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PCCW Limited

電訊盈科有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 0008)

ANNOUNCEMENT PURSUANT TO LISTING RULE 13.09

Proposed sale by PCRD of its shares in the Company

The Company has been informed by PCRD, one of the Company's substantial shareholders, that PCRD has entered into a conditional sale and purchase agreement with Mr Francis P.T. Leung and Fiorlatte Limited, pursuant to which PCRD has agreed to sell and Fiorlatte Limited has agreed to purchase up to 1,526,773,301 Shares, representing approximately 22.66% of the issued share capital of the Company. The consideration payable under the Agreement is HK\$6.00 per Sale Share, being an aggregate amount of HK\$9,160,639,806 payable if all of the Sale Shares are purchased by the Purchaser under the Agreement.

Further, the Company has been informed by the Pacific Century Group, that PCD intends to make a special payment by way of voluntary conditional payment (the "Special PCD Payment") to the holders of the Public Shares, in an amount equal to 75.33% (representing the Pacific Century Group's approximate interest in PCRD) of the difference (the "Premium") between (1) the aggregate value of the total number of Sale Shares, calculated on the basis of the Sale price of HK\$6.00 per Sale Share; and (2) the aggregate value of the total number of Sale Shares, calculated on the basis of a price of HK\$4.80 per Sale Share. The price of HK\$4.80 was the closing price per Share on 16 June 2006, which was the last trading day prior to the Company's announcement of 19 June 2006, being the first announcement concerning a potential sale of substantially all of the telecommunications and media-related assets of the Company.

On the bases and assumptions described below, it is expected that the Premium derived will result in a Special PCD Payment in the range of HK\$0.33 to HK\$0.38 per Public Share. The Public Shares for this purpose do not include (i) the Shares held or beneficially owned at the date of this announcement by China Netcom and/or its affiliates, (ii) the Sale Shares or (iii) Shares held at the record date for the Special PCD Payment by Mr Li Tzar Kai, Richard and/or members of the Pacific Century Group. The amount of the Special PCD Payment per Public Share would be correspondingly reduced by the issue of any new Shares by the Company between the Latest Practicable Date and the record date for payment of the Special PCD Payment.

The Special PCD Payment is conditional on the First Payment (as defined below) being made under the Agreement and on China Netcom formally agreeing that the Shares held by China Netcom do not qualify for payment of the Special PCD Payment.

Subject to the conditions for payment of the Special PCD Payment having been satisfied, the Special PCD Payment will be paid by PCD shortly after the First Payment has been made to PCRDR under the Agreement. The First Payment is required to be made to PCRDR under the Agreement on the tenth business day following the day on which the last in time of the Conditions (as defined below) is satisfied or waived in accordance with the Agreement or such other date as the parties to the Agreement may agree (the "First Payment Date"). The Agreement provides that if any of the Conditions is not satisfied or waived by the Purchaser or PCRDR on or before 5:00 p.m. on 30 November 2006, or such later time and date as may be agreed between PCRDR and the Purchaser, then the Agreement will automatically terminate. Accordingly, the First Payment Date is currently expected to be a date falling prior to 14 December 2006 and further announcement(s) would be made if PCRDR and the Purchaser agree to extend this date for satisfaction of the Conditions.

A record date in respect of the Special PCD Payment will be announced and holders of the Public Shares appearing on the Register of Members of the Company on that record date will qualify for the Special PCD Payment. Not less than 14 days' advance notice of the record date will be given and it will be fixed in accordance with the applicable provisions of the Listing Rules and other applicable regulatory requirements as to any closure of the Company's transfer books or Register of Members. The entire amount of the Special PCD Payment will be paid following the record date so fixed, notwithstanding that the consideration payable under the Agreement is payable in tranches.

The Board refers to the Company's announcements dated 19, 21 and 22 June 2006 concerning the non-binding expressions of interest from Macquarie Bank Limited ("Macquarie") and TPG/Newbridge, each in relation to a possible acquisition of substantially all of the telecommunications and media-related assets of the Company. The Board intends to continue to pursue the expressions of interest from Macquarie and TGP/Newbridge and will discuss with each of them their intentions with regard to their expressions of interest, having regard to the Sale. The Company will make a further announcement(s) in due course once Macquarie and TPG/Newbridge have clarified their intentions.

It is anticipated that Mr Li Tzar Kai, Richard will resign from the Board following the First Payment having been made in full under the Agreement.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 10 July 2006 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:30 a.m. on 11 July 2006.

Proposed sale by PCRD of shares in the Company

The Company has been informed by PCRD, one of the Company's substantial shareholders, that PCRD has entered into a conditional sale and purchase agreement with Mr Francis P.T. Leung and Fiorlatte Limited, pursuant to which PCRD has agreed to sell and Fiorlatte Limited has agreed to purchase up to 1,526,773,301 Shares, representing approximately 22.66% of the issued share capital of the Company. The consideration payable under the Agreement is HK\$6.00 per Sale Share, being an aggregate amount of HK\$9,160,639,806 payable if all of the Sale Shares are purchased by the Purchaser under the Agreement. PCRD, as a company listed on the Stock Exchange of Singapore, has published an announcement detailing further terms and conditions of the Sale (the "PCRD Announcement"), the full text of which appears below this announcement.

Neither Mr Francis P.T. Leung nor Fiorlatte Limited is a connected person (as defined in the Listing Rules) of the Company. Mr Leung has confirmed to the Company that he is acting in his own capacity (through Fiorlatte Limited), that he is not acting in concert with any other Shareholder(s) to obtain or consolidate control (as defined in the Takeovers Code) of the Company, and that he does not have any financial connections with China Netcom.

The Company notes from the PCRD Announcement that the Sale Shares may exclude the following Shares presently held by PCRD (the "Excluded Shares"):-

- (a) such number of Shares held by PCRD which, as at the Second Payment Date (as defined below), still constitute exchange property under PCRD's US\$250,000,000 secured redeemable exchangeable bonds due 2006 ("AIG Bonds") issued to AIG Asian Infrastructure Fund II LP, American International Assurance Company (Bermuda) Limited and AIG Asian Opportunity Fund, L.P. and of which (as announced by PCRD) US\$150,000,000 is outstanding as at the date of the PCRD Announcement;
- (b) such number of Shares held by PCRD which are transferred by PCRD prior to the Second Payment Date pursuant to any exercise of exchange or redemption rights under the AIG Bonds;
- (c) such number of Shares held by PCRD which serve as security as at the Second Payment Date for PCRD's obligations under the AIG Bonds; and
- (d) such number of Shares which are the subject of any security interest granted by PCRD or its subsidiaries to secure any financing granted to PCRD or any of its subsidiaries as at the Second Payment Date.

The Company further notes from the PCRD Announcement that the consideration payable for the Sale Shares is proposed to be paid in accordance with the following regime:

- (a) On the business day immediately following the date of the Agreement, the Purchaser is required to pay the sum of HK\$500,000,000 to an escrow agent to be held in accordance with the terms of an escrow agreement.

- (b) On the tenth business day following the day on which the last in time of the Conditions is satisfied or waived in accordance with the Agreement or such other date as the parties to the Agreement may agree (the "First Payment Date"), the Purchaser is required to:
- (i) instruct escrow agent to pay all sums standing to the credit of the escrow account to PCRDR; and
 - (ii) pay to PCRDR an additional amount calculated as HK\$2,748,191,941.80 less the amount paid to PCRDR under (i) above
- (the aggregate of (i) and (ii) above is referred to herein as the "First Payment").
- (c) An additional aggregate amount of HK\$780,000,000, as well as any interest accrued and payable in accordance with the terms of the Agreement, is payable by the Purchaser to PCRDR on the date 12 months after the First Payment Date (the "Second Payment Date").
- (d) The balance of the Consideration outstanding, as well as any interest accrued and payable in accordance with the terms of the Agreement, is payable by the Purchaser to PCRDR on the date falling 18 months after the First Payment Date (the "Final Payment Date").

The Company further notes from the PCRDR Announcement that interest accrues on the consideration payable for the Sale Shares from the First Payment Date to the date of actual payment, at an annual rate of 6.5% and is payable by the Purchaser semi-annually after the First Payment Date.

Mr Francis P.T. Leung has confirmed that the Purchaser is wholly-owned by him. In this regard, the Company notes that the comments in the newspapers today that Mr Francis P.T. Leung is part of a consortium that has agreed to acquire the Sale Shares are inaccurate. The Company understands that the Purchaser is funding the acquisition of the Sale Shares through a combination of debt finance and equity.

The Company notes from the PCRDR Announcement that if, at any time prior to completion of the Sale, Mr Francis P.T. Leung ceases to (i) hold 50% or more of the voting shares; or (ii) have the right to control the management and policies of the Purchaser, the consideration then outstanding, together with all interest accrued thereon, shall become immediately due and payable by the Purchaser to PCRDR.

The Company also notes from the PCRDR Announcement that the Sale is subject to and conditional upon the following conditions (the "Conditions"):-

- (a) the passing of a resolution by shareholders of PCRDR to approve the Sale;
- (b) the following consents required in connection with the Sale having been obtained:
 - (i) a waiver and/or approval from the Broadcasting Authority of Hong Kong under the conditions of the Domestic Pay Television Programme Service Licence issued by the Chief-Executive-in-Council to PCCW Media Limited (formerly PCCW VOD Limited) on 23 September 2003 to accommodate the proposed change in ownership of the Sale Shares;

- (ii) if required, a waiver by Hong Kong Cyberport Development Holdings Limited, Hong Kong Cyberport Management Company Limited and/or Hong Kong Cyberport (Ancillary Development) Limited of any event of default under the terms of a project agreement dated 17 May 2000 between such parties and the Company and Cyber-Port Limited (as supplemented and amended from time to time and including any documents ancillary thereto) arising from any change in control of the Company pursuant to the Sale; and
 - (iii) approval by the United States Federal Communications Commission ("US FCC"), the Committee on Foreign Investment in the United States ("CFIUS") or any other relevant regulatory authority in the United States in respect of the Section 214 authorisation issued by the US FCC or the Company's investment in REACH Ltd.; and
- (c) the scheme of arrangement (the "Scheme") under Section 210 of the Companies Act, Chapter 50 of Singapore, to effect the proposed acquisition by TPG Century Ltd. ("TPG") and Newbridge Century Ltd. ("Newbridge") of all the issued ordinary shares in PCRD ("PCRD Shares") held by shareholders of PCRD, other than those held by Pacific Century International Limited, Borsington Limited, Pacific Century Group (Cayman Islands) Limited and Anglang Investments Limited, lapsing or being withdrawn, and/or the implementation agreement dated 26 January 2006 entered into between the Company, TPG and Newbridge to implement the Scheme being terminated in accordance with its terms.

Anglang Investments Limited and Pacific Century Group (Cayman Islands) Limited, collectively holding 2,330,058,230 PCRD Shares have undertaken to vote in favour of the resolution to be proposed to the shareholders of PCRD to approve the Sale, referred to in Condition (a) above.

If any of the Conditions is not satisfied or waived by the Purchaser or PCRD on or before 5.00 p.m. on 30 November 2006 or such later time and date as may be agreed in writing between PCRD and the Purchaser, the Agreement will automatically terminate. On the basis that the Conditions are satisfied or, as applicable waived, the Company notes from the PCRD Announcement that the Purchaser may elect to complete the Sale at any time on or after 20 December 2006, thereby accelerating the Final Payment Date to the date of completion of the Sale elected by the Purchaser. Assuming no acceleration, completion of the Sale will take place on the Final Payment Date.

As referred to in the PCRD Announcement, for so long as the Purchaser shall have complied with its obligations under the Agreement, PCRD shall with effect from the First Payment Date (i) exercise, or cause to be exercised, the voting rights attached to the Sale Shares in accordance with the written instructions of the Purchaser, and (ii) if so requested by the Purchaser, appoint a corporate representative nominated by the Purchaser with power to exercise such voting rights. PCRD's obligations in this regard are subject to any existing financing arrangements (and the security therefore) by which PCRD or any of its subsidiaries is bound.

The Sale Shares comprise only the 1,526,773,301 Shares held by PCRD, subject to the deduction of any Excluded Shares, and do not include the 219,597,110 Shares, representing approximately 3.26% of the Company's issued share capital as at the Latest Practicable Date, held by other members of the Pacific Century Group.

The following table details the Shareholders as at the Latest Practicable Date and the Shareholders on completion of the Sale.

Name	As at the Latest Practicable Date		After completion of the Sale	
	No. of Shares	%	No. of Shares	%
PCRD	1,526,773,301	22.66	—	0.00
Members of the Pacific Century Group (other than PCRD)	219,597,110	3.26	219,597,110	3.26
China Netcom	1,343,571,766	19.94	1,343,571,766	19.94
The Purchaser	—	0.00	1,526,773,301 ¹	22.66 ¹
The Public	<u>3,647,731,808</u>	<u>54.14</u>	<u>3,647,731,808¹</u>	<u>54.14¹</u>
	<u>6,737,673,985</u>	<u>100.00</u>	<u>6,737,673,985²</u>	<u>100.00</u>

Notes

- 1 The table assumes that there will be no Excluded Shares deducted from the Sale Shares transferred by PCRD to the Purchaser. In the event that holders of the outstanding AIG Bonds exercise their rights in full to exchange those bonds for Shares held by PCRD, the Sale Shares (and accordingly the Shares held by the Purchaser) would be reduced by an amount of 231,839,258 Shares with a corresponding increase in the Public Shares.
- 2 The table assumes that no new Shares will be issued before completion of the Sale.
- 3 Generally, the table assumes that no Shares are transferred before completion of the Sale.

Proposed special payment by PCD to holders of the Public Shares

The Board refers Shareholders to the open letter to Shareholders dated 10 July 2006 from PCD, which appears in this newspaper today. The Company has been informed by the Pacific Century Group that PCD intends, as stated in that open letter, to make a special payment by way of voluntary conditional payment (the "Special PCD Payment") to the holders of the Public Shares. The Special PCD Payment will be in an amount equal to 75.33% (representing the Pacific Century Group's approximate interest in PCRD) of the difference (the "Premium") between (1) the aggregate value of the total number of Sale Shares, calculated on the basis of the Sale price of HK\$6.00 per Sale Share; and (2) the aggregate value of the total number of Sale Shares, calculated on the basis of a price of HK\$4.80 per Sale Share. The price of HK\$4.80 was the closing price per Share on 16 June 2006, which was the last trading day prior to the Company's announcement of 19 June 2006, being the first announcement concerning a potential sale of substantially all of the telecommunications and media-related assets of the Company.

On the bases and assumptions described below, it is expected that the Premium derived will result in a Special PCD Payment in the range of HK\$0.33 to HK\$0.38 per Public Share. The Public Shares for this purpose do not include (i) the Shares held or beneficially owned at the date of this announcement by China Netcom and/or its affiliates, (ii) the Sale Shares or (iii) Shares held at the record date for the Special PCD Payment by Mr Li Tzar Kai, Richard and/or members of the Pacific Century Group. The amount of the Special PCD Payment per Public Share would be correspondingly reduced by the issue of any new Shares by the Company between the Latest Practicable Date and the record date for payment of the Special PCD Payment.

The Special PCD Payment is conditional on the First Payment being made under the Agreement and on China Netcom formally agreeing that the Shares held by China Netcom do not qualify for payment of the Special PCD Payment. The Company will make a prompt approach to China Netcom for its formal agreement.

Subject to the conditions for payment of the Special PCD Payment having been satisfied, the Special PCD Payment will be paid by PCD shortly after the First Payment has been made to PCRD under the Agreement. The First Payment is required to be made to PCRD under the Agreement on the First Payment Date, which is the tenth business day following the day on which the last in time of the Conditions is satisfied or waived in accordance with the Agreement or such other date as the parties to the Agreement may agree. The Agreement provides that if any of the Conditions is not satisfied or waived by the Purchaser or PCRD on or before 5:00 p.m. on 30 November 2006, or such later time and date as may be agreed between PCRD and the Purchaser, then the Agreement will automatically terminate. Accordingly, the First Payment Date is expected to be a date falling prior to 14 December 2006 and further announcement(s) will be made if PCRD and the Purchaser agree to extend the date for satisfaction of the Conditions.

A record date in respect of the Special PCD Payment will be announced and holders of the Public Shares appearing on the register of members of the Company on that record date will qualify for the Special PCD Payment. Not less than 14 day's advance notice of the record date will be given and it will be fixed in accordance with the applicable provisions of the Listing Rules and other applicable regulatory requirements as to any closure of the Company's transfer books or Register of Members. The entire amount of the Special PCD Payment will be paid following the record date so fixed, notwithstanding that the consideration payable under the Agreement is payable in tranches.

Basis of Calculation of Indicative Range for the Special PCD Payment per Public Share

The indicative amount of HK\$0.33 to HK\$0.38 per Public Share of the Special PCD Payment has been calculated in accordance with the methodology, and based on the assumptions, set out below in this section:

1. *Aggregate amount of the Special PCD Payment*

- (a) The number of Sale Shares used for this calculation is all 1,526,773,301 Sale Shares, representing approximately 22.66% of the issued share capital of the Company.
- (b) The closing price per Share on the Stock Exchange on 16 June 2006, of HK\$4.80, has been subtracted from the price per Sale Share payable under the Agreement, of HK\$6.00, resulting in a premium per Sale Share of HK\$1.20 as compared to the closing price per Share on the Stock Exchange on 16 June 2006.
- (c) The attributable interest of the Pacific Century Group in the amount of the premium per Sale Share realised on the sale of the Sale Shares under the Agreement has been calculated by multiplying the percentage shareholding of the Pacific Century Group in PCRD (being 75.33%) by the total number of Sale Shares of 1,526,773,301 by the premium per Sale Share realised on the sale, of HK\$1.20. This results in an aggregate payment in respect of the Special PCD Payment of an amount of HK\$1,380,141,993. Provided that the conditions precedent to payment of the Special PCD Payment are fulfilled, this amount is a fixed amount regardless of the number of Sale Shares ultimately transferred to the Purchaser under the Agreement.

2. *Determination of the Public Shares which confer the right to receive the PCD Special Payment*

- (a) The number of Shares in the issued share capital of the Company as at the Latest Practicable Date was 6,737,673,985.
- (b) The Non Qualifying Shares are taken to be the following:
 - (i) 1,526,773,301 Sale Shares.
 - (ii) 219,597,110 Shares held by Mr Li Tzar Kai, Richard and/or members of the Pacific Century Group.
 - (iii) 1,343,571,766 Shares held by China Netcom.

Accordingly, the number of Public Shares at the Latest Practicable Date has been calculated as 3,647,731,808.

- (c) The calculation made on this basis results in an amount of HK\$0.38 per Public Share payable under the Special PCD Payment, at the higher end of the range.

3. *Potential adjustments for dilutive events*

- (a) In calculating the lower end of the range of the amount payable per Public Share under the Special PCD Payment as set out in this announcement, the following potential adjustments have been taken into account:
- (i) It has been assumed that all outstanding share options will be exercised prior to the record date for the Special PCD Payment, resulting in the issue of an additional 214,077,389 Shares.
 - (ii) In addition, it has been assumed for this purpose that the outstanding amount of US\$150,000,000 of the AIG Bonds will be exercised prior to the record date for the Special PCD Payment, resulting in an increase in the number of Public Shares of 231,839,258 Shares.
- (b) The result of incorporating these adjustments is that the amount of the Special PCD Payment per Public Share on this basis would be approximately HK\$0.33.

4. *Potential adjustments not taken into account in determining the estimated range of the Special PCD Payment per Public Share*

The Company has not taken into account the following adjustments in determining the range of the Special PCD Payment per Public Share:

- (a) any dilution resulting from the issue of up to approximately 258,348,483 Shares which could be issued under the Company's US\$450,000,000 convertible bonds, which have an exercise price of HK\$13.5863 per Share and are due for redemption in January 2007. Having regard to the exercise price, it is unlikely that any of those bonds will be converted prior to their maturity date; and
- (b) the effect of any other share issuances by the Company prior to the record date for the Special PCD Payment. If the amount of the Special PCD Payment per Public Share materially changes in the future as a result of any such other share issuances by the Company, appropriate announcement(s) will be made.

Shareholders should be aware that the Company is not, in any way, responsible for payment of any part of the Special PCD Payment, which has been volunteered by PCD alone. The Company's involvement will be limited to forwarding the amount (if any) of the Special PCD Payment received by the Company from PCD to the holders of the Public Shares appearing on the Register of Members of the Company on the record date for the Special PCD Payment. The Company accepts no liability to the Public Shareholders should PCD fail to make or pay the Special PCD Payment or any part of it.

Shareholders should note that the Special PCD Payment is conditional and will not be paid unless the First Payment is made in full under the Agreement and China Netcom formally agrees that the Shares held by China Netcom will not qualify for the Special PCD Payment. Accordingly, Shareholders are advised to exercise caution when dealing in the Shares.

Effect of the Sale on the Macquarie and TPG Newbridge expressions of interest

The Board refers to the Company's announcements dated 19, 21 and 22 June 2006 concerning the non-binding expressions of interest from Macquarie Bank Limited ("Macquarie") and TPG/Newbridge, each in relation to a possible acquisition of substantially all of the telecommunications and media-related assets of the Company. The Board intends to continue to pursue the expressions of interest from Macquarie and TPG/Newbridge and will discuss with each of them their intentions with regard to their expressions of interest, having regard to the Sale. The Company will make a further announcement(s) in due course once Macquarie and TPG/Newbridge have clarified their intentions.

The Board confirms that no other expressions of interest in relation to all or any part of the Company's business have been received by the Board.

Anticipated resignation from the Board and future management of the Company

It is anticipated that Mr Li Tzar Kai, Richard will resign from the Board following the First Payment having been made in full under the Agreement. Both before and after completion of the Sale, the Board remains fully committed to the Company's business and operations and to maximising value for the Shareholders.

Resumption of trading

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 10 July 2006 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:30 a.m. on 11 July 2006.

Definitions

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

"Agreement"	the sale and purchase agreement dated 9 July 2006 between PCRD and Mr Francis P.T. Leung and the Purchaser relating to the conditional sale and purchase of the Sale Shares;
"Board"	the board of Directors;
"China Netcom"	China Network Communications Group Corporation, a company interested in approximately 19.94% of the Company's shares as at the Latest Practicable Date;
"Company"	PCCW Limited;
"Directors"	the directors of the Company;
"Latest Practicable Date"	the latest practicable date for the inclusion of certain information in this announcement, being 6 July 2006;

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Non Qualifying Shares”	(a) the Shares held or beneficially owned at the date of this announcement by China Netcom and/or its affiliates; (b) the Sale Shares; and (c) Shares held at the record date for the Special PCD Payment by Mr Li Tzar Kai, Richard and/or members of the Pacific Century Group;
“Pacific Century Group”	companies controlled by Mr Li Tzar Kai, Richard;
“PCD”	Pacific Century Diversified Limited, a company wholly-owned by Mr Li Tzar Kai, Richard and a member of the Pacific Century Group;
“Public Share(s)”	the Share(s) in issue and recorded in the Register of Members of the Company at the close of business on the record date for the Special PCD Payment, other than the Non Qualifying Shares;
“Purchaser”	Fiorlatte Limited;
“PCRD”	Pacific Century Regional Developments Limited, the owner of the Sale Shares and a member of the Pacific Century Group;
“Sale”	the conditional sale and purchase of the Sale Shares pursuant to the Agreement;
“Sale Shares”	1,526,773,301 Shares owned by PCRD, representing PCRD’s entire interest in the Company, less the number of Excluded Shares;
“Share(s)”	ordinary share(s) of HK\$0.25 each in the capital of the Company;
“Shareholder(s)”	holder(s) of Shares from time to time;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers.

By the Order of the Board
PCCW Limited
Hubert Chak
Company Secretary

Hong Kong, 10 July 2006

The directors of the Company as at the date of this announcement are as follows:

Executive Directors:

Li Tzar Kai, Richard (Chairman); So Chak Kwong, Jack (Deputy Chairman and Group Managing Director); Peter Anthony Allen; Alexander Anthony Arena; Chung Cho Yee, Mico; Lee Chi Hong, Robert; Dr Fan Xingcha

Non-Executive Directors:

Sir David Ford, KBE, LVO; Zhang Chunjiang; Dr Tian Suning (Deputy Chairman)

Independent Non-Executive Directors:

Prof Chang Hsin-kang; Dr Fung Kwok King, Victor; Dr The Hon Sir Li Kwok Po, David, GBS, OBE, JP; Sir Roger Lobo, CBE, LLD, JP; Aman Mehta; The Hon Raymond George Hardenbergh Seitz

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm having made all reasonable inquiries that, to the best of their knowledge, the opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.