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2008 ANNUAL RESULTS

CHAIRMAN'S STATEMENT

The Group reported solid operating results for 2008 from both its Hong Kong and international operations. In 2008, our shareholders have benefited from the Group's strong financial position and conservative investment profile with the Company's shares being one of the best performing shares in the Hang Seng Index for 2008.

The year 2008 was the last year under the previous 15-year Scheme of Control Agreement (SCA) under which The Hongkong Electric Co., Ltd. (HEC) operated. As reported last year, a new SCA was signed with the Hong Kong Government for ten years commencing 1st January 2009 at the lower rate of permitted return on average net fixed assets of 9.99%. The Government has an option to extend the SCA for a further term of 5 years. Shareholders will benefit over the next ten years from the certainty and stability of a long term regulatory framework for HEC that the new SCA provides; however, the lower rate of permitted return will impact the level of HEC's earnings.

We have sought to increase the proportion of the Group's earnings derived from its activities outside Hong Kong and good progress was made in this regard in 2008. In July 2008, we acquired a 50% interest in the Wellington electricity distribution network in New Zealand. In November 2008 we increased our interest in Northern Gas Networks in the United Kingdom (U.K.) from 19.9% to 35.1%. The increased interest has allowed us to increase our investment in one of our existing businesses which has performed well at a valuation that met our investment return parameters. A significant step was taken in February 2009 when we announced that we had agreed to purchase 45% equity interests in three joint ventures owning power plants in China, two of which are located in Zhuhai in Guangdong province adjacent to Hong Kong. The transaction, upon completion, will allow us to take a strategic stake in the electricity generation business in China at an attractive return and will enhance the earnings from the Group's international operations. Shareholders approved the acquisition of the power station interests at an extraordinary general meeting held on 16th March 2009.

Results

The Group's audited consolidated net profit after tax for the year ended 31st December 2008 was HK\$8,029 million (2007:HK\$7,448 million), an increase of 7.8%. Earnings from the Group's Hong Kong operations were HK\$7,008 million (2007:HK\$6,727 million). Higher HEC sales revenue, lower depreciation due to extension of useful lives of certain categories of fixed assets and a deferred tax adjustment due to a change in the Hong Kong profits tax rate contributed to the higher earnings from the Group's Hong Kong operations. Earnings from the Group's international operations were HK\$1,021 million (2007:HK\$721 million). The higher international operations earnings in 2008 were primarily due to the inclusion of earnings from the Thai power plant business which commenced full operations in June 2008 and from the Canadian and New Zealand businesses.

Final Dividend

The Directors will recommend a final dividend of HK\$1.49 per share, payable on 15th May 2009 to those persons registered as shareholders on 14th May 2009. This, together with the interim dividend of HK\$0.62 per share, will give a total dividend of HK\$2.11 per share for the year (2007: HK\$2.01 per share).

Hong Kong Operations

Unit sales of electricity for 2008 were 0.2% lower than that for 2007. The lower unit sales were primarily due to the wetter and cooler summer in 2008 and to the effect of various energy saving initiatives. The number of domestic customers in 2008 recorded a slight increase and the number of commercial customers a slight decrease while the number of industrial sector customers continued their declining trend. Maximum Demand in 2008 was 2,589 MW compared with 2,552 MW in 2007.

During 2008, the Lamma Power Station's coal-fired units generated approximately 83% of the electricity sent out while the gas-fired units generated approximately 17%. Both the coal-fired and gas-fired generating plants at Lamma performed satisfactorily in 2008 with no significant operational issues.

Lamma Winds, the 800 kW wind turbine on Lamma Island with its associated exhibition centre on renewable energy continued to attract public interest in renewable energy.

High coal prices continued to put pressure on fuel costs in 2008. Coal costs moderated somewhat toward the end of 2008 and into 2009 though they still remain high by historic standards. In order to mitigate in part the impact of higher coal costs we continued to source and use a variety of coal during the year.

Our emission reduction programme at the Lamma Power Station progressed well during 2008. Civil construction work is progressing on schedule for the flue gas desulphurisation (FGD) plant and low nitrogen oxide system retrofit works for the coal-fired Units 4 and 5. Engineering design has been substantially completed and construction work commenced for the coal-fired Unit 2 FGD retrofit work. Conversion of GT57 from an oil-fired combined cycle unit to a gas-fired unit has been completed and the unit commissioned. By the end of 2010, it is expected that over 95% of the electricity generated at the Lamma Power Station will be generated by gas and by coal-fired units fitted with FGDs and low nitrogen oxide burners resulting in lower emission levels.

In December, the Hong Kong Government approved HEC's Development Plan for the period 2009-2013 which provided for HK\$12.3 billion in capital expenditure over that period. This investment will be focused on additions to and maintaining the reliability of our transmission and distribution network and in furthering our emission reduction programme at the Lamma Power Station. We are continuing with our evaluation work for a 100 MW offshore wind farm with detailed environmental impact assessment studies in progress.

Supply reliability was maintained at over 99.999% in 2008 surpassing our pledged customer service standards. This world class supply reliability has been consistently maintained since 1997. Supply reliability was supported by the improvement and maintenance work carried out on the transmission and distribution network in 2008.

During 2008, we continued with our participation in environmental and community activities. A total of 70 visits from professional institutes and schools to the Lamma Power Station and Lamma Winds were organised in 2008. The HK Electric Clean Energy Fund continued its efforts in 2008 in promoting renewable energy. The HK Electric Volunteers which now has a membership of over 840 employees focuses its activities on care for the elderly and those in the community in need. During 2008, the volunteers undertook 68 service activities with a total of over 3,800 service hours. The HK Electric Centenary Trust continued to provide scholarships for secondary students and funding for self learning centres for senior citizens. The trust also funds the U3A (university of the third age) network which now includes 19 social services agencies. U3A courses promote life-long learning and volunteerism among the retired.

International Operations

In Thailand, construction of the 1,400 MW gas-fired Ratchaburi Power Station was completed in 2008 with the first unit being commissioned in March and the second unit in June. Electricity generated is sold to the Electricity Generating Authority of Thailand under a long term power purchase agreement. The power plant has achieved an availability factor of over 90% since commissioning.

In Canada, the Group benefited from the first full year of operations of Stanley Power Inc. Stanley Power Inc. has interests in six power plants, five of which are gas-fired and one coal-fired. Higher gross margins were recorded in 2008.

In the U.K., Northern Gas Networks (NGN) which operates a gas distribution network in the north of England recorded results ahead of those for the previous year. NGN has been benchmarked by its regulator as the most efficient network in the U.K. gas industry.

In New Zealand, the Group benefited from six months of operations from its interest in the Wellington electricity distribution network which was acquired in July 2008. The network serves the Wellington, Porirua and Hutt Valley regions.

In Australia, both ETSA in South Australia and Powercor and CitiPower in Victoria performed satisfactorily with both businesses recording a strong financial performance with higher distribution revenue. Customer service and reliability targets for 2008 were exceeded.

In China, construction of the 48 MW wind farm in Dali, Yunnan province was completed in December and began full commercial operation in January 2009. Construction work for the 49.5 MW wind farm in Leting, Hebei province is substantially complete and commissioning is underway.

Outlook

The year 2009 is expected to be a challenging year with the impact of the current worldwide economic and financial uncertainty continuing to be felt. However, with its strong financial position and conservative investment profile the Group is well placed to face this uncertain operating environment. In Hong Kong, HEC will continue with its focus on the environment through its emission reduction programmes. Internationally, we will continue to look for new investment opportunities.

I would like to thank the directors for their continued support during the year and the management and staff for their loyalty and hard work in 2008.

Canning Fok Kin-ning

Chairman

Hong Kong, 17th March 2009

FINANCIAL REVIEW

Capital Expenditure, Liquidity and Financial Resources

Capital expenditure during the year amounted to HK\$2,084 million (2007 : HK\$1,747 million), which was primarily funded by cash from operations. Total external borrowings outstanding at the year end were HK\$10,667 million (31st December 2007 : HK\$13,495 million), comprising unsecured bank loans and debt securities in issue. In addition, the Group had undrawn committed bank facilities of HK\$7,450 million (31st December 2007 : HK\$7,145 million) and bank deposits and cash of HK\$8,962 million (31st December 2007 : HK\$12,180 million).

Treasury Policies, Financing Activities and Capital Structure

The Group manages its financial risks in accordance with guidelines laid down in its treasury policy, which is approved by the Board. The treasury policy is designed to manage the Group's currency, interest rate and counterparty risks. The Group aims to ensure that adequate financial resources are available for refinancing and business growth.

The Group's financial profile remained strong during the year. Standard and Poor's affirmed the A+ long term credit ratings of Hongkong Electric Holdings Limited and The Hongkong Electric Company, Limited with a stable outlook in December 2008. As at 31st December 2008, the net debt of the Group was HK\$1,705 million (31st December 2007 : HK\$1,315 million) with a net debt-to-equity ratio of 4% (31st December 2007 : 3%).

The profile of the Group's external borrowings, after taking into account of interest rate swaps was as follows:-

- (1) 70% was in Hong Kong dollars and 30% in Australian dollars;
- (2) 77% was bank loans and 23% was capital market instruments;
- (3) 16% was repayable within 1 year, 66% was repayable between 2 and 5 years and 18% was repayable beyond 5 years;
- (4) 53% was in fixed rate and 47% was in floating rate.

Currency and interest rate risks are actively managed in accordance with the Group's treasury policy. Derivative financial instruments are used primarily for managing interest rate and foreign currency risks and not for speculative purposes. Treasury transactions are only executed with counterparties with acceptable credit ratings to control credit risk exposure.

The Group's policy is to maintain a portion of its debt at fixed interest rates. Interest rate risk is managed by either securing fixed or floating rate borrowings or by using interest rate derivatives. As at 31st December 2008, 53% of the Group's total borrowings were at fixed rates.

The Group's principal foreign currency exposures arise from its overseas investments and from the import of fuel and capital equipment. Foreign currency transaction exposure is managed mainly through forward contracts. As at 31st December 2008, over 95% of the Group's transaction exposure was either denominated in US dollars or hedged into Hong Kong or US dollars. Where considered appropriate, currency exposure arising from overseas investments is mitigated by financing those investments in local currency borrowings. Foreign currency fluctuations will affect the translated value of the net assets of overseas investments and the resultant translation difference is included in the Group's reserve account. Income received from the Group's overseas investment which is not denominated in Hong Kong dollars is unless otherwise determined converted into Hong Kong dollars on receipt.

The contractual notional amounts of derivative financial instruments outstanding at 31st December 2008 amounted to HK\$7,763 million (31st December 2007 : HK\$9,576 million).

Charges on Group Assets

The shares of an associate were pledged as part of the security arrangements for project financing facilities for that associate. The carrying value of the associate as at 31st December 2008 was HK\$552 million (31st December 2007 : HK\$281 million).

Contingent Liabilities

As at 31st December 2008, the Group had given guarantees and indemnities totalling HK\$1,262 million (31st December 2007 : HK\$2,702 million).

The Company had given guarantees and indemnities in respect of bank and other borrowing facilities made available to and financial commitments of subsidiaries totalling HK\$3,217 million (2007 : HK\$5,286 million). Out of this amount, HK\$3,207 million (2007 : HK\$5,156 million), while being a contingent liability of the Company, is reflected in the Consolidated Balance Sheet of the Group.

A wholly-owned subsidiary of the Company, Hongkong Electric, has given guarantees to third parties in respect of the value of leased equipment of HK\$210 million (2007 : HK\$210 million) at the expiry of the lease.

Employees

The Group continues its policy of pay for performance and market pay levels are monitored to ensure competitiveness is maintained. The Group's total remuneration costs for the year ended 31 December 2008, excluding directors' emoluments, amounted to HK\$877 million (2007 : HK\$843 million). As at 31st December 2008, the Group employed 1,864 permanent staff (2007 : 1,879). No share option scheme is in operation.

Apart from well-established training schemes for university graduates, trainee technicians and apprentices, the Group provides training for employees in management and functional skills, language skills, computer knowledge and technology relevant to the Group's industry by both classroom training and e-learning platforms. Job-related programmes to develop and enhance the general skills and knowledge of employees are also provided.

HONGKONG ELECTRIC HOLDINGS LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2008

	Note	2008 HK\$ million	2007 HK\$ million
Turnover	3	12,773	12,524
Direct costs		<u>(3,782)</u>	<u>(4,218)</u>
		8,991	8,306
Other revenue and other net income		1,020	1,547
Other operating costs		(941)	(984)
Finance costs		<u>(463)</u>	<u>(634)</u>
Operating profit		8,607	8,235
Share of profits less losses of associates		<u>732</u>	<u>524</u>
Profit before taxation	4	9,339	8,759
Income tax:	5		
Current		(946)	(1,301)
Deferred		(54)	5
		<u>(1,000)</u>	<u>(1,296)</u>
Profit after taxation		8,339	7,463
Scheme of Control transfers			
To:			
Development Fund		(297)	(14)
Rate Reduction Reserve		(13)	(1)
		<u>(310)</u>	<u>(15)</u>
Profit attributable to equity shareholders			
Hong Kong operations		7,008	6,727
International operations		1,021	721
		<u>8,029</u>	<u>7,448</u>
Dividends payable to equity shareholders of the Company attributable to the year:	6		
Interim dividend paid during the year		1,323	1,238
Final dividend proposed after the balance sheet date		<u>3,180</u>	<u>3,052</u>
		<u>4,503</u>	<u>4,290</u>
Earnings per share			
Basic and diluted	7	\$3.76	\$3.49

HONGKONG ELECTRIC HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEET

AT 31ST DECEMBER 2008

	Note	2008 HK\$ million	2007 HK\$ million
Non-current assets			
Fixed assets			
- Property, plant and equipment		41,711	41,112
- Assets under construction		2,510	2,623
- Interests in leasehold land held for own use under operating leases		2,267	2,323
		<u>46,488</u>	<u>46,058</u>
Interest in associates		9,921	9,053
Interest in jointly controlled entities		159	18
Other non-current financial assets		66	66
Derivative financial instruments		29	122
Deferred tax assets		11	-
Employee retirement benefit assets		-	1,106
		<u>56,674</u>	<u>56,423</u>
Current assets			
Inventories		659	539
Trade and other receivables	8	1,147	1,197
Fuel Clause Account		998	336
Bank deposits and cash		8,962	12,180
		<u>11,766</u>	<u>14,252</u>
Current liabilities			
Trade and other payables	9	(1,173)	(1,071)
Current portion of bank loans and other borrowings		(1,687)	(2,191)
Current taxation		(188)	(424)
		<u>(3,048)</u>	<u>(3,686)</u>
Net current assets		<u>8,718</u>	<u>10,566</u>
Total assets less current liabilities		<u>65,392</u>	<u>66,989</u>
Non-current liabilities			
Interest-bearing borrowings		(8,980)	(11,304)
Derivative financial instruments		(110)	(7)
Customers' deposits		(1,634)	(1,585)
Deferred tax liabilities		(5,479)	(5,444)
Employee retirement benefit liabilities		(1,537)	(530)
		<u>(17,740)</u>	<u>(18,870)</u>
Rate Reduction Reserve		(14)	(1)
Development Fund		(311)	(14)
Net assets		<u>47,327</u>	<u>48,104</u>
Capital and reserves			
Share capital		2,134	2,134
Reserves		45,193	45,970
Total equity attributable to equity shareholders of the Company		<u>47,327</u>	<u>48,104</u>

Notes to Annual Results

1. Review of Annual Results

The annual results have been reviewed by the Audit Committee.

The figures in respect of the preliminary announcement of the Group's results for the year ended 31st December 2008 have been compared by the Company's auditors, KPMG, Certified Public Accountants, to the amounts set out in the Group's financial statements for the year and the amounts were found to be in agreement. The work performed by KPMG in this respect was limited and did not constitute an audit, review or other assurance engagement and consequently no assurance has been expressed by the auditors on this announcement.

2. Changes in Accounting Policies

The HKICPA has issued a number of new and revised HKFRSs that are first effective for or available for early adoption in the current accounting period of the Group and the Company.

The adoption of these new and revised HKFRSs has no material impact on the financial statements for the years presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. Turnover and Segment Information

(a) Business Segments

For the year ended 31st December

\$ million	Sales of Electricity		Infrastructure Investments		Unallocated & Other Items		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007
Revenue								
Group turnover	12,731	12,478	-	-	42	46	12,773	12,524
Other revenue and other net income	3	426	43	46	15	36	61	508
Segment revenue	12,734	12,904	43	46	57	82	12,834	13,032
Result								
Segment result	8,140	7,858	42	46	(71)	(74)	8,111	7,830
Interest income	-	-	603	519	356	520	959	1,039
Finance costs	(166)	(369)	(297)	(265)	-	-	(463)	(634)
Operating profit	7,974	7,489	348	300	285	446	8,607	8,235
Share of profits less losses of associates	-	-	731	523	1	1	732	524
Profit before taxation	7,974	7,489	1,079	823	286	447	9,339	8,759
Income tax	(1,016)	(1,290)	17	(1)	(1)	(5)	(1,000)	(1,296)
Profit after taxation	6,958	6,199	1,096	822	285	442	8,339	7,463
Scheme of Control transfers	(310)	(15)	-	-	-	-	(310)	(15)
Profit attributable to equity shareholders	6,648	6,184	1,096	822	285	442	8,029	7,448
At 31st December								
Assets								
Segment assets	49,276	49,107	77	183	45	134	49,398	49,424
Interest in associates and jointly controlled entities	-	-	10,071	9,062	9	9	10,080	9,071
Bank deposits and cash	-	-	-	-	8,962	12,180	8,962	12,180
Consolidated total assets	49,276	49,107	10,148	9,245	9,016	12,323	68,440	70,675
Liabilities								
Segment liabilities	3,922	2,848	138	118	394	227	4,454	3,193
Current and deferred taxation	5,667	5,836	(9)	19	9	13	5,667	5,868
Interest-bearing borrowings	7,463	8,559	3,204	4,936	-	-	10,667	13,495
Rate Reduction Reserve	14	1	-	-	-	-	14	1
Development Fund	311	14	-	-	-	-	311	14
Consolidated total liabilities	17,377	17,258	3,333	5,073	403	240	21,113	22,571
Other information								
Capital expenditure	2,084	1,747	-	-	-	-	2,084	1,747
Depreciation and amortisation	1,617	2,144	-	-	-	-	1,617	2,144

(b) Geographical Segments

For the year ended 31st December

\$ million	Hong Kong		Australia		Unallocated & Other Items		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007
Revenue								
Group turnover	12,759	12,503	-	-	14	21	12,773	12,524
Other revenue and other net income	13	460	35	46	13	2	61	508
Segment revenue	12,772	12,963	35	46	27	23	12,834	13,032
Result								
Segment result	8,144	7,885	33	45	(66)	(100)	8,111	7,830
Interest income	356	520	521	519	82	-	959	1,039
Finance costs	(166)	(369)	(260)	(257)	(37)	(8)	(463)	(634)
Operating profit	8,334	8,036	294	307	(21)	(108)	8,607	8,235
Share of profits less losses of associates	1	1	301	327	430	196	732	524
Profit before taxation	8,335	8,037	595	634	409	88	9,339	8,759
Income tax	(1,017)	(1,295)	(2)	(2)	19	1	(1,000)	(1,296)
Profit after taxation	7,318	6,742	593	632	428	89	8,339	7,463
Scheme of Control transfers	(310)	(15)	-	-	-	-	(310)	(15)
Profit attributable to equity shareholders	7,008	6,727	593	632	428	89	8,029	7,448
At 31st December								
Assets								
Segment assets	49,318	49,220	11	115	69	89	49,398	49,424
Interest in associates and jointly controlled entities	9	9	4,715	7,030	5,356	2,032	10,080	9,071
Bank deposits and cash	-	-	-	-	8,962	12,180	8,962	12,180
Consolidated total assets	49,327	49,229	4,726	7,145	14,387	14,301	68,440	70,675
Other information								
Capital expenditure	2,084	1,747	-	-	-	-	2,084	1,747
Depreciation and amortisation	1,617	2,144	-	-	-	-	1,617	2,144

4. Profit before Taxation

Profit before taxation is shown after charging/(crediting):

	2008 HK\$ million	2007 HK\$ million
Depreciation	1,456	1,963
Amortisation of leasehold land	58	57
Fixed assets written off	25	22
Net profit on sale of fixed assets	(1)	(3)
Dividend income from unlisted available-for-sale equity securities	7	-

5. Income Tax

	2008 <u>HK\$ million</u>	2007 <u>HK\$ million</u>
Current Tax - Hong Kong Profits Tax		
Provision for the year	963	1,300
Current Tax - Overseas		
Provision for the year	(17)	1
	<u>946</u>	<u>1,301</u>
Deferred Tax		
Origination and reversal of temporary differences	364	(5)
Effect of change in tax rate	(310)	-
	<u>54</u>	<u>(5)</u>
	<u>1,000</u>	<u>1,296</u>

In June 2008, the Government promulgated a decrease in the Profits Tax rate from 17.5% to 16.5% applicable to the Group as from the year ended 31st December 2008. This decrease is taken into account in the preparation of these financial statements. Accordingly, the provision for Hong Kong Profits Tax for 2008 has been provided at the rate of 16.5% (2007 : 17.5%) based on the estimated assessable profits for the year and the opening balance of deferred tax has been re-estimated accordingly.

Overseas taxation has been provided for at the applicable rates on the estimated assessable profits for the year.

6. Dividends

	2008 <u>HK\$ million</u>	2007 <u>HK\$ million</u>
Interim dividend declared and paid of 62 cents per ordinary share (2007 : 58 cents per ordinary share)	1,323	1,238
Final dividend proposed after the balance sheet date of \$1.49 per ordinary share (2007 : \$1.43 per ordinary share)	3,180	3,052
	<u>4,503</u>	<u>4,290</u>

The final dividend proposed after the balance sheet date is based on 2,134,261,654 ordinary shares (2007 : 2,134,261,654 ordinary shares), being the total number of issued shares at the year end. The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

7. Earnings per Share

The calculation of earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of \$8,029 million (2007 : \$7,448 million) and 2,134,261,654 ordinary shares (2007 : 2,134,261,654 ordinary shares) in issue throughout the year.

There were no dilutive potential ordinary shares in existence during the years ended 31st December 2008 and 2007.

8. Trade and Other Receivables

	2008 <u>HK\$ million</u>	2007 <u>HK\$ million</u>
Trade debtors (see note (a) below)	670	643
Other receivables	444	519
	<u>1,114</u>	<u>1,162</u>
Derivative financial instruments		
- held as cash flow/fair value hedging instruments	2	10
Deposits and prepayments	31	25
	<u>1,147</u>	<u>1,197</u>

(a) Debtors' ageing is analysed as follows:

Current	625	600
1 to 3 months overdue	31	32
More than 3 months overdue but less than 12 months overdue	14	11
	<u>670</u>	<u>643</u>

(b) Electricity bills issued to domestic, small industrial, commercial and miscellaneous customers for electricity supplies are due upon presentation whereas maximum demand customers are allowed a credit period of 16 working days. If settlements by maximum demand customers are received after the credit period, a surcharge of 5% can be added to the electricity bills.

9. Trade and Other Payables

	2008 <u>HK\$ million</u>	2007 <u>HK\$ million</u>
Creditors measured at amortised cost (see note below)	1,161	1,068
Derivative financial instruments		
- held as cash flow/fair value hedging instruments	12	3
	<u>1,173</u>	<u>1,071</u>
Creditors' ageing is analysed as follows:		
Due within 1 month or on demand	558	474
Due after 1 month but within 3 months	197	240
Due after 3 months but within 12 months	306	321
	<u>1,061</u>	<u>1,035</u>
Other payables	100	33
	<u>1,161</u>	<u>1,068</u>

OTHER INFORMATION

Purchase, Sale or Redemption of Shares

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's issued shares during the year.

Code on Corporate Governance Practices

The Company has complied with the applicable code provisions in the Code on Corporate Governance Practices set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") throughout the year ended 31st December 2008.

Closing of Register of Members

The register of members will be closed from Thursday, 7th May 2009 to Thursday, 14th May 2009, both days inclusive. To qualify for the final dividend and the right to attend and vote at the Annual General Meeting to be held on 14th May 2009 (or any adjournment thereof), all transfers accompanied by the relevant share certificates should be lodged with the Company's Registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Wednesday, 6th May 2009.

Annual General Meeting

The Annual General Meeting of the Company will be held at the Ballroom, 1st Floor, Harbour Plaza Hong Kong, 20 Tak Fung Street, Hung Hom, Kowloon, Hong Kong on Thursday, 14th May 2009 at 12:00 noon. Notice of the Annual General Meeting will be published and sent to shareholders in the manner as required by the Listing Rules in due course.

Board Composition

As at the date of this announcement, the Directors of the Company are:

Executive Directors:	Mr. FOK Kin-ning, Canning (Chairman), Mr. TSO Kai-sum (Group Managing Director), Mrs. CHOW WOO Mo-fong, Susan (also Alternate Director to Mr. FOK Kin-ning, Canning and Mr. Frank John SIXT), Mr. Andrew John HUNTER, Mr. KAM Hing-lam (Mr. CHAN Loi-shun, Alternate Director to Mr KAM Hing-lam), Mr. LI Tzar-kuoi, Victor, Mr. Neil Douglas MCGEE, Mr. Frank John SIXT, Mr. WAN Chi-tin and Mr. YUEN Sui-see
Non-executive Directors:	Mr. Ronald Joseph ARCULLI, Mr. LEE Lan-ye, Francis and Mr. George Colin MAGNUS.
Independent Non-executive Directors:	Mr. Holger KLUGE, Mr. Ralph Raymond SHEA and Mr. WONG Chung-hin.