



Press Release

Cheung Kong (Holdings) Reaps Five-fold Gain in Value from Sale of Kobo Stake

(11 November, 2011, Hong Kong) – Cheung Kong (Holdings) Limited (“Cheung Kong (Holdings)”) announced today it has reached an agreement to sell its stake in Kobo Inc. (“Kobo”) to Rakuten Inc. (“Rakuten”), a Japan based world leading Internet service company.

Cheung Kong (Holdings)’s investment in Kobo was made in late 2009. It is expected that upon completion of the sale, Cheung Kong (Holdings) will receive US\$ 42 million to US\$ 43 million, (approximately HK\$327 million to HK\$335 million) in total proceeds. This represents a five-fold gain in 24 months.

Mr. Gerald Ma, Director of Corporate Strategy Unit and Chief Manager of Corporate Business Development of Cheung Kong (Holdings) said, “We are delighted to have the opportunity to participate in this great journey over the last two years, during which, we witnessed Kobo growing at a tremendous pace and has since become one of the leading eReading platforms in the world. Much credit should be given to our major partner Indigo Books & Music Inc. as well as the management team.”

“The sale to e-commerce player Rakuten would take Kobo to the next phase of development. It has also given us an opportunity to realize the value of our investment in the company,” Mr. Ma expressed.

The transaction is subject to customary closing conditions and is expected to complete in early 2012.

Kobo is a global eReading service with more than 2.5 million eBooks, magazines and newspapers. It has one of the largest eReading catalogues in the world, and has attracted more than 5.6 million readers from over 100 countries across the globe. Kobo has top ranked eReading applications for iPad, iPhone, Blackberry, Android, Windows and MacOS, and is the eReading application of choice for leading tablet OEMs. Kobo eReaders are available at leading retailers worldwide.

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