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CHEUNG KONG (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock code: 0001)

CONNECTED TRANSACTION

The Board wishes to announce that on 27th July 2007, the Company entered into the Agreement with HSBC, Hang Seng, HWL and iBusiness pursuant to which HSBC and Hang Seng agreed to sell and to procure the sale to the Company or its nominee, and the Company agreed to purchase and to procure the purchase of, the HSBC Sales Shares and the Hang Seng Sale Shares respectively (which together represented 23.75% of the entire issued share capital of iBusiness) for a total consideration of HK\$8.729 million.

Pursuant to the Agreement and on Completion, iBusiness would repay the HSBC Shareholder's Loan to HSBC and the Hang Seng Shareholder's Loan to Hang Seng.

HWL is a substantial shareholder of iBusiness. HWL is also a controlling shareholder of certain subsidiaries of the Company and hence is a controller of the Company. Accordingly, the Agreement constitutes a connected transaction for the Company under Listing Rule 14A.13(1)(b)(i). As one or more of the relevant percentage ratios represented by the aggregate of the HSBC Share Consideration and the Hang Seng Share Consideration is or are more than 0.1 per cent but less than 2.5 per cent, in accordance with Listing Rule 14A.32, details of the transaction are required to be disclosed in this announcement and included in the Company's next published annual report and accounts.

A. THE AGREEMENT

1. Date

27th July 2007

2. Parties

(i) HSBC

(ii) Hang Seng

(iii) The Company

(iv) HWL

(v) iBusiness

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, HSBC and Hang Seng and their ultimate beneficial owners with controlling interests therein are third parties independent of the Company and its connected persons, and the Company has no prior transactions with HSBC and Hang Seng that requires aggregation under Listing Rules 14.22 and 14A.25.

3. Assets to be acquired by the Company

Subject to the terms and conditions of the Agreement, (a) HSBC agreed to sell and to procure the sale to the Company or its nominee, and the Company agreed to purchase and to procure the purchase of, the HSBC Sale Shares at the HSBC Share Consideration and (b) Hang Seng agreed to sell and to procure the sale to the Company or its nominee, and the Company agreed to purchase and to procure the purchase of, the Hang Seng Sale Shares at the Hang Seng Share Consideration. The HSBC Sale Shares and the Hang Seng Sale Shares together represent 23.75% of the entire issued share capital of iBusiness.

4. The consideration

Subject to the terms and conditions of the Agreement, on Completion, the Company would pay (i) the HSBC Share Consideration to HSBC as consideration for the acquisition of the HSBC Sale Shares and (ii) the Hang Seng Share Consideration to Hang Seng as consideration for the acquisition of the Hang Seng Sale Shares.

The HSBC Share Consideration and the Hang Seng Share Consideration were determined after arm's length negotiations between HSBC, Hang Seng and the Company.

On Completion and subject to the terms and conditions of the Agreement, iBusiness would repay (i) the HSBC Shareholder's Loan to HSBC and (ii) the Hang Seng Shareholder's Loan to Hang Seng.

B. INFORMATION ON iBUSINESS

The principal activities of iBusiness are e-commerce and investment. Before Completion, iBusiness is indirectly owned as to 49.56% by the Company, as to 26.69% by HWL, as to 19% by HSBC and as to 4.75% by Hang Seng and the results of iBusiness were being equity accounted for as an associate in the accounts of the Group. After Completion, iBusiness would become a subsidiary of the Company and the results of iBusiness will be consolidated in the accounts of the Group. HWL had agreed to join in the Agreement to confirm its agreement to the transfer of the Sale Shares contemplated therein.

The net liabilities of iBusiness on a consolidated basis as at 31st December 2006 were approximately HK\$11 million. The net profit before and after taxation on a consolidated basis for the year ended 31st December 2005 were approximately HK\$23 million and HK\$22 million respectively. The net profit before and after taxation on a consolidated basis for the year ended 31st December 2006 were approximately HK\$6 million and HK\$5 million respectively. The above financial information of iBusiness is prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants.

C. REASONS FOR THE TRANSACTION

The entering into of the Agreement by the Company with HSBC, Hang Seng, HWL and iBusiness is in furtherance of the Group's investment strategy. The Board, including the Independent Non-executive Directors of the Company, considers the terms of the Agreement in respect of the purchase of the Sale Shares to be in the interests of the Company and its shareholders, on normal commercial terms and fair and reasonable so far as the Company and its shareholders are concerned.

D. CONNECTED TRANSACTION

HWL is a substantial shareholder of iBusiness. HWL is also a controlling shareholder of certain subsidiaries of the Company and hence is a controller of the Company. Accordingly, the Agreement constitutes a connected transaction for the Company under Listing Rule 14A.13(1)(b)(i). As one or more of the relevant percentage ratios represented by the aggregate of the HSBC Share Consideration and the Hang Seng Share Consideration is or are more than 0.1 per cent but less than 2.5 per cent, in accordance with Listing Rule 14A.32, details of the transaction are required to be disclosed in this announcement and included in the Company's next published annual report and accounts.

E. GENERAL

The principal activities of the Group are investment holding, property development and investment, hotel and serviced suite operation, property and project management and investment in securities.

The principal activities of HSBC are the provision of a comprehensive range of domestic and international banking and related financial services, principally in the Asia-Pacific region.

The principal activities of Hang Seng are the provision of banking and related financial services.

F. DEFINITIONS

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

“Agreement”	the agreement dated 27th July 2007 entered into between HSBC and Hang Seng as the Vendors, the Company as the Purchaser, HWL and iBusiness in relation to the sale and purchase of the Sale Shares
“Board”	the board of Directors
“Company”	Cheung Kong (Holdings) Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0001)
“Completion”	completion of the Agreement
“connected person”	has the meaning ascribed to it under the Listing Rules
“controller”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hang Seng”	Hang Seng Bank Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 011)
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited, a company incorporated in Hong Kong with limited liability
“HWL”	Hutchison Whampoa Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 013)
“HSBC Sale Shares”	one thousand nine hundred (1,900) fully paid ordinary shares of iBusiness indirectly owned by HSBC representing 19.00% of the entire issued share capital of iBusiness

“Hang Seng Sale Shares”	four hundred and seventy-five (475) fully paid ordinary shares of iBusiness indirectly owned by Hang Seng representing 4.75% of the entire issued share capital of iBusiness
“HSBC Share Consideration”	a sum of HK\$6.983 million payable for the sale and purchase of the HSBC Sale Shares
“Hang Seng Share Consideration”	a sum of HK\$1.746 million payable for the sale and purchase of the Hang Seng Sale Shares
“HSBC Shareholder’s Loan”	an interest-free loan of HK\$18 million due and owing by iBusiness to HSBC as at the date of the Agreement
“Hang Seng Shareholder’s Loan”	an interest-free loan of HK\$4.5 million due and owing by iBusiness to Hang Seng as at the date of the Agreement
“iBusiness”	iBusinessCorporation.com Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Sale Shares”	HSBC Sale Shares and Hang Seng Sale Shares
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By Order of the Board
CHEUNG KONG (HOLDINGS) LIMITED
Eirene Yeung
Company Secretary

Hong Kong, 27th July 2007

The Directors (*Note*) of the Company as at the date of this announcement are Mr. LI Ka-shing (*Chairman*), Mr. LI Tzar Kuoi, Victor (*Managing Director and Deputy Chairman*), Mr. KAM Hing Lam (*Deputy Managing Director*), Mr. IP Tak Chuen, Edmond (*Deputy Managing Director*), Mr. CHUNG Sun Keung, Davy, Ms. PAU Yee Wan, Ezra, Ms. WOO Chia Ching, Grace and Mr. CHIU Kwok Hung, Justin as Executive Directors; Mr. LEUNG Siu Hon, Mr. FOK Kin-ning, Canning, Mr. Frank John SIXT, Mr. CHOW Kun Chee, Roland and Mr. George Colin MAGNUS as Non-executive Directors; and Mr. KWOK Tun-li, Stanley, Mr. YEH Yuan Chang, Anthony, Mr. Simon MURRAY, Mr. CHOW Nin Mow, Albert, Ms. HUNG Siu-lin, Katherine, Dr. WONG Yick-ming, Rosanna (*also Alternate to Mr. Simon MURRAY*), Mr. CHEONG Ying Chew, Henry and Mr. KWAN Chiu Yin, Robert as Independent Non-executive Directors.

Note: Other than Chairman, Managing Director and Deputy Managing Directors, order by date of appointment, and in the case of Non-executive Directors (“NED”) / Independent Non-executive Directors (“INED”), order by date of appointment as NED / INED.