorships in certain companies controlled by such substantial Shareholders. Save as disclosed above, Mr Sixt does not have any relationship with any other Directors, senior management, substantial or controlling Shareholders of the Company.

As at the Latest Practicable Date, Mr Sixt had personal interests in 50,000 Shares, representing approximately 0.0012% of the issued share capital of the Company within the meaning of Part XV of the SFO. The term of his service as a Director is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. He is entitled to a director's fee of HK\$120,000 per annum (or a pro rata amount for the duration of his directorship for an incomplete year and subject to review by the Board from time to time). The emoluments specified in the service agreement appointing Mr Sixt as the Group Finance Director of the Company are HK\$7,523,520 per annum and such amount of discretionary bonus which the Company may decide to pay. Such emoluments are determined with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there are no other matters concerning Mr Frank John Sixt that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Listing Rule 13.51(2).

(3) The Hon Sir Michael David KADOORIE, GBS, LLD (Hon), DSc (Hon), Officier de la Légion d'Honneur, Commandeur de l'Ordre de Léopold II, Commandeur de l'Ordre des Arts et des Lettres

The Hon Sir Michael Kadoorie, aged 68, has been a Director of the Company since 1995 and is currently an Independent Non-executive Director of the Company. He is the chairman of CLP Holdings Limited (whose shares are listed on the Main Board of the Stock Exchange) and The Hongkong and Shanghai Hotels, Limited (whose shares are listed on the Main Board of the Stock Exchange), as well as Heliservices (Hong Kong) Limited. He is also an alternate director of Hong Kong Aircraft Engineering Company Limited (whose shares are listed on the Main Board of the Stock Exchange) and holds a number of directorships in other companies and organisations.

The Hon Sir Michael Kadoorie does not have any relationship with any other Directors, senior management, substantial or controlling Shareholders of the Company.

As at the Latest Practicable Date, The Hon Sir Michael Kadoorie had other interests in 15,984,095 Shares, representing approximately 0.3749% of the issued share capital of the Company within the meaning of Part XV of the SFO. There is a service agreement entered into between the Company and The Hon Sir Michael Kadoorie for the appointment of The Hon Sir Michael Kadoorie as an Independent Non-executive Director of the Company for an initial term of 12 months ended on 31 December 2005 which will be automatically renewed for successive 12-month periods, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. The director's fee specified in the service agreement is HK\$120,000 per annum (or a pro rata amount for the duration of his directorship for an incomplete year and subject to review by the Board from time to time). Such emoluments are determined with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there are no other matters concerning The Hon Sir Michael Kadoorie that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Listing Rule 13.51(2).

(4) George Colin MAGNUS, OBE, BBS, MA

Mr Magnus, aged 74, has been a Director of the Company since 1980. He served as Deputy Chairman of the Company from 1984 to 1993, and is currently a Non-executive Director of the Company. He is also a non-executive director of CKI and HEH. He holds a Master's degree in Economics.

In addition, he is a non-executive director of CKH, a substantial Shareholder within the meaning of Part XV of the SFO. Save as disclosed above, Mr Magnus does not have any relationship with any other Directors, senior management, substantial or controlling Shareholders of the Company.

As at the Latest Practicable Date, Mr Magnus had personal interests in 40,000 Shares, family interest in 9,900 Shares and other interests in 950,100 Shares, in aggregate representing approximately 0.0235% of the issued share capital of the Company within the meaning of Part XV of the SFO. There is a service agreement entered into between the Company and Mr Magnus for the appointment of Mr Magnus as a Non-executive Director of the Company for an initial term ended on 31 December 2005 which will be automatically renewed for successive 12-month periods, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. The director's fee specified in the service agreement is HK\$120,000 per annum (or a pro rata amount for the duration of his directorship for an incomplete year and subject to review by the Board from time to time). Such emoluments are determined with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there are no other matters concerning Mr George Colin Magnus that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Listing Rule 13.51(2).

(5) Margaret LEUNG KO May Yee, JP

Mrs Leung, aged 57, has been an Independent Non-executive Director of the Company since 22 May 2009. Mrs Leung holds a bachelor's degree in Economics, Accounting and Business Administration.

She is executive director, vice-chairman and chief executive of Hang Seng Bank Limited (whose shares are listed on the Main Board of the Stock Exchange) and non-executive director of The Hongkong and Shanghai Banking Corporation Limited and Swire Pacific Limited (whose shares are listed on the Main Board of the Stock Exchange). She is also the chairman of Hang Seng Bank (China) Limited and Hang Seng School of Commerce and group general manager of HSBC Holdings plc. Mrs Leung is a member of standing committee of Chinese People's Political Consultative Conference in Henan, Board of Trustees of Ho Leung Ho Lee Foundation, Hong Kong Export Credit Insurance Corporation Advisory Board, Hong Kong Special Administrative Region Commission on Strategic Development and the Advisory Committee of Securities and Futures Commission, a council member of the University of Hong Kong and a member of the University's Finance Committee, honorary vice president of Hong Kong University Alumni Association, and a court member of Hong Kong Baptist University. She is also the board member of The Community Chest of Hong Kong, chairman of the Campaign Committee of The Community Chest of Hong Kong, member of the Executive Committee of The Community Chest of Hong Kong and second vice president of The Community Chest of Hong Kong. Mrs Leung does not have any relationship with any other Directors, senior management, substantial or controlling Shareholders of the Company.

As at the Latest Practicable Date, Mrs Leung did not have any interests in the Shares within the meaning of Part XV of the SFO. There is a service agreement entered into between the Company and Mrs Leung for the appointment of Mrs Leung as an Independent Non-executive Director of the Company for an initial term ended on 31 December 2009 which will be automatically renewed for successive 12-month periods, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. The director's fee specified in the service agreement is HK\$120,000 per annum (or a pro rata amount for the duration of her directorship for an incomplete year and subject to review by the Board from time to time). Such emoluments are determined with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there are no other matters concerning Mrs Margaret Leung Ko May Yee that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Listing Rule 13.51(2).

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to the Shareholders for their consideration of the Repurchase Mandate.

1. Share Capital

As at the Latest Practicable Date, the issued ordinary share capital of the Company comprised 4,263,370,780 Shares.

Subject to the passing of the relevant Ordinary Resolution No 5(2) at the AGM and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 426,337,078 Shares, representing 10% of the issued ordinary share capital of the Company.

2. Reasons for Repurchases

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

3. Funding of Repurchases

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 and/or the proceeds of a new issue of Shares made for the purpose of the repurchase to such 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 consolidated accounts contained in the Annual Report for the year ended 31 December 2009 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 Repurchase 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.

4. Share Prices

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months and the period from 1 April 2010 to the Latest Practicable Date were as follows:

	Highest <i>(HK\$)</i>	Lowest <i>(HK\$)</i>
April 2009	46.50	37.65
May 2009	55.20	46.05
June 2009	58.80	49.50
July 2009	58.20	46.25
August 2009	59.00	54.30
September 2009	58.60	53.35
October 2009	59.35	52.55
November 2009	55.60	51.20
December 2009	54.50	49.30
January 2010	59.60	52.85
February 2010	57.60	52.30
March 2010	59.20	55.60
1 April – 22 April 2010	57.75	55.25

5. Directors, their undertakings and associates and connected persons

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 and the Companies Ordinance.

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

No connected persons have notified the Company that they have a present intention to sell Shares to the Company or have undertaken not to sell any of the Shares held by them to the Company, in the event that the Repurchase Mandate is approved by the Shareholders.

6. Takeovers Code

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, 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, subsidiaries of CKH held together 2,130,202,773 Shares, representing approximately 49.97% of the issued ordinary share capital of the Company and for the purposes of the SFO, each of Mr Li Ka-shing, Mr Li Tzar Kuoi, Victor, TDT1 as trustee of DT1, TDT2 as trustee of DT2 and TUT1 as trustee of UT1 (together the "Trust Companies") is taken to have an interest in the same block of 2,130,202,773 Shares. Mr Li Ka-shing and Mr Li Tzar Kuoi, Victor, as Directors, are also taken to have interest in 11,496,000 Shares held by a unit trust. In addition, Mr Li Ka-shing held 70,125,000 Shares through certain companies in which he is entitled to exercise or control the exercise of one-third or more of the voting power at their general meetings and Mr Li Tzar Kuoi, Victor held 1,086,770 Shares through certain companies in which he is entitled to exercise or control the exercise of one-third or more of the voting power at their general meetings. For the purposes of the Takeovers Code, Mr Li Ka-shing and Mr Li Tzar Kuoi, Victor are concert parties and are taken to have interests in a total of 2,212,910,543 Shares representing approximately 51.91% of the issued ordinary share capital of the Company.

In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the relevant Ordinary Resolution No 5(2) of the AGM, then (if the present shareholdings otherwise remained the same) the aggregate interests of CKH and the Trust Companies would be increased to approximately 55.52% of the issued ordinary share capital of the Company and similarly, the aggregate interests of both Mr Li Ka-shing and Mr Li Tzar Kuoi, Victor would be increased to approximately 57.67% of the issued ordinary share capital of the Company. In the opinion of the Directors, such increase will not give rise to any obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

7. Share repurchases made by the Company

The Company did not purchase any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

Hutchison Whampoa Limited



(incorporated in Hong Kong with limited liability)
(Stock Code: 13)

26 April 2010

To the Independent Shareholders

Dear Sir or Madam

CONTINUING CONNECTED TRANSACTIONS

We refer to the circular of the Company to the Shareholders dated 26 April 2010 (the “Circular”), of which this letter forms part. Terms used herein shall have the same meanings as defined in the Circular unless the context otherwise requires.

The Independent Board Committee has been established to give a recommendation to the Independent Shareholders in respect of the respective terms of the Master Agreements. Somerley has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in connection with the respective terms of the Master Agreements and the CCT Approval. Details of the advice, together with the principal facts and reasons taken into consideration in arriving at such advice, are set out in their letter on pages 23 to 34 of the Circular.

Your attention is drawn to the section entitled “Continuing Connected Transactions” in the “Letter from the Board” set out on pages 5 to 13 of the Circular.

Having taken into account the respective terms of the Master Agreements and the advice of Somerley, we consider the Master Agreements and the CCT Approval sought to be on normal commercial terms and fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend that you vote in favour of the ordinary resolutions to approve the entering into of the Master Agreements and grant the CCT Approval to be proposed at the AGM.

Yours faithfully

The Independent Board Committee

Michael David KADOORIE

Holger KLUGE

Margaret LEUNG KO May Yee

WONG Chung Hin

All the Independent Non-executive Directors

The following is the text of the letter of advice from Somerley to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.

**SOMERLEY LIMITED**

10th Floor
The Hong Kong Club Building
3A Chater Road
Central
Hong Kong

26 April 2010

*To : the Independent Board Committee and
the Independent Shareholders*

Dear Sirs,

CONTINUING CONNECTED TRANSACTIONS**INTRODUCTION**

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the proposed granting of the approval for the possible acquisitions of Connected Debt Securities, details of which are set out in the circular to the Shareholders dated 26 April 2010 (the "Circular"), of which this letter forms part. Unless the context otherwise requires, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

The CCT Approval will allow the Group to acquire bonds, notes, commercial paper or other similar debt instruments issued or to be issued by CKH or HSE or any of their respective subsidiaries subject to the cap ("Cap") applicable to the transactions contemplated under the Master Agreements and certain limitations as set out below. The Connected Issuers are connected persons of the Company under the Listing Rules by virtue of being either substantial Shareholder, an associate of a substantial Shareholder or an associate of a Director. The transactions governed by the Master Agreements will constitute continuing connected transactions for the Company which are subject to the reporting, announcement and Independent Shareholders' approval requirements of the Listing Rules. CKH, Messrs Li Ka-shing and Li Tzar Kuoi, Victor and their respective associates will abstain from voting on the relevant resolution (to be taken by poll) to be proposed at the AGM to approve and ratify the relevant Master Agreements and grant the CCT Approval. CKH, together with its associates, are in aggregate interested in 2,130,202,773 Shares (representing approximately 49.97% of the voting rights of the Company). Messrs Li and their respective associates are together interested in 2,212,910,543 Shares (representing approximately 51.91% of the voting rights of the Company).

The Independent Board Committee, comprising all the independent non-executive Directors, namely, The Hon. Sir Michael David KADOORIE, Mr. Holger KLUGE, Ms. Margaret LEUNG KO May Yee and Mr. WONG Chung Hin, has been established to give an opinion to the Independent Shareholders as to whether the terms of the CKH Master Agreement and HSE Master Agreement and the CCT Approval (including the Cap) are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. We, Somerley, being independent from the Company and its connected persons, have been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

In formulating our opinion and recommendation, we have relied on the information and facts supplied, and the opinions expressed, by the Directors, and have assumed that the information and facts provided and opinions expressed to us are true, accurate and complete in all material aspects at the time they were made and will remain true, accurate and complete up to the date of the AGM. We have also sought and received confirmation from the Directors that no material facts have been omitted from the information supplied and opinions expressed to us. We have no reason to believe that any material information has been withheld from us, or doubt the truth or accuracy of the information provided. We have relied on such information and consider that the information we have received is sufficient for us to reach an informed view. We have not, however, conducted any independent investigation into the business, affairs or financial position of the Group.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation on the respective terms of the Master Agreements and CCT Approval (including the Cap), we have taken the following principal factors and reasons into consideration:

1. Background to and reasons for the Master Agreements and CCT Approval

The Company entered into the 2009 Master Agreements on 17 April 2009 in respect of the acquisition of the Connected Debt Securities which were approved by the then independent shareholders at the extraordinary general meeting of the Company held on 21 May 2009. In anticipation of the expiring of the 2009 CCT Approval at the AGM, the Company wishes to seek CCT Approval from the Independent Shareholders at the AGM.

The CCT Approval gives the Directors flexibility to approve the acquisitions of Connected Debt Securities which would otherwise require prior approval of the Independent Shareholders at a general meeting and will also avoid repeating the same disclosure requirements each time Connected Debt Securities are acquired. By entering into the Master Agreements, no Connected Issuer is under any obligation to issue, and none of the Connected Debt Securities Purchasers is under any obligation to acquire, any Connected Debt Securities.

Finance and investments activities are one of the Group's principal businesses. For the year ended 31 December 2009, it recorded segmental earnings before interest expense and tax of HK\$4,079 million. The Group has consistently applied conservative treasury policies in cash and financial management. To achieve better risk control and minimise the cost of funding, the Group's treasury activities are centralised.

Returns on the Group's surplus liquidity have continued to be low. The Board believes investment in longer dated instruments, particularly corporate bonds of good quality, could be an attractive alternative. In fact, the Group has a long history of holding and trading corporate bonds. The Directors consider it prudent to invest in debt securities issued by corporations which are well known to the Group in terms of their business, management and credit standing. Acquisitions of Connected Debt Securities contemplated under the Master Agreements will widen the range of potential investments in companies well known to the Group.

As disclosed in the Company's results announcement for the year ended 31 December 2009, the Group operates a central cash management system for all of its unlisted subsidiaries, except for listed and certain overseas entities conducting business in non-HK or non-US dollar currencies. As at 31 December 2009, the Group had liquid assets of approximately HK\$115,734 million comprising cash and cash equivalents of HK\$92,521 million (80%) and liquid funds and other listed investments of HK\$23,213 million (20%). 74.6% of the total cash and cash equivalents amounting to HK\$69,049 million was placed as short-term bank deposits. Among the remaining 20% liquid assets, 15% was US Treasury notes and listed/traded debt securities, 4% was listed equity securities and 1% was long-term deposits and others. The US Treasury notes and listed/traded debt securities, including those held under managed funds, consisted of supranational notes (38%), government guaranteed notes (32%), government related entities issued notes (12%), notes issued by the Group's associated company, HSE (5%), US Treasury notes (1%) and others (12%). 78% of the US Treasury notes and listed/traded debt securities are rated at Aaa/AAA with an average maturity of 1.3 years on the overall portfolio. Of the liquid assets, 9% were denominated in Hong Kong dollars, 57% in United States dollars, 6% in Euro, 13% in Renminbi, 4% in British Pounds and 11% in other currencies.

Owing to the lower market interest rates, the Group's earnings before interest and tax from its finance and investments operations decreased by 37% when compared to last year, from HK\$6,467 million in 2008 to HK\$4,079 million in 2009.

2. Liquidity of the Group

The following is a summary of the Group's financial position based on its audited consolidated statement of financial position as at 31 December 2009:

	As at 31 December 2009 <i>(HK\$ million)</i>
Non-current assets	
Fixed assets	171,399
Associated companies	84,748
Telecommunications licences	70,750
Interests in joint ventures	51,568
Investment properties	42,323
Leasehold land	33,984
Liquid funds and other listed investments	23,213
Goodwill	28,858
Other non-current assets	27,294
	534,137

	As at 31 December 2009 <i>(HK\$ million)</i>
Current assets	
Cash and cash equivalents	92,521
Trade and other receivables	48,146
Inventories	16,593
	<u>157,260</u>
Total assets	<u><u>691,397</u></u>
Non-current liabilities	
Bank and other debts	242,851
Interest bearing loans from minority shareholders	13,424
Other non-current liabilities	20,311
	<u>276,586</u>
Current liabilities	
Trade and other payables	73,029
Bank and other debts	17,589
Current tax liabilities	3,249
	<u>93,867</u>
Total liabilities	<u><u>370,453</u></u>
Net assets	<u><u>320,944</u></u>
Total Shareholders' funds	283,531
Minority interests	37,413
Total equity	<u><u>320,944</u></u>

As at 31 December 2009, the Group had total assets of HK\$691,397 million, with fixed assets of HK\$171,399 million (accounting for 24.8%), associated companies of HK\$84,748 million (accounting for 12.3%), telecommunications licences of HK\$70,750 million (accounting for 10.2%), cash and cash equivalents of HK\$92,521 million (accounting for 13.4%), trade and other receivables of HK\$48,146 million (accounting for 7.0%) and liquid funds and other listed investments of HK\$23,213 million (accounting for 3.4%).

The Group had total principal amount of bank and other debts of HK\$259,089 million with a weighted average cost of debt of 3.2%, of which 62% are notes and bonds and 38% are bank and other loans. Out of the total borrowings, 7% were repayable in 2010, 54% were repayable between 2011 and 2014 and 39% were repayable beyond 2014. The interest bearing loans from minority shareholders of HK\$13,424 million were viewed as quasi-equity.

As at 31 December 2009, the Group had total equity of HK\$320,944 million and consolidated net debt, excluding loans from minority shareholders which were viewed as quasi-equity, unamortised loan facilities fees and premiums or discounts on issue and fair value changes of interest rate swap contracts, of HK\$143,355 million. The Group's ratio of net debt (defined as total principal amount of bank and other debts net of cash and cash equivalents and liquid funds and other listed investments) to net total capital (defined as total principal amount of bank and other debts plus total equity and loans from minority shareholders net of cash and cash equivalents and liquid funds and other listed investments) was 29.9%. The Group's long term credit ratings were "A3" from Moody's, "A-" from Standard & Poor's and "A-" from Fitch.

It was announced on 8 January 2010 that an indirect wholly-owned subsidiary of the Company, Hutchison Telecommunications Holdings Limited, put forwarded a proposal to privatise Hutchison Telecommunications International Limited ("HTIL") by way of a scheme of arrangement. According to the composite document despatched by HTIL on 15 March 2010, the maximum consideration payable by the offeror for the privatisation proposal is approximately HK\$4,227 million.

An indirect subsidiary of the Company has granted a revolving credit and term loan facility to HTIL in November 2008 (as amended). As at the Latest Practicable Date, a revolving credit facility of US\$1,340 million continues to be available to HTIL under such facility.

3. Protections and limitations

In order to ensure that only a prudent proportion of the Group's liquidity is committed to Connected Debt Securities and to limit the risk of such securities themselves, certain protections and limitations are set out in the CKH Master Agreement and HSE Master Agreement respectively. These are in summary:

- (1) The amount invested into any one particular issue of Connected Debt Securities will not exceed 20% of that issue (aggregated if applicable with outstanding Connected Debt Securities of the same issuer with the same or shorter maturities).

The purpose of this limit is to avoid undue concentration in a single issue (taking into account similar or shorter dated issues outstanding). This will restrict the extent to which the Group can make investments in classes of securities in which there are few arms length investors.

- (2) The CCT Approval is subject to the Cap, whereby the aggregate investment in Connected Debt Securities (net of sales) at any time during the CCT Relevant Period shall not exceed HK\$22,580 million being approximately 20% of the Company's "net liquid assets" as at 31 December 2009 (as defined).

The purpose of this limit is so that the Connected Securities Debt Purchasers will not commit a major proportion of its readily available liquidity to this category of investment. A limit of 20% is, in our experience, a relatively common top limit adopted when a portfolio of investments is designed so as to achieve a reasonable degree of diversification. For information purposes only, the aggregate amount of CKH Net Connected Debt Securities Position and the HSE Net Connected Debt Securities Position amounted to US\$91,608,600 (approximately HK\$711 million) as at 31 December 2009.

- (3) The Connected Debt Securities should have a reasonable degree of liquidity.

Liquidity will be subject to market conditions from time to time, as recent experience has demonstrated. However, the requirement that the securities should be listed on a recognised exchange, or should be "144A" or "Regulation S" or that they should have a value, with other outstanding Connected Debt Securities of the same issuer, of US\$500 million (or approximately HK\$3,882 million) or more should mean that the holdings of Connected Debt Securities should have a certain degree of marketability in normal conditions. In all cases, the Connected Debt Securities shall be acquired by the Connected Debt Securities Purchaser only from the secondary market and on normal commercial terms arrived at after arms length negotiations. The Connected Debt Securities will either be the subject of an issue with formal documentation and a marketing process involving arms length price discovery or will be purchased in the market from an arms length seller on terms usual in the market adopting mechanisms as set out in the "Letter from the Board".

- (4) The Connected Debt Securities should be of investment grade or equivalent.

This requirement should ensure that the particular security and its issuer have been subject to outside scrutiny. Although the standing of rating agencies may have suffered, we consider that the present climate is bringing a tightening of standards in such reviews.

- (5) The Connected Debt Securities should not be zero coupon and should not have conversion or option or similar features.

This restriction is designed to limit the investments to "straight" bonds, not zero coupons, where capital values are subject to wider fluctuations, or convertibles which are more complex to value and are exposed to the equity markets as well as the credit markets.

- (6) Currencies will be restricted to Hong Kong dollars, United States dollars or Canadian dollars except where the currency of issue is not considered to give rise to a significant mis-match of currency of assets and liabilities.

This restriction is designed to limit currency exposure. The Company prepares its accounts in Hong Kong dollars, so investments in Hong Kong dollars, United States dollars (given the peg) and the closely-linked Canadian dollars should be prudent. Some flexibility is allowed for other currencies if after due consideration the currency of assets and liabilities is considered to be well-matched.

(7) Maturity is limited to 15 years.

This in our opinion is a relatively long maturity but is balanced by the provisions for liquidity set out above.

4. Financial position of CKH Group

The following is a summary of CKH's financial position based on its consolidated statements of financial position as at 31 December 2009:

	As at 31 December 2009 <i>(HK\$ million)</i>
Non-current assets	
Fixed assets	10,696
Investment properties	19,433
Associates	148,049
Jointly controlled entities	32,591
Investments available for sale	7,026
Long term loan receivables	444
	<hr/> 218,239
Current assets	
Stock of properties	62,999
Debtors, deposits and prepayments	2,799
Investments held for trading	1,927
Derivative financial instruments	83
Bank balances and deposits	11,423
	<hr/> 79,231
Total assets	<hr/> 297,470 <hr/>
Non-current liabilities	
Bank and other loans	25,279
Deferred tax liabilities	2,011
	<hr/> 27,290 <hr/>

	As at 31 December 2009 <i>(HK\$ million)</i>
Current liabilities	
Bank and other loans	7,210
Creditors and accruals	12,078
Loan from joint development partner	2,000
Derivative financial instruments	460
Provision for taxation	1,028
	<u>22,776</u>
Total liabilities	<u><u>50,066</u></u>
Net assets	<u><u>247,404</u></u>
Shareholders' funds	243,599
Minority interests	3,805
Total equity	<u><u>247,404</u></u>

The principal businesses of CKH and its subsidiaries ("CKH Group") are investment holding, property development and investment, hotel and serviced suite operation, property and project management and investment in securities.

As at 31 December 2009, CKH Group had total assets of approximately HK\$297,470 million, with associates of HK\$148,049 million (accounting for 49.8%), stock of properties of HK\$62,999 million (accounting for 21.2%), jointly controlled entities of HK\$32,591 million (accounting for 11.0%), investment properties of HK\$19,433 million (accounting for 6.5%), fixed assets of HK\$10,696 million (accounting for 3.6%) and bank balances and deposits of HK\$11,423 million (accounting for 3.8%).

Total borrowings of CKH Group as at 31 December 2009 amounted to HK\$34.5 billion. Of the total borrowings, 26.7% were repayable in 2010, 69.9% were repayable between 2011 and 2014 and 3.4% were repayable beyond 2014. There were bonds and notes of HK\$6.8 billion, bank loans of HK\$23.3 billion and other loans of HK\$4.4 billion.

After deducting the bank balances and deposits totaling HK\$11.4 billion, CKH Group net borrowing to Shareholders' fund ratio was approximately 9.5% as at 31 December 2009. CKH Group maintained a strong balance sheet and had a robust liquidity position with a current ratio of 3.5 times (defined as current assets divided by current liabilities). CKH Group's credit rating was "A-" from Standard & Poor's.

5. Financial position of HSE Group

The following is a summary of the HSE's financial position based on its consolidated audited balance sheet as at 31 December 2009:

	As at 31 December 2009 (audited) (Cdn\$ million)
Current assets	
Cash and cash equivalents	392
Accounts receivable	987
Inventories	1,520
Prepaid expenses	12
	<u>2,911</u>
Non-current assets	
Property, plant and equipment, net	21,254
Goodwill	689
Contribution receivable	1,313
Other assets	128
	<u>23,384</u>
Total assets	<u><u>26,295</u></u>
Current liabilities	
Accounts payable and accrued liabilities	2,185
Non-current liabilities	
Long-term debt	3,229
Contribution payable	1,500
Other long-term liabilities	1,036
Future income taxes	3,932
	<u>9,697</u>
Total liabilities	<u><u>11,882</u></u>
Net assets	<u><u>14,413</u></u>
Shareholders' equity	
Common shares	3,585
Retained earnings	10,832
Accumulated other comprehensive income	(4)
	<u><u>14,413</u></u>

HSE is an international energy and energy-related company with its energy businesses integrated through the three industry sectors: upstream, midstream and downstream.

As at 31 December 2009, HSE and its subsidiaries (“HSE Group”) had total assets of Cdn\$26,295 million, with property plant and equipment of Cdn\$21,254 million (accounting for 80.8%), contribution receivable of Cdn\$1,313 million (accounting for 5.0%), accounts receivable of Cdn\$987 million (accounting for 3.8%), inventories of Cdn\$1,520 million (accounting for 5.8%) and cash and cash equivalents of Cdn\$392 million (accounting for 1.5%).

HSE Group had long-term debt of Cdn\$3,229 million including notes and debentures with an annual interest rate between 5.9% and 7.55%. Out of the total long-term debt, 13.0% will mature in 2012, 74.5% will mature between 2014 and 2019 and 12.5% will mature in 2037. HSE Group has no short-term borrowing as at 31 December 2009.

After deducting the cash and cash equivalents of Cdn\$392 million, HSE Group has a net debt position of approximately Cdn\$2,837 million. HSE reported a debt to capital employed ratio of 18.3% as at 31 December 2009. HSE Group maintained a healthy balance sheet and has a current ratio of 1.3 times (defined as current assets divided by current liabilities). HSE’s credit ratings were “Baa2” from Moody’s and “BBB+” from Standard & Poor’s.

6. Reporting requirements and conditions of the CCT Approval

Pursuant to Rules 14A.37 to 14A.40 of the Listing Rules, the CCT Approval is subject to the following annual review requirements:

- (a) each year the independent non-executive Directors must review the acquisitions of the Connected Debt Securities and confirm in the annual report and accounts that acquisitions of the Connected Debt Securities have been entered into:
 - (i) in the ordinary and usual course of business of the Connected Debt Securities Purchasers;
 - (ii) either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Connected Debt Securities Purchasers than terms available to or from (as appropriate) independent third parties; and
 - (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole;
- (b) each year the auditors of the Company must provide a letter to the Board (with a copy provided to the Stock Exchange at least ten business days prior to the bulk printing of the Company’s annual report) confirming that acquisitions of the Connected Debt Securities:
 - (i) have received the approval of the Board;
 - (ii) are in accordance with the pricing policies of the Group; if applicable;
 - (iii) have been entered into in accordance with the relevant agreements governing the acquisitions of the Connected Debt Securities; and
 - (iv) have not exceeded the Cap;

- (c) the Company shall allow, and shall procure the relevant counterparties to the acquisitions of the Connected Debt Securities to allow, the Company's auditors sufficient access to their records for the purpose of the reporting on the acquisitions of the Connected Debt Securities as set out in paragraph (b);
- (d) the Company shall promptly notify the Stock Exchange and publish an announcement in accordance with the Listing Rules if it knows or has reason to believe that the independent non-executive Directors and/or auditors of the Company will not be able to confirm the matters set out in paragraphs (a) and /or (b) respectively.

In light of the reporting requirements attached to the CCT Approval, in particular, (i) the restriction of the value of the acquisitions of the Connected Debt Securities by way of the Cap; and (ii) the ongoing review by the independent non-executive Directors and auditors of the Company of the terms of the acquisitions of the Connected Debt Securities and the Cap not being exceeded, we are of the view that appropriate measures will be in place to monitor the conduct of acquisitions of the Connected Debt Securities and assist to safeguard the interests of the Independent Shareholders.

DISCUSSION AND ANALYSIS

We consider the Group is prudently funded based on its recently completed audited balance sheet at 31 December 2009. It has a net debt to net total capital ratio (based on net debt divided by net total capital) of 29.9% and this is balanced by a strong liquidity, with positive net current assets of HK\$63,393 million.

Returns available to the Group on surplus liquidity have been very low. The Directors consider they will be able to increase these returns by investing in longer dated instruments, particularly corporate bonds of good quality. In so doing, the Directors would like the flexibility of being able to invest in bonds issued by companies which may be classified as connected persons for this purpose, as among other things, the Directors are more familiar with the business, management and credit standing of such companies than they would normally be for arms length companies. This is only additional flexibility being accorded to the Directors; there is no obligation to acquire any Connected Debt Securities. Summary balance sheet information on CKH and HSE and their subsidiaries, the connected persons whose Connected Debt Securities may be acquired, is set out above. We consider both companies have strong financial positions.

It would not be prudent to put all or even a majority of Group liquidity into such instruments and consequently protections and limitations are proposed, an approach with which we concur. We consider the 20% limit, in aggregate and for one issue (with some flexibility), is a widely used upper limit when designing a portfolio to achieve a certain degree of diversification. Other limitations relate to liquidity, credit rating, lack of zero coupon or option/convertible features, currency and maturity. We consider that, taken together, this array of protections and limitations will provide a sound framework for a liquidity investment policy which should improve returns while keeping increased risks within prudent limits.

OPINION

Having taken into account the above principal factors and reasons, we consider that the Master Agreements are on normal commercial terms and are entered into in the ordinary and usual course of business of the Company. We further consider that the terms of the Master Agreements and the CCT Approval (including the Cap) are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favour of the relevant ordinary resolutions to be proposed at the AGM to approve and ratify the respective Master Agreements and to grant of the CCT Approval.

Yours faithfully,
for and on behalf of
SOMERLEY LIMITED
M. N. Sabine
Chairman

1. DISCLOSURE OF DIRECTORS' INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the chief executive of the Company were deemed or taken to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(a) Interests and short positions in the Shares, underlying Shares and debentures of the Company***Long positions in the Shares***

Name of Director	Capacity	Nature of interests	Number of Shares held	Total	Approximate % of shareholding
Li Ka-shing	(i) Founder of discretionary trusts (ii) Interest of controlled corporations	(i) Other interest (ii) Corporate interest	2,141,698,773 ⁽¹⁾) 70,125,000 ⁽²⁾)	2,211,823,773	51.8797%
Li Tzar Kuoi, Victor	(i) Beneficiary of trusts (ii) Interest of controlled corporations	(i) Other interest (ii) Corporate interest	2,141,698,773 ⁽¹⁾) 1,086,770 ⁽³⁾)	2,142,785,543	50.2604%
Fok Kin-ning, Canning	Interest of a controlled corporation	Corporate interest	4,810,875 ⁽⁴⁾	4,810,875	0.1128%
Chow Woo Mo Fong, Susan	Beneficial owner	Personal interest	150,000	150,000	0.0035%
Frank John Sixt	Beneficial owner	Personal interest	50,000	50,000	0.0012%
Lai Kai Ming, Dominic	Beneficial owner	Personal interest	50,000	50,000	0.0012%
Kam Hing Lam	(i) Beneficial owner (ii) Interest of child	(i) Personal interest (ii) Family interest	60,000) 40,000)	100,000	0.0023%
Michael David Kadoorie	Founder, a beneficiary and/or a discretionary object of discretionary trust(s)	Other interest	15,984,095 ⁽⁵⁾	15,984,095	0.3749%
Holger Kluge	Beneficial owner	Personal interest	40,000	40,000	0.0009%
George Colin Magnus	(i) Founder and beneficiary of a discretionary trust (ii) Beneficial owner (iii) Interest of spouse	(i) Other interest (ii) Personal interest (iii) Family interest	950,100 ⁽⁶⁾)) 40,000) 9,900)	1,000,000	0.0235%
William Shurniak	Beneficial owner	Personal interest	165,000	165,000	0.0039%

Notes:

(1) The two references to 2,141,698,773 Shares relate to the same block of Shares comprising:

- (a) 2,130,202,773 Shares held by certain subsidiaries of CKH. Mr Li Ka-shing is the settlor of each of The Li Ka-Shing Unity Discretionary Trust ("DT1") and another discretionary trust ("DT2"). Each of Li Ka-Shing Unity Trustee Corporation Limited ("TDT1", which is the trustee of DT1) and Li Ka-Shing Unity Trustcorp Limited ("TDT2", which is the trustee of DT2) holds units in The Li Ka-Shing Unity Trust ("UT1") but is not entitled to any interest or share in any particular property comprising the trust assets of the said unit trust. The discretionary beneficiaries of each of DT1 and DT2 are, inter alia, Mr Li Tzar Kuoi, Victor, his wife and children, and Mr Li Tzar Kai, Richard. Li Ka-Shing Unity Trustee Company Limited ("TUT1") as trustee of UT1 and its related companies in which TUT1 as trustee of UT1 is entitled to exercise or control the exercise of one-third or more of the voting power at their general meetings ("TUT1 related companies") hold more than one-third of the issued share capital of CKH.

The entire issued share capital of TUT1 and of the trustees of DT1 and DT2 are owned by Li Ka-Shing Unity Holdings Limited ("Unity Holdco"). Each of Mr Li Ka-shing, Mr Li Tzar Kuoi, Victor and Mr Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Unity Holdco. TUT1 is only interested in the shares of CKH by reason only of its obligation and power to hold interests in those shares in its ordinary course of business as trustee and, when performing its functions as trustee, exercises its power to hold interests in the shares of CKH independently without any reference to Unity Holdco or any of Mr Li Ka-shing, Mr Li Tzar Kuoi, Victor and Mr Li Tzar Kai, Richard as a holder of the shares of Unity Holdco as aforesaid.

As Mr Li Ka-shing may be regarded as a founder of each of DT1 and DT2 for the purpose of the SFO and Mr Li Tzar Kuoi, Victor is a discretionary beneficiary of each of DT1 and DT2, and by virtue of the above, both Mr Li Ka-shing and Mr Li Tzar Kuoi, Victor are taken to have a duty of disclosure in relation to the shares of CKH held by TUT1 as trustee of UT1 and TUT1 related companies and the said Shares held by the subsidiaries of CKH under the SFO as directors of CKH. Although Mr Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Unity Holdco and is a discretionary beneficiary of each of DT1 and DT2, he is not a director of CKH and has no duty of disclosure in relation to the shares of CKH held by TUT1 as trustee of UT1 and TUT1 related companies under the SFO.

- (b) 11,496,000 Shares held by Li Ka-Shing Castle Trustee Company Limited ("TUT3") as trustee of The Li Ka-Shing Castle Trust ("UT3").

Mr Li Ka-shing is the settlor of each of the two discretionary trusts ("DT3" and "DT4"). Each of Li Ka-Shing Castle Trustee Corporation Limited ("TDT3", which is the trustee of DT3) and Li Ka-Shing Castle Trustcorp Limited ("TDT4", which is the trustee of DT4) holds units in UT3 but is not entitled to any interest or share in any particular property comprising the trust assets of the said unit trust. The discretionary beneficiaries of each of DT3 and DT4 are, inter alia, Mr Li Tzar Kuoi, Victor, his wife and children, and Mr Li Tzar Kai, Richard.

The entire issued share capital of TUT3 and the trustees of DT3 and DT4 are owned by Li Ka-Shing Castle Holdings Limited ("Castle Holdco"). Each of Mr Li Ka-shing, Mr Li Tzar Kuoi, Victor and Mr Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Castle Holdco. TUT3 is only interested in the Shares by reason only of its obligation and power to hold interests in those Shares in its ordinary course of business as trustee and, when performing its functions as trustee, exercises its power to hold interests in the Shares independently without any reference to Castle Holdco or any of Mr Li Ka-shing, Mr Li Tzar Kuoi, Victor and Mr Li Tzar Kai, Richard as a holder of the shares of Castle Holdco as aforesaid.

As Mr Li Ka-shing may be regarded as a founder of each of DT3 and DT4 for the purpose of the SFO and Mr Li Tzar Kuoi, Victor is a discretionary beneficiary of each of DT3 and DT4, and by virtue of the above, both Mr Li Ka-shing and Mr Li Tzar Kuoi, Victor are taken to have a duty of disclosure in relation to the said Shares held by TUT3 as trustee of UT3 under the SFO as Directors. Although Mr Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Castle Holdco and is a discretionary beneficiary of each of DT3 and DT4, he is not a Director and has no duty of disclosure in relation to the Shares held by TUT3 as trustee of UT3 under the SFO.

- (2) *Such Shares were held by certain companies of which Mr Li Ka-shing is interested in the entire issued share capital.*
- (3) *Such Shares were held by certain companies of which Mr Li Tzar Kuoi, Victor is interested in the entire issued share capital.*
- (4) *Such Shares were held by a company which is equally controlled by Mr Fok Kin-ning, Canning and his spouse.*
- (5) *Such Shares were ultimately held by discretionary trust(s) of which The Hon Sir Michael David Kadoorie is either the founder, a beneficiary and/or a discretionary object.*
- (6) *Such Shares were indirectly held by a discretionary trust of which Mr George Colin Magnus is the settlor and a discretionary beneficiary.*

(b) Interests and short positions in the shares, underlying shares and debentures of the associated corporations of the Company

Long positions in the shares and debentures of certain associated corporations of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the chief executive of the Company were deemed or taken to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code

As at the Latest Practicable Date, Mr Li Ka-shing and Mr Li Tzar Kuoi, Victor, as Directors, were deemed to be interested in the following by virtue of, inter alia, their interests in the shares of CKH or the Company as described in Note (1) above:

- (i) 1,912,109,945 ordinary shares, representing approximately 84.82% of the then issued share capital, in CKI of which 1,906,681,945 ordinary shares were held by a wholly owned subsidiary of the Company and 5,428,000 ordinary shares were held by TUT1 as trustee of UT1;
- (ii) 2,958,068,120 ordinary shares, representing approximately 61.44% of the then issued share capital, in HTIL of which 52,092,587 ordinary shares and 2,905,822,253 ordinary shares were held by certain wholly owned subsidiaries of each of CKH and the Company respectively and 153,280 ordinary shares were held by TUT3 as trustee of UT3;
- (iii) 3,108,064,120 ordinary shares, representing approximately 64.56% of the then issued share capital, in HTHKH of which 52,092,587 ordinary shares and 3,055,818,253 ordinary shares were held by certain wholly owned subsidiaries of each of CKH and the Company respectively and 153,280 ordinary shares were held by TUT3 as trustee of UT3;

- (iv) 829,599,612 ordinary shares, representing approximately 38.87% of the then issued share capital, in HEH which shares were held by certain wholly owned subsidiaries of CKI;
- (v) 2,420,028,908 ordinary shares, representing approximately 62.16% of the then issued share capital, in TOM of which
 - (a) 476,341,182 ordinary shares and 952,683,363 ordinary shares were held by a wholly owned subsidiary of each of CKH and the Company respectively; and
 - (b) 991,004,363 ordinary shares charged by Cranwood Company Limited and its subsidiaries in favour of the Company as security; and
- (vi) 293,618,956 common shares, representing approximately 34.55% of the then issued share capital, in HSE held by a wholly owned subsidiary of the Company.

As Mr Li Ka-shing may be regarded as a founder of DT3 for the purpose of the SFO and Mr Li Tzar Kuoi, Victor is a discretionary beneficiary of DT3 as disclosed in Note (1) above, Mr Li Ka-shing and Mr Li Tzar Kuoi, Victor, as Directors, were deemed to be interested in 305,603,402 common shares, representing approximately 35.96% of the then issued share capital, in HSE which were held by a company in respect of which TDT3 as trustee of DT3 is indirectly entitled to substantially all the net assets thereof and of which Mr Li Ka-shing is additionally entitled to exercise or control the exercise of one-third or more of the voting power at its general meetings.

Mr Li Ka-shing, as Director, was also deemed to be interested in (a) a nominal amount of US\$78,000,000 in the 5.90% Notes due 2014 issued by HSE; and (b) a nominal amount of US\$25,000,000 in the 7.25% Notes due 2019 issued by HSE held by a wholly owned subsidiary of the Company by virtue of his interests in the Shares as described in Note (1) above.

In addition, Mr Li Ka-shing had, as at the Latest Practicable Date, corporate interests in (i) a nominal amount of US\$100,000,000 in the 5.90% Notes due 2014 issued by HSE; (ii) 266,621,499 ordinary shares, representing approximately 5.54% of the then issued share capital, in HTIL; and (iii) 305,281,499 ordinary shares, representing approximately 6.34% of the then issued share capital, in HTHKH, which were held by companies of which Mr Li Ka-shing is interested in the entire issued share capital.

Mr Li Tzar Kuoi, Victor had, as at the Latest Practicable Date, the following interests:

- (i) family interests in 151,000 ordinary shares, representing approximately 0.007% of the then issued share capital, in HEH held by his spouse; and
- (ii) corporate interests in (a) a nominal amount of US\$10,208,000 in the 6.50% Notes due 2013 issued by Hutchison Whampoa International (03/13) Limited ("HWI(03/13)"); (b) a nominal amount of US\$45,792,000 in the 7.625% Notes due 2019 issued by Hutchison Whampoa International (09) Limited ("HWI(09)"); (c) 2,519,250 ordinary shares, representing approximately 0.05% of the then issued share capital, in HTIL; and (d) 2,519,250 ordinary shares, representing approximately 0.05% of the then issued share capital, in HTHKH, which were held by companies of which Mr Li Tzar Kuoi, Victor is interested in the entire issued share capital.

Mr Fok Kin-ning, Canning had, as at the Latest Practicable Date, the following interests:

- (i) corporate interests in (a) a nominal amount of US\$1,216,000 in the 6.50% Notes due 2013 issued by HWI(03/13); (b) a nominal amount of US\$4,000,000 in the 7.625% Notes due 2019 issued by HWI(09); (c) a nominal amount of US\$2,000,000 in the 7.25% Notes due 2019 issued by HSE; and (d) a nominal amount of US\$4,000,000 in the 5.75% Notes due 2019 issued by Hutchison Whampoa International (09/19) Limited;
- (ii) corporate interests in 5,000,000 ordinary shares, representing approximately 0.06% of the then issued share capital, in Hutchison Harbour Ring Limited (“HHR”);
- (iii) 5,100,000 ordinary shares, representing approximately 0.04% of the then issued share capital, in HTAL comprising personal and corporate interests in 4,100,000 ordinary shares and 1,000,000 ordinary shares respectively;
- (iv) corporate interests in 1,202,380 ordinary shares, representing approximately 0.02% of the then issued share capital, in HTIL;
- (v) corporate interests in 1,202,380 ordinary shares, representing approximately 0.02% of the then issued share capital, in HTHKH; and
- (vi) corporate interests in 200,000 common shares, representing approximately 0.02% of the then issued share capital, in HSE.

Mr Fok Kin-ning, Canning held the above personal interests in his capacity as a beneficial owner and held the above corporate interests through a company which is equally controlled by Mr Fok and his spouse.

Mrs Chow Woo Mo Fong, Susan in her capacity as a beneficial owner had, as at the Latest Practicable Date, personal interests in (a) 250,000 ordinary shares, representing approximately 0.005% of the then issued share capital, in HTIL; and (b) 250,000 ordinary shares, representing approximately 0.005% of the then issued share capital, in HTHKH.

Mr Frank John Sixt had, as at the Latest Practicable Date, the following interests:

- (i) personal interests in (a) 1,000,000 ordinary shares, representing approximately 0.007% of the then issued share capital, in HTAL; (b) 17,000 American depositary shares (each representing 15 ordinary shares), representing approximately 0.005% of the then issued share capital, in HTIL; (c) 17,000 American depositary shares (each representing 15 ordinary shares), representing approximately 0.005% of the then issued share capital, in HTHKH; and
- (ii) corporate interests in a nominal amount of US\$1,000,000 in the 5.90% Notes due 2014 issued by HSE.

Mr Frank John Sixt held the above personal interests in his capacity as a beneficial owner and held the above corporate interests through a company of which Mr Frank John Sixt is interested in the entire issued share capital.

Mr Kam Hing Lam in his capacity as a beneficial owner had, as at the Latest Practicable Date, personal interests in 100,000 ordinary shares, representing approximately 0.004% of the then issued share capital, in CKI.

Mr Holger Kluge in his capacity as a beneficial owner had, as at the Latest Practicable Date, personal interests in 25,914 common shares, representing approximately 0.003% of the then issued share capital, in HSE.

Mr George Colin Magnus had, as at the Latest Practicable Date, the following interests:

- (i) 13,333 ordinary shares, representing approximately 0.0003% of the then issued share capital, in HTIL comprising personal interests in 13,201 ordinary shares held in his capacity as a beneficial owner and family interests in 132 ordinary shares held by his spouse; and
- (ii) 13,333 ordinary shares, representing approximately 0.0003% of the then issued share capital, in HTHKH comprising personal interests in 13,201 ordinary shares held in his capacity as a beneficial owner and family interests in 132 ordinary shares held by his spouse.

Mr William Shurniak in his capacity as a beneficial owner had, as at the Latest Practicable Date, personal interests in 9,519 common shares, representing approximately 0.001% of the then issued share capital, in HSE.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company and their respective associates had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO) or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

Certain Directors held qualifying shares in certain subsidiaries of the Company on trust for other subsidiaries.

2. INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

So far as is known to any Directors or chief executive of the Company, as at the Latest Practicable Date, other than the interests and short positions of the Directors or chief executive of the Company as disclosed above, the following persons had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange:

(a) Interests and short positions of substantial Shareholders in the Shares and underlying Shares

Long positions in the Shares

Name	Capacity	Number of Shares held	Approximate % of shareholding
Li Ka-Shing Unity Trustee Corporation Limited ("TDT1")	Trustee and beneficiary of a trust	2,130,202,773 ⁽¹⁾	49.97%
Li Ka-Shing Unity Trustcorp Limited ("TDT2")	Trustee and beneficiary of a trust	2,130,202,773 ⁽¹⁾	49.97%
Li Ka-Shing Unity Trustee Company Limited ("TUT1")	Trustee	2,130,202,773 ⁽¹⁾	49.97%
Cheung Kong (Holdings) Limited ("CKH")	Interest of controlled corporations	2,130,202,773 ⁽¹⁾	49.97%
Continental Realty Limited	Beneficial owner	465,265,969 ⁽²⁾	10.91%

(b) Interests and short positions of other persons in the Shares and underlying Shares*Long positions in the Shares*

Name	Capacity	Number of Shares held	Approximate % of shareholding
Honourable Holdings Limited	Interest of controlled corporations	322,942,375 ⁽²⁾	7.57%
Winbo Power Limited	Beneficial owner	236,260,200 ⁽²⁾	5.54%
Polycourt Limited	Beneficial owner	233,065,641 ⁽²⁾	5.47%
Well Karin Limited	Beneficial owner	226,969,600 ⁽²⁾	5.32%

Notes:

- (1) *The four references to 2,130,202,773 Shares relate to the same block of Shares which represent the total number of Shares held by certain wholly owned subsidiaries of CKH where CKH is taken to be interested in such Shares under the SFO. In addition, by virtue of the SFO, each of TDT1, TDT2 and TUT1 is deemed to be interested in the same 2,130,202,773 Shares held by CKH as described in Note (1)(a) of the section titled "Disclosure of Directors' Interests".*
- (2) *These are wholly owned subsidiaries of CKH and their interests in the Shares are duplicated in the interests of CKH.*

Save as disclosed above, as at the Latest Practicable Date, there was no other person (other than the Directors and chief executive of the Company) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

3. COMPETING INTERESTS

As at the Latest Practicable Date, the following Directors had interests in the following businesses (apart from the Company's businesses) conducted through the companies named below, their subsidiaries, associated companies or other investment forms which are considered to compete or be likely to compete, either directly or indirectly, with the principal businesses of the Company required to be disclosed pursuant to Listing Rule 8.10:

Name of Director	Name of company	Nature of interest	Nature of competing business
Li Ka-shing	CKH	Chairman	– Property and hotels – Finance and investments
Li Tzar Kuoji, Victor	CKH	Managing Director and Deputy Chairman	– Property and hotels – Finance and investments
	CKI	Chairman	– Energy and infrastructure, finance and investments
	CKLS	Chairman	– Retail (research and development, manufacturing, commercialization, marketing and selling of environmental and human health products) – Finance and investments
	HEH	Executive Director	– Energy
	HSE	Co-Chairman	– Energy
Fok Kin-ning, Canning	CKH	Non-executive Director	– Property and hotels – Finance and investments
	CKI	Deputy Chairman	– Energy and infrastructure, finance and investments
	HEH	Chairman	– Energy
	HHR	Chairman	– Property
	HTAL	Chairman	– Telecommunications
	HSE	Co-Chairman	– Energy

Name of Director	Name of company	Nature of interest	Nature of competing business
Chow Woo Mo Fong, Susan	CKI	Executive Director	– Energy and infrastructure, finance and investments
	HEH	Executive Director	– Energy
	HHR	Executive Director	– Property
	HTAL	Director	– Telecommunications
	TOM	Non-executive Director	– Telecommunications (Internet, outdoor publishing, television and entertainment across markets in Mainland China, Taiwan and Hong Kong)
Frank John Sixt	CKH	Non-executive Director	– Property and hotels – Finance and investments
	CKI	Executive Director	– Energy and infrastructure, finance and investments
	HEH	Executive Director	– Energy
	HTAL	Director	– Telecommunications
	HSE	Director	– Energy
	TOM	Non-executive Chairman	– Telecommunications (Internet, outdoor publishing, television and entertainment across markets in Mainland China, Taiwan and Hong Kong)
Lai Kai Ming, Dominic	HHR	Deputy Chairman	– Property
	HTAL	Director	– Telecommunications

Name of Director	Name of company	Nature of interest	Nature of competing business
Kam Hing Lam	CKH	Deputy Managing Director	– Property and hotels – Finance and investments
	CKI	Group Managing Director	– Energy and infrastructure, finance and investments
	CKLS	President and Chief Executive Officer	– Retail (research and development, manufacturing, commercialization, marketing and selling of environmental and human health products) – Finance and investments
	HEH	Executive Director	– Energy
	Spark Infrastructure Group	Non-executive Director	– Energy
George Colin Magnus	CKH	Non-executive Director	– Property and hotels – Finance and investments
	CKI	Non-executive Director	– Energy and infrastructure, finance and investments
	HEH	Non-executive Director	– Energy
William Shurniak	HSE	Director and Deputy Chairman	– Energy

As the Board is independent of the boards of the above entities, the Company has therefore been capable of carrying on its businesses independently of, and at arm's length from, the above businesses.

As at the Latest Practicable Date, Mr Fok Kin-ning, Canning, Mrs Chow Woo Mo Fong, Susan and Mr Frank John Sixt were non-executive directors of HTIL and of HTHKH, both being subsidiaries of the Company which are engaged in telecommunications businesses, and Mrs Chow was also an alternate director to each of Mr Fok and Mr Sixt as directors of HTIL and Mr Lai Kai Ming, Dominic was also a non-executive director of HTHKH.

A non-competition agreement entered into by the Company and HTIL on 24 September 2004 (the "2004 HTIL Non-Competition Agreement") maintained a clear geographical delineation, underpinned by the regulatory regime, of the two groups' respective businesses ensuring there would be no competition between them. Under the 2004 HTIL Non-Competition Agreement, the exclusive territory of the Group (excluding HTIL and its subsidiaries (the "HTIL Group")) comprised the member countries of the European Union (prior to its enlargement in 2004), the Vatican City, the Republic of San Marino, the Channel Islands, Monaco, Switzerland, Norway, Greenland, Liechtenstein, Australia, New Zealand, the United States of America, Canada and Argentina (following the Group's disposal of its interest in Hutchison Telecommunications Argentina S.A. in 2009) (the "Group's Territory Countries"). The then exclusive territory of the HTIL Group comprised all the remaining countries of the world. On 25 February 2008, under and in accordance with the requirements of the 2004 HTIL Non-Competition Agreement, the Company granted consent to the establishment of a joint venture between Hutchison Global Communications Limited (a then indirect wholly-owned subsidiary of HTIL and currently an indirect wholly owned subsidiary of HTHKH) and the Philippine Long Distance Telephone Company Group under the co-operation agreement dated 12 March 2008 for operating a mobile virtual network operator business in Italy (the "Business"). Subsequently on 17 April 2009, the Company and HTIL entered into an amendment agreement to the 2004 HTIL Non-Competition Agreement whereby the parties thereto agreed, with effect from 8 May 2009 (the "HTHKH Listing Date"), inter alia, the new scope of businesses which is subject to such agreement, namely (i) the exclusion of Hong Kong and Macau from the HTIL Group's exclusive territory, (ii) the exclusive territory of HTHKH and its subsidiaries (the "HTHKH Group") to comprise Hong Kong and Macau, and (iii) the order in which new opportunities arising from any of the exclusive territories of the Group, the HTIL Group and the HTHKH Group will be offered to the other party.

The non-competition agreement entered into by the Company and HTHKH on 17 April 2009, and which came into effect from the HTHKH Listing Date, maintained a clear geographical delineation of the two groups' respective businesses ensuring there would be no competition between them. Save for the Business which consent was given by the Company, there is no single country in which all three groups have competing operations. The exclusive territory of the Group comprised the Group's Territory Countries whereas the exclusive territory of the HTHKH Group comprised Hong Kong and Macau, and the exclusive territory of the HTIL Group comprised all the remaining countries of the world.

4. NO MATERIAL ADVERSE CHANGE

The Directors believe there has been no material adverse change in the financial or trading position of the Group since 31 December 2009, being the date to which the latest published audited accounts have been made up.

5. QUALIFICATION AND CONSENT OF EXPERT

- (a) The following are the qualifications of the expert who has given a letter which is contained or referred to in this circular:

Name	Qualifications
Somerley	Licensed corporation under the SFO to conduct types 1 (dealing in securities), 4 (advising on securities), 6 (advising on corporate finance) and 9 (asset management) regulated activities and the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the respective terms of the Master Agreements and the CCT Approval.

- (b) (i) As at the Latest Practicable Date, Somerley did not have any direct or indirect shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for shares in any member of the Group.
- (ii) As at the Latest Practicable Date, Somerley had no interest, direct or indirect, in any assets which have, since 31 December 2009, being the date of the latest published audited accounts of the Group, been acquired or disposed of or by or leased to any member of the Group, or are proposed to be acquired or disposed of or by or leased to any member of the Group.
- (iii) Somerley has given and has not withdrawn its written consent to the issue of this circular and the inclusion herein of its letter and reference to its name in the form and context in which it is included. Somerley's letter is given as of the date of this circular for incorporation herein.

6. DIRECTORS' INTEREST IN ASSETS AND CONTRACTS

- (a) As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which have, since 31 December 2009, being the date of the latest published audited accounts of the Group, been acquired or disposed of or by or leased to any member of the Group, or are proposed to be acquired or disposed of or by or leased to any member of the Group.
- (b) As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting at such date and which was significant in relation to the business of the Group taken as a whole.
- (c) As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).

7. MISCELLANEOUS

- (a) The Group operates and invests in five core businesses: ports and related services; property and hotels; retail; energy and infrastructure, finance and investments, and others; and telecommunications. The principal businesses of CKH and its subsidiaries are investment holding, property development and investment, hotel and serviced suite operation, property and project management and investment in securities. HSE is an international energy and energy-related company with its energy businesses integrated through the three industry sectors: upstream, midstream and downstream.
- (b) The Company's share registrars are Computershare Hong Kong Investor Services Limited and its transfer office is at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (c) The company secretary of the Company is Ms Edith Shih. Ms Shih holds a Bachelor of Science degree in Education and a Master of Arts degree from the University of Philippines, a Master of Arts degree and a Master of Education degree from Columbia University, New York. She is qualified to practise law in Hong Kong, England and Wales and Victoria, Australia and is a Fellow of both The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.
- (d) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of shareholders of the Company will be held at the Ballroom, 1st Floor, Harbour Grand Kowloon, 20 Tak Fung Street, Hung Hom, Kowloon, Hong Kong on Thursday, 27 May 2010 at 12:00 noon for the following purposes:

1. To receive and adopt the Statement of Audited Accounts and Reports of the Directors and Auditor for the year ended 31 December 2009.
2. To declare a final dividend.
3. To re-elect Directors.
4. To appoint Auditor and authorise the Directors to fix the Auditor's remuneration.
5. As special business, to consider and, if thought fit, pass the following ordinary resolutions:

ORDINARY RESOLUTIONS

- (1) **"THAT** a general mandate be and is hereby unconditionally given to the Directors to issue and dispose of additional ordinary shares of the Company not exceeding 20% of the existing issued ordinary share capital of the Company."
- (2) **"THAT:**
 - (A) subject to paragraph (B) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase ordinary shares of HK\$0.25 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 or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
 - (B) the aggregate nominal amount of ordinary shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (A) above shall not exceed 10% of the aggregate nominal amount of the ordinary share capital of the Company in issue at the date of this Resolution, and the said approval shall be limited accordingly; and
 - (C) for the purposes of this Resolution, "Relevant Period" means the period from the passing of this Resolution until whichever is the earliest 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 set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company."

NOTICE OF ANNUAL GENERAL MEETING

- (3) **“THAT** the general mandate granted to the Directors to issue and dispose of additional ordinary shares pursuant to Ordinary Resolution No 5(1) set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the ordinary share capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution No 5(2) set out in the notice convening this meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued ordinary share capital of the Company at the date of this Resolution.”
6. As special business, to consider and, if thought fit, pass the following ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (1) the entering into of the master agreement dated 20 April 2010 and made between the Company and Cheung Kong (Holdings) Limited (“CKH”) (the “CKH Master Agreement”), setting out the basis upon which bonds, notes, commercial paper and other similar debt instruments (the “CKH Connected Debt Securities”) may be issued by CKH or its subsidiaries and acquired by the Company or its wholly owned subsidiaries (together the “Group”), copy of which has been produced to this meeting marked “A”, be and is hereby approved, and the Directors, acting together, individually or by committee, be and are hereby authorised to approve the possible acquisition of the CKH Connected Debt Securities more particularly described in the circular to the shareholders of the Company dated 26 April 2010 and of which this Notice forms part (the “Circular”) as contemplated in the CKH Master Agreement subject to the limitations set out in the CKH Master Agreement and in paragraph (2) below; and
- (2) (A) subject to paragraph (B) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Group to acquire CKH Connected Debt Securities be and is hereby generally and unconditionally approved;
- (B) (i) the aggregate gross purchase price of the CKH Connected Debt Securities of a particular issue held and proposed to be acquired by the Group during the Relevant Period pursuant to the CCT Approval (as such expression is defined in the Circular) sought shall not exceed 20% of the aggregate value of the subject issue and all outstanding CKH Connected Debt Securities of the same issuer with the same maturity or shorter maturities;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the aggregate amount of the CKH Net Connected Debt Securities Position and the HSE Net Connected Debt Securities Position (as such expressions are respectively defined in the Circular) at any time during the Relevant Period shall not exceed HK\$22,580 million, being approximately 20% of the Company's "net liquid assets" as at 31 December 2009 (the "Reference Date"). For this purpose, the Company's "net liquid assets" as at the Reference Date shall mean the aggregate value of cash, deposits and marketable securities held by the Company or any entity which is accounted for and consolidated in the accounts of the Company as subsidiaries as at the Reference Date less the aggregate value of any such assets which are subject to pledges or other encumbrances as at the Reference Date. The above formulation was determined as the cap for any acquisition of the Connected Debt Securities (as such expression is defined in the Circular) to avoid any undue concentration in a single issue of Connected Debt Securities and to achieve a reasonable degree of diversification, which is in line with the market practice as opined by the Independent Financial Adviser;
- (iii) the CKH Connected Debt Securities shall be (a) listed for trading on a recognised exchange, (b) offered to qualified institutional buyers in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended, (c) offered to persons outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, or (d) offered pursuant to an issue where the aggregate value of such issue and all other outstanding CKH Connected Debt Securities of the same issuer is no less than US\$500 million or its equivalent in other currencies permitted under paragraph (vi) below, and in all cases the CKH Connected Debt Securities shall be acquired by the Group only from the secondary market and on normal commercial terms arrived at after arm's length negotiations;
- (iv) the CKH Connected Debt Securities shall be of at least investment grade or its equivalent;
- (v) the CKH Connected Debt Securities shall not include zero coupon instruments or instruments with any imbedded option, right to convert into or exchange for any form of equity interest or derivative;
- (vi) the CKH Connected Debt Securities shall be issued in any of the following currencies, Hong Kong dollars, the United States dollars, Canadian dollars or such other currency as the Directors who have no material interest in the proposed acquisition of CKH Connected Debt Securities consider in their reasonable opinion as posing a risk acceptable to the Group having regard to the Group's assets and businesses from time to time; and
- (vii) the CKH Connected Debt Securities shall have maturity not in excess of 15 years.

NOTICE OF ANNUAL GENERAL MEETING

- (C) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company; and
 - (ii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”

7. As special business, to consider and, if thought fit, pass the following ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (1) the entering into of the master agreement dated 20 April 2010 and made between the Company and Husky Energy Inc. (“HSE”) (the “HSE Master Agreement”), setting out the basis upon which bonds, notes, commercial paper and other similar debt instruments (the “HSE Connected Debt Securities”) may be issued by HSE or its subsidiaries and acquired by the Group, a copy of which has been produced to this meeting marked “B”, be and is hereby approved, and the Directors, acting together, individually or by committee, be and are hereby authorised to approve the possible acquisition of the HSE Connected Debt Securities more particularly described in the Circular and of which this Notice forms part as contemplated in the HSE Master Agreement subject to the limitations set out in the HSE Master Agreement and in paragraph (2) below; and
- (2) (A) subject to paragraph (B) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Group to acquire HSE Connected Debt Securities be and is hereby generally and unconditionally approved;
 - (B) (i) the aggregate gross purchase price of the HSE Connected Debt Securities of a particular issue held and proposed to be acquired by the Group during the Relevant Period pursuant to the CCT Approval (as such expression is defined in the Circular) sought shall not exceed 20% of the aggregate value of the subject issue and all outstanding HSE Connected Debt Securities of the same issuer with the same maturity or shorter maturities;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the aggregate amount of the HSE Net Connected Debt Securities Position and the CKH Net Connected Debt Securities Position (as such expressions are respectively defined in the Circular) at any time during the Relevant Period shall not exceed HK\$22,580 million, being approximately 20% of the Company's "net liquid assets" as at 31 December 2009 (the "Reference Date"). For this purpose, the Company's "net liquid assets" as at the Reference Date shall mean the aggregate value of cash, deposits and marketable securities held by the Company or any entity which is accounted for and consolidated in the accounts of the Company as subsidiaries as at the Reference Date less the aggregate value of any such assets which are subject to pledges or other encumbrances as at the Reference Date. The above formulation was determined as the cap for any acquisition of the Connected Debt Securities to avoid any undue concentration in a single issue of Connected Debt Securities and to achieve a reasonable degree of diversification, which is in line with the market practice as opined by the Independent Financial Adviser;
- (iii) the HSE Connected Debt Securities shall be (a) listed for trading on a recognised exchange, (b) offered to qualified institutional buyers in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended, (c) offered to persons outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, or (d) offered pursuant to an issue where the aggregate value of such issue and all other outstanding HSE Connected Debt Securities of the same issuer is no less than US\$500 million or its equivalent in other currencies permitted under paragraph (vi) below, and in all cases the HSE Connected Debt Securities shall be acquired by the Group only from the secondary market and on normal commercial terms arrived at after arm's length negotiations;
- (iv) the HSE Connected Debt Securities shall be of at least investment grade or its equivalent;
- (v) the HSE Connected Debt Securities shall not include zero coupon instruments or instruments with any imbedded option, right to convert into or exchange for any form of equity interest or derivative;
- (vi) the HSE Connected Debt Securities shall be issued in any of the following currencies, Hong Kong dollars, the United States dollars, Canadian dollars or such other currency as the Directors who have no material interest in the proposed acquisition of HSE Connected Debt Securities consider in their reasonable opinion as posing a risk acceptable to the Group having regard to the Group's assets and businesses from time to time; and
- (vii) the HSE Connected Debt Securities shall have maturity not in excess of 15 years.

NOTICE OF ANNUAL GENERAL MEETING

- (C) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until the earlier of:
- (i) the conclusion of the next annual general meeting of the Company; and
 - (ii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”

The Register of Members of the Company will be closed from Thursday, 20 May 2010 to Thursday, 27 May 2010, both dates inclusive.

By Order of the Board

Edith Shih
Company Secretary

Hong Kong, 26 April 2010

Notes:

1. *In order to qualify for the final dividend payable on Friday, 28 May 2010, all transfers, accompanied by the relevant share certificates, must be lodged with the Company’s Share Registrars, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 19 May 2010.*
2. *Only members are entitled to attend and vote at the meeting.*
3. *A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of that member. A proxy need not be a member. The Company’s Articles of Association require proxy forms to be deposited at the registered office of the Company at 22nd Floor, Hutchison House, 10 Harcourt Road, Hong Kong not later than 48 hours before the time for holding the meeting.*
4. *At the meeting, the chairman of the meeting will exercise his power under Article 58 of the Articles of Association of the Company to put each of the above resolutions to the vote by way of a poll as required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The poll results will be published on the websites of the Company and Hong Kong Exchanges and Clearing Limited on 27 May 2010.*
5. *With respect to Ordinary Resolution No 5(1), the Directors wish to state that they have no immediate plans to issue any new shares of the Company. Approval is being sought from the members under Ordinary Resolution No 5(1) as a general mandate for the purposes of Section 57B of the Companies Ordinance and the Listing Rules.*
6. *A circular containing the information regarding, inter alia, the Directors proposed to be re-elected, the general mandates to issue shares and repurchase shares of the Company, the Master Agreements and the CCT Approval will be sent to the shareholders of the Company together with the Company’s 2009 Annual Report.*