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If you are in any doubt as to any aspect of this document 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 all your shares in Macau Success Limited, you should at once hand this document, the accompanying Annual Report and form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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MACAU SUCCESS LIMITED

澳門實德有限公司

(Formerly known as China Development Corporation Limited 中國發展集團有限公司)

(Incorporated in Hong Kong with limited liability)

**GENERAL MANDATES
FOR ISSUE OF NEW SHARES OF THE COMPANY
AND
REPURCHASE OF ITS OWN SHARES**

A notice convening an annual general meeting (the “AGM”) of Macau Success Limited to be held at Units 1002-05A, 10/F., West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong on Monday, 23 February 2004 at 4:00 p.m. is contained in the annual report of the Company for the year ended 30 September 2003 (the “Annual Report”). Whether or not you are able to attend the AGM in person, please complete and return the form of proxy accompanying the Annual Report in accordance with the instructions printed thereof and to the share registrar of the Company, Tengis Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as practicable and in any event not later than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting should you so wish.

30 January 2004

LETTER FROM THE BOARD



MACAU SUCCESS LIMITED 澳門實德有限公司

(Formerly known as China Development Corporation Limited 中國發展集團有限公司)
(Incorporated in Hong Kong with limited liability)

Executive Directors:

Mr. Yeung Hoi Sing, Sonny (*Chairman*)

Mr. Chan William

Mr. Lee Siu Cheung

Registered Office:

Units 1002-05A

10th Floor, West Tower

Shun Tak Centre

200 Connaught Road Central

Hong Kong

Independent Non-executive Directors:

Mr. Choi Kin Pui, Russelle

Mr. Luk Ka Yee, Patrick

30 January 2004

To the Shareholders

Dear Sir or Madam,

GENERAL MANDATES FOR ISSUE OF NEW SHARES OF THE COMPANY AND REPURCHASE OF ITS OWN SHARES

INTRODUCTION

At the AGM to be held at Units 1002-05A, 10/F., West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong on Monday, 23 February 2004 at 4:00 p.m., the notice of which is contained in the Annual Report, ordinary resolutions shall be proposed:

- (a) to grant a repurchase mandate to the directors of the Company (the “Directors”) to enable them to exercise the powers of the Company to repurchase shares of HK\$0.01 each in the capital of the Company (the “Shares”) which are fully paid up with an aggregate amount not exceeding 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of such resolution (the “Repurchase Mandate”); and

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- (b) to grant a general and unconditional mandate to the Directors to enable them to exercise the power of the Company to allot, issue and otherwise deal with additional Shares up to a maximum of 20 per cent. of the aggregate nominal share capital of the Company in issue as at the date of passing of such resolution (the “Share Issue Mandate”).

This document sets out the explanatory statement in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”) necessary to enable shareholders of the Company (the “Shareholders”) to make an informed decision on whether to vote for or against the relevant resolutions.

REPURCHASE MANDATE

The existing general mandate to repurchase Shares granted to the Directors at the extraordinary general meeting held on 21 July 2003 will expire upon the conclusion of the AGM.

At the AGM, an ordinary resolution will be proposed in respect of granting the Repurchase Mandate to the Directors.

The Repurchase Mandate will, if granted, remain in effect until 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 any applicable laws of Hong Kong or by the articles of association of the Company (the “Articles of Association”); and (iii) its revocation or variation by an ordinary resolution of the Shareholders in general meeting.

An explanatory statement, required under the Listing Rules, providing the requisite information regarding the Repurchase Mandate is set out in the Appendix hereto.

SHARE ISSUE MANDATE

The existing general mandate to issue Shares granted to the Directors at the extraordinary general meeting held on 21 July 2003 will expire upon the conclusion of the AGM.

At the AGM, an ordinary resolution will be proposed to grant the Share Issue Mandate to the Directors in order to increase the flexibility for raising capital to facilitate expansion plan of the Company as the Directors consider appropriate.

The Share Issue Mandate will, if granted, remain effective until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within the next annual general meeting of the Company is required by an applicable laws of Hong Kong or by the Articles of Association; and (iii) its revocation or variation by an ordinary resolution of the shareholders in general meeting.

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In addition, if the Repurchase Mandate is granted, an ordinary resolution will be proposed at the AGM providing that any Shares repurchased under the Repurchase Mandate (up to maximum of 10 per cent. of the issued shares as at the date of the granting of the Share Issue Mandate) will be added to the total number of Shares which may be allotted and issued under the Share Issue Mandate.

ANNUAL GENERAL MEETING

Notice of the AGM is contained in the Annual Report which is being sent with this document. Whether or not you are able to attend the AGM, you are requested to complete the form of proxy accompanying the Annual Report and return it to the share registrars, Tengis Limited, at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, in accordance with the instruction printed thereon not less than 48 hours before the time fixed for holding the AGM. The return of the form of proxy will not preclude you from attending and voting at the AGM should you so wish.

RECOMMENDATION

The Directors believe that the ordinary resolutions for the Repurchase Mandate and the Share Issue Mandate are in the best interest of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders to vote in favour of the ordinary resolutions numbers 4(A) to 4(C) to be proposed at the AGM.

Yours faithfully
For and on behalf of
Macau Success Limited
Yeung Hoi Sing, Sonny
Chairman

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 and also constitute the Memorandum required under section 49BA of the Company Ordinance.

1. LISTING RULES RELATING TO THE REPURCHASES OF SECURITIES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions. The Company is empowered by its memorandum and articles of association to repurchase its own securities.

2. SHARE CAPITAL

As at 27 January 2004, being the latest practicable date prior to the printing of this document (the "Latest Practicable Date"), the issued share capital of the Company comprised 1,587,464,233 Shares. Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company, the Company would be allowed under the Repurchase Mandate to repurchase up to a limit of 158,746,423 Shares.

3. REASONS FOR REPURCHASES

The Directors believe that it may be to the benefit of the Company and its Shareholders for the Company to repurchase its Shares in certain circumstances. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to enhance the net assets and/or earnings per Share. Therefore, the Directors are seeking the grant of a general mandate to repurchase Shares to give the Company the flexibility to do so if and when appropriate.

4. FUNDING OF REPURCHASES

It is envisaged that the funds required for any repurchase would be derived from the capital paid up on the Shares being repurchased and from the distributable profits of the Company.

It is not envisaged that any repurchase of Shares pursuant to the Repurchase Mandate (including repurchase of the maximum number of Shares under such mandate effected in full at any time during the period of the mandate) would have a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in its most recent published audited accounts for the year ended 30 September 2003 or would reduce the public float to below 25 per cent.

5. CONNECTED PARTIES

No connected persons (as defined in the Listing Rules) of the Company have notified the Company of a present intentions to sell Shares to the Company and no such persons have undertaken not to sell any such Shares to the Company in the event that the Repurchase Mandate is approved by Shareholders.

6. SHARE PRICE

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

	per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2003		
January	0.150	0.100
February	0.180	0.100
March	0.130	0.100
April	0.150	0.150
May	0.260	0.100
June	0.120	0.100
July	0.173	0.103
August	0.560	0.165
September	0.510	0.395
October	0.475	0.415
November	0.465	0.425
December	0.620	0.440

7. SHARE REPURCHASE MADE BY THE COMPANY

No purchases have been made by the Company of its Shares in the six months prior to the date of this document.

8. UNDERTAKING

None of the Directors, to the best of their knowledge, having made all reasonable enquiries, nor any of their associates (as defined in the Listing Rules) has any present intention, in the event that the general mandate is approved by the Shareholders, to sell any Shares to the Company.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchase pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of Hong Kong and the memorandum and articles of association of the Company.

9. HONG KONG CODES ON TAKEOVERS AND MERGERS AND SHARE REPURCHASES

If a shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Hong Kong Code of Takeovers and Mergers (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, and according to the register kept by the Company pursuant to Part XV of the Securities and Futures Ordinance (Cap. 571), the substantial shareholders of the Company as follows:

	Number of Shares	Percentage of shareholding
Silver Rich Macau Development Limited	678,080,000	42.7%
Spring Wise Investments Ltd.	290,606,000	18.3%
Mr. Chan Hon Keung (<i>Note</i>)	290,606,000	18.3%

Note: Mr. Chan Hon Keung is deemed to have corporate interest in 290,606,000 Shares by virtue of his interest in the issued share capital of Spring Wise Investment Ltd.

Except disclosed aforesaid, to the best of the knowledge and belief of the Company, no other person, together with his/her associates, was beneficially interested in the Shares representing 10 per cent. or more of the issued 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 Ordinary Resolution 4(A), then (if the present shareholdings otherwise remained the same) the attributable shareholding of (1) Silver Rich Macau Development Limited and parties acting in concert with it would be increased to approximately 47.46 per cent. of the issued share capital of the Company; and (2) Spring Wise Investments Ltd. and parties acting in concert with it would be increased to approximately 20.34 per cent. of the issued share capital of the Company and such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.