

IMPORTANT

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.



THE WHARF (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)

Directors:

Mr. Peter K. C. Woo, GBS, JP (*Chairman*)
Mr. Gonzaga W. J. Li (*Senior Deputy Chairman*)
Mr. Stephen T. H. Ng (*Deputy Chairman & Managing Director*)
Mr. David J. Lawrence (*Executive Director*)
Mr. Robert H. Burns*
Professor Edward K. Y. Chen, CBE, JP*
Mr. Paul M. F. Cheng, JP*
Dr. Raymond K. F. Ch'ien, GBS, CBE, JP*
Mr. Erik Bøgh Christensen
Mr. Vincent Fang*
Mr. Hans M. Jebsen, BBS*
Mr. Christopher P. Langley, OBE*
Mr. Quinn Y. K. Law
Ms. Doreen Y. F. Lee
Mr. T. Y. Ng
Mr. James E. Thompson*

Registered Office:

16th Floor, Ocean Centre,
Harbour City, Canton Road,
Kowloon,
Hong Kong

29th April, 2003

(* Independent Non-executive Directors)

To the Shareholders

Dear Sir or Madam,

ANNUAL GENERAL MEETING GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES AMENDMENTS TO ARTICLES OF ASSOCIATION

1. At an extraordinary general meeting of The Wharf (Holdings) Limited (the "Company") held on 7th June, 2002, ordinary resolutions were passed giving general mandates to directors of the Company (the "Directors") (i) to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") of up to 10 per cent. of the issued share capital of the Company as at 7th June, 2002; and (ii) to allot, issue and otherwise deal with shares up to a limit equal to (a) 20 per cent. of the shares of the Company in issue as at 7th June, 2002, plus (b) (authorised by a separate ordinary

resolution as required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”)) the nominal amount of any shares repurchased by the Company.

2. Under the terms of the Companies Ordinance and the Listing Rules, these general mandates will lapse at the conclusion of the Annual General Meeting (“AGM”) for 2003, unless renewed at that meeting. Resolutions will be proposed at the AGM to renew these mandates, and the Explanatory Statement required by the Listing Rules to be sent to shareholders in connection with the proposed repurchase mandate is set out in the Appendix to this document.
3. Following the recent enactment of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and the repealing of the Securities and Futures (Clearing Houses) Ordinance (Chapter 420 of the Laws of Hong Kong), the Directors also recommend making corresponding amendments to the Articles of Association of the Company (“Articles of Association”).
4. Notice of the AGM is set out on pages 5 to 8 of this document. A form of proxy for use at the AGM is enclosed. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the registered office of the Company in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the holding of the AGM. Completion of the form of proxy and its return to the Company will not preclude you from attending, and voting at, the AGM if you so wish.
5. The Directors believe that the general mandates and the proposed amendments to the Articles of Association are in the interests of the Company and its shareholders. Accordingly, the Directors recommend you to vote in favour of all the relevant resolutions to be proposed at the AGM.

Yours faithfully,
Peter K. C. Woo
Chairman

APPENDIX

EXPLANATORY STATEMENT

The following is the Explanatory Statement required to be sent to shareholders under the Listing Rules in connection with the proposed general mandate for repurchase of shares and also constitutes the Memorandum required under section 49BA of the Companies Ordinance. References in this Statement to "Share(s)" mean ordinary share(s) of HK\$1.00 each in the capital of the Company:

- (i) It is proposed that the general repurchase mandate will authorise the repurchase by the Company of up to 10 per cent. of the Shares in issue at the date of passing the resolution to approve the general repurchase mandate. As at 22nd April, 2003, being the latest practicable date for determining such figure, the number of Shares in issue was 2,447,476,629 Shares (which were fully paid up). On the basis of such figure (and assuming no further Shares will be issued or repurchased after 22nd April, 2003 and up to the date of passing such resolution), exercise in full of the general repurchase mandate would result in the repurchase by the Company of up to 244,747,662 Shares.
- (ii) The Directors believe that the general authority from shareholders to enable repurchase of Shares is in the interests of the Company and its shareholders. Repurchases may, depending on the circumstances, result in an increase in net assets and/or earnings per Share. 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. The number(s) of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.
- (iii) The funds required for any repurchase would be derived from the distributable profits of the Company legally available for such purpose in accordance with the Company's constitutive documents and the laws of Hong Kong.
- (iv) There could be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent audited accounts for the year ended 31st December, 2002 being forwarded to all shareholders together with this circular letter) in the event that the general repurchase mandate were exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the general repurchase mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing level which in the opinion of the Directors is from time to time appropriate for the Company.
- (v) There are no Directors or (to the best of the knowledge of the Directors, having made all reasonable enquiries) any associates (as defined in the Listing Rules) of the Directors of the Company who have a present intention, in the event that the general repurchase mandate is granted by shareholders, to sell Shares to the Company.

- (vi) The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the general repurchase mandate in accordance with the Listing Rules and the laws of Hong Kong.
- (vii) The Directors are of the opinion that there are not any consequences which would arise under the Hong Kong Code on Takeovers and Mergers (the “Takeover Code”) as a consequence of any purchases pursuant to the general repurchase mandate. However, if as a result of a repurchase of Shares a shareholder’s proportionate interest in the voting rights of the Company increases, such increase would be treated as an acquisition for the purposes of the Takeover Code. Accordingly, 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 Rule 26 of the Takeover Code.
- (viii) No purchase has been made by the Company of Shares in the six months prior to the latest practicable date before the printing of this document.
- (ix) No connected persons (as defined in the Listing Rules) of the Company have notified the Company of a present intention to sell Shares to the Company and no such persons have undertaken not to sell Shares to the Company in the event that the general repurchase mandate is granted by shareholders.
- (x) The highest and lowest prices at which Shares were traded on the Stock Exchange in each of the previous twelve months are as follows:

	Highest (HK\$)	Lowest (HK\$)
April 2002	20.90	17.10
May 2002	22.70	18.30
June 2002	19.60	17.85
July 2002	18.80	15.50
August 2002	17.30	14.50
September 2002	16.20	14.30
October 2002	16.40	14.35
November 2002	16.60	15.35
December 2002	17.40	14.65
January 2003	16.55	14.65
February 2003	17.15	15.35
March 2003	17.15	15.45

THE WHARF (HOLDINGS) LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders of The Wharf (Holdings) Limited will be held in the Centenary Room, Ground Floor, The Marco Polo Hongkong Hotel, 3 Canton Road, Kowloon, Hong Kong, on Friday, 30th May, 2003 at 9:15 a.m. for the purpose of transacting the following business:

As ordinary business:

- (1) To receive and consider the Statement of Accounts and the Reports of the Directors and Auditors for the year ended 31st December, 2002.
- (2) To declare a Final Dividend for the year ended 31st December, 2002.
- (3) To re-elect retiring Directors.
- (4) To appoint Auditors and authorise the Directors to fix their remuneration.

And as special business, to consider and, if thought fit, to pass with or without modification the following resolutions of which resolutions number (5) to (7) will be proposed as ordinary resolutions and resolution number (8) will be proposed as a special resolution:

ORDINARY RESOLUTIONS

- (5) **“THAT:**
 - (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to purchase shares in the capital of the Company be and is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of shares which may be purchased on The Stock Exchange of Hong Kong Limited or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited under the Code on Share Repurchases pursuant to the approval in paragraph (a) above shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution, and the said approval shall be limited accordingly; and
 - (c) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (aa) the conclusion of the next Annual General Meeting of the Company;
- (bb) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; and
- (cc) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting.”

(6) **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (i) any executive or employee share option or incentive scheme, or (ii) a Rights Issue, or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution; plus
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution),

and the said approval shall be limited accordingly; and

- (d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (aa) the conclusion of the next Annual General Meeting of the Company;
- (bb) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; and
- (cc) the revocation or variation of the approval given under this Resolution by ordinary resolution of the shareholders in general meeting; and

“Rights Issue” means an offer of shares, or an offer of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the Company or by the Directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

- (7) **“THAT** the general mandate granted to the Directors of the Company to exercise the powers of the Company to allot, issue and deal with any additional shares of the Company pursuant to ordinary resolution (6) set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution (5) set out in the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution.”

SPECIAL RESOLUTION

- (8) **“THAT** the Articles of Association of the Company be hereby amended as follows:-
 - (a) by adding the following definitions immediately after the definition of “the Ordinance” in Article 2:

“the SFO” shall mean the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), and any amendments thereto or re-enactment thereof for the time being in force and shall include every other statute incorporated therewith or substituted therefor; and in case of any such substitution the references in these Articles to the provisions of the SFO shall be read as references to the provisions substituted therefor in the new statute;’ and

- (b) by replacing the words ‘Securities and Futures (Clearing Houses) Ordinance (Chapter 420 of the laws of Hong Kong)’ by the words ‘SFO’ in Article 91A.”

By Order of the Board
Wilson W. S. Chan
Secretary

Hong Kong, 29th April, 2003

Registered Office:

16th Floor, Ocean Centre,
Harbour City, Canton Road,
Kowloon,
Hong Kong

Notes:

- (a) *A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, in the event of a poll, to vote in his stead. A proxy need not be a member of the Company. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed (or a notarially certified copy of that power of attorney or authority) must be deposited at the Company’s registered office at 16th Floor, Ocean Centre, Harbour City, Canton Road, Kowloon, Hong Kong, not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting.*
- (b) *With reference to the Ordinary Resolution proposed under item (6) above, the Directors wish to state that they have no immediate plans to issue any new shares of the Company pursuant to the mandate to be given thereunder, other than under the executive share incentive scheme from time to time adopted by the Company.*
- (c) *The Register of Members will be closed from Friday, 23rd May, 2003 to Friday, 30th May, 2003, both days inclusive, during which period no transfer of shares of the Company can be effected. In order to qualify for the abovementioned Final Dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company’s Registrars, Tengis Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, not later than 4:30 p.m. on Thursday, 22nd May, 2003.*