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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular, or as to the action to be taken, you should consult your licensed dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Cheung Kong Infrastructure Holdings Limited, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**CHEUNG KONG INFRASTRUCTURE HOLDINGS LIMITED**

(Incorporated in Bermuda with limited liability)

(Stock Code: 1038)

**DISCLOSEABLE TRANSACTION**

**Sale and Purchase Agreement relating  
to the acquisition of Cambridge Water PLC  
by CKI UK Water Limited**

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20th May, 2004

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## DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Shares by CKI UK pursuant to the terms of the Agreement
“Agreement”	the Sale and Purchase Agreement dated 28th April, 2004 relating to the sale and purchase of the Sale Shares and the transaction documents to be entered into under such agreement
“Announcement”	the announcement made by the Company on 28th April, 2004
“Board”	the Board of the Directors
“Cambridge Water”	Cambridge Water PLC, a company incorporated in England
“CKI UK” or “Purchaser”	CKI UK Water Limited, a wholly-owned subsidiary of the Company
“CKI” or “Company”	Cheung Kong Infrastructure Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 1038)
“Completion”	completion of the Agreement on 28th April, 2004 with performance by the Purchaser and Vendor of their respective obligations in accordance with the provisions of the Agreement
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	15th May, 2004, being the latest practicable date prior to the printing of this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Sale Shares”	the entire issued share capital of Cambridge Water
“SFO”	Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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## DEFINITIONS

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“Vendor”	UFACEX UK Holdings PLC, a corporation organised and existing under the laws of England and Wales and a wholly-owned subsidiary of the Vendor Guarantor
“Vendor Guarantor”	Unión Fenosa Internacional, S.A., a corporation organised and existing under the laws of Spain
“£”	pounds sterling, the lawful currency of the United Kingdom
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

*Note: The figures in £ are translated into HK\$ at the rate of £1 = HK\$13.97 throughout this circular for indication purposes only.*

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## LETTER FROM THE BOARD

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### CHEUNG KONG INFRASTRUCTURE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1038)

**Directors:**

LI Tzar Kuoi, Victor *Chairman*  
KAM Hing Lam *Group Managing Director*

George Colin MAGNUS *Deputy Chairman*  
FOK Kin Ning, Canning *Deputy Chairman*  
IP Tak Chuen, Edmond *Deputy Chairman*

KWAN Bing Sing, Eric *Deputy Managing Director*

CHOW WOO Mo Fong, Susan *Executive Director*  
Frank John SIXT *Executive Director*  
TSO Kai Sum *Executive Director*

CHEONG Ying Chew, Henry *Independent Non-executive Director*  
LEE Pui Ling, Angelina *Independent Non-executive Director*  
Barrie COOK *Non-executive Director*

**Company Secretary:**

Eirene YEUNG

**Registered office:**

Clarendon House  
Church Street  
Hamilton HM11  
Bermuda

**Principal Place of Business:**

12th Floor, Cheung Kong Center  
2 Queen's Road Central  
Hong Kong

20th May, 2004

Dear Shareholder(s),

### DISCLOSEABLE TRANSACTION

#### **Sale and Purchase Agreement relating to the acquisition of Cambridge Water PLC by CKI UK Water Limited**

### INTRODUCTION

On 28th April, 2004, the Company announced that it had entered into the Agreement with the Purchaser, Vendor and Vendor Guarantor, pursuant to which the Purchaser acquired the Sale Shares free from all encumbrances and together with all associated rights and benefits attaching or accruing to them on or after the date of the Agreement for a cash consideration of £51,375,000 (HK\$717,708,750). The Purchaser also assumed £4,945,000 (HK\$69,081,650) of debt in Cambridge Water.

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## LETTER FROM THE BOARD

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Under the Agreement, the Company unconditionally guaranteed to the Vendor the performance by the Purchaser of all the obligations incurred by the Purchaser under or pursuant to the Agreement.

Cambridge Water has accordingly become a wholly-owned subsidiary of the Company and its accounts will be consolidated in the Group's financial statements.

The Acquisition constitutes a discloseable transaction for the Company under the Listing Rules. The purpose of this circular is to provide further information about the Acquisition as required under the Listing Rules.

### **AMOUNT PAYABLE TO THE VENDOR**

The consideration for the Sale Shares was £51,375,000 (HK\$717,708,750), which was paid in cash on Completion. The consideration was agreed between the parties after arm's length negotiations. Additionally the Company has assumed £4,945,000 (HK\$69,081,650) of debt in Cambridge Water.

Financing of the consideration was initially provided by internal resources of the Group. It is intended that approximately 50% of the acquisition cost will be refinanced by project loans.

### **INFORMATION ON CAMBRIDGE WATER**

Cambridge Water is a company appointed as a water undertaker under the Water Act 1989 of the United Kingdom. It supplies a population of some 298,000 in an area of approximately 1,173 square kilometres in South Cambridgeshire, the United Kingdom.

For the financial year ended 31st December, 2003, Cambridge Water reported audited profits before taxation of £10,839,000 (HK\$151,420,830) (2002: £3,567,000 / HK\$49,830,990) and audited profits after taxation of £9,804,000 (HK\$136,961,880) (2002: £2,509,000 / HK\$35,050,730) inclusive of profit of £7,681,000 (HK\$107,303,570) made from sales of tangible fixed assets on turnover of £14,736,000 (HK\$205,861,920) (2002: £14,841,000 / HK\$207,328,770). Save as stated, there were no extraordinary items for such financial years. As at 31st December, 2003, Cambridge Water had net assets of £28,010,000 (HK\$391,299,700).

The Purchaser acquired the Sale Shares free from all encumbrances and together with all associated rights and benefits attaching or accruing to them on or after the date of the Agreement. No restrictions apply in the event of the subsequent disposal of the Sale Shares.

### **INFORMATION ON THE VENDOR**

The principal business activities of the Vendor are energy generation and distribution.

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## LETTER FROM THE BOARD

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### INFORMATION ON THE VENDOR GUARANTOR

The Vendor Guarantor, whose shares are listed on the Madrid Stock Exchange, has a presence in more than 40 countries, particularly in North and South America. The principal business activities of the Vendor Guarantor are in the electricity and gas sectors, professional services and telecoms.

### REASONS FOR THE ACQUISITION

The Company is a diversified infrastructure investment company. Its focus is in the development, investment and operation of infrastructure businesses currently in Hong Kong, Mainland China, Australia, Canada, the Philippines and other countries.

The Acquisition reflects the Company's strategy of investing in infrastructure opportunities around the world, leveraging the Group's strong financial position and solid experience in infrastructure.

The Company has long seen the United Kingdom as an important market offering attractive investment opportunities. The Acquisition provides the Company with an entry to this market, and a platform to further expand in the region.

The Directors believe that the terms of the transaction are fair and reasonable and in the interests of the shareholders of the Company as a whole. It is expected that the equity internal rate of return on the Acquisition will be in low-teens. The Company believes that the Acquisition will not have any material adverse effect on the earnings, assets and liabilities of the Group.

### FURTHER INFORMATION

The Company confirms that, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor and Vendor Guarantor and their respective ultimate beneficial owners are third parties independent of the Company and connected persons (as defined under the Listing Rules) of the Company.

Your attention is drawn to the information set out in the appendix of this circular.

Yours faithfully,

**LI TZAR KUOI, VICTOR**

Chairman

## 1 RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which make any statement herein misleading.

## 2 DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short positions, if any, of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors were deemed or taken to have under such provisions of the SFO); or which were required to be and are recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code on Securities Transactions by Directors adopted by the Company; or information provided by the Directors additional to that required to be disclosed pursuant to the foregoing requirements, were as follows:

### 1. Long Positions in Shares

Name of Company	Name of Director	Capacity	Number of Ordinary Shares				Total	Approximate % of Shareholding
			Personal Interests	Family Interests	Corporate Interests	Other Interests		
Company	Li Tzar Kuoi, Victor	Beneficiary of trusts	-	-	-	1,912,109,945	1,912,109,945	84.82%
								(Note 1)
	Kam Hing Lam	Beneficial owner	100,000	-	-	-	100,000	0.004%
Hutchison Whampoa Limited	Li Tzar Kuoi, Victor	Interest of controlled corporation & beneficiary of trusts	-	-	1,086,770	2,141,698,773	2,142,785,543	50.26%
					(Note 3)	(Note 2)		
	Kam Hing Lam	Beneficial owner	60,000	-	-	-	60,000	0.001%
	George Colin Magnus	Beneficial owner & interest of child or spouse	990,100	9,900	-	-	1,000,000	0.02%
	Fok Kin Ning, Canning	Interest of controlled corporation	-	-	2,410,875	-	2,410,875	0.06%
					(Note 5)			
	Chow Woo Mo Fong, Susan	Beneficial owner	150,000	-	-	-	150,000	0.003%
Frank John Sixt	Beneficial owner	50,000	-	-	-	50,000	0.001%	
Lee Pui Ling, Angelina	Beneficial owner	38,500	-	-	-	38,500	0.0009%	

## 1. Long Positions in Shares (Cont'd)

Name of Company	Name of Director	Capacity	Number of Ordinary Shares				Total	Approximate % of Shareholding
			Personal Interests	Family Interests	Corporate Interests	Other Interests		
Hutchison Telecommunications (Australia) Limited	Fok Kin Ning, Canning	Beneficial owner & interest of controlled corporation	100,000	–	1,000,000 (Note 5)	–	1,100,000	0.16%
Hongkong Electric Holdings Limited	Li Tzar Kuoi, Victor	Interest of child or spouse & beneficiary of trusts	–	151,000	–	829,599,612 (Note 4)	829,750,612	38.88%
	Lee Pui Ling, Angelina	Beneficial owner	8,800	–	–	–	8,800	0.0004%
Hutchison Harbour Ring Limited	Fok Kin Ning, Canning	Interest of controlled corporation	–	–	5,000,000 (Note 5)	–	5,000,000	0.07%
Hutchison Global Communications Holdings Limited	Li Tzar Kuoi, Victor	Interest of controlled corporation & beneficiary of trusts	–	–	20,000,000 (Note 3)	3,875,632,628 (Note 6)	3,895,632,628	56.44%
	Fok Kin Ning, Canning	Interest of controlled corporation	–	–	10,000,000 (Note 5)	–	10,000,000	0.14%

## 2. Long Positions in Underlying Shares

Name of Company	Name of Director	Capacity	Number of Underlying Shares				Total
			Personal Interests	Family Interests	Corporate Interests	Other Interests	
Company	Li Tzar Kuoi, Victor	Beneficiary of trusts	–	–	–	2 underlying shares by virtue of the HK\$300,000,000 Capital Guaranteed Notes due 2009 issued by Cheung Kong Bond Finance Limited (Note 1)	2 underlying shares by virtue of the HK\$300,000,000 Capital Guaranteed Notes due 2009 issued by Cheung Kong Bond Finance Limited
Hutchison Whampoa Limited	Fok Kin Ning, Canning	Interest of controlled corporation	–	–	757,939 underlying shares under US\$5,000,000 Notes due 2005 issued by BNP Paribas (Note 5)	–	757,939 underlying shares under US\$5,000,000 Notes due 2005 issued by BNP Paribas



## 2. Long Positions in Underlying Shares (Cont'd)

Name of Company	Name of Director	Capacity	Number of Underlying Shares				Total
			Personal Interests	Family Interests	Corporate Interests	Other Interests	
Hutchison Telecommunications (Australia) Limited	Fok Kin Ning, Canning	Beneficial owner & interest of controlled corporation	134,000 underlying shares under 134,000 5.5% Unsecured Convertible Notes due 2007	–	1,340,001 underlying shares under 1,340,001 5.5% Unsecured Convertible Notes due 2007 (Note 5)	–	1,474,001 underlying shares under 1,474,001 5.5% Unsecured Convertible Notes due 2007
Hutchison Global Communications Holdings Limited	Li Tzar Kuoi, Victor	Beneficiary of trusts	–	–	–	3,333,333,333 underlying shares under HK\$3,200,000,000 1% Unsecured Convertible Notes due 2009 (Note 6)	3,333,333,333 underlying shares under HK\$3,200,000,000 1% Unsecured Convertible Notes due 2009
			–	–	–	1,041,666,666 underlying shares under Facility Convertible Notes to be issued pursuant to the terms of an unsecured loan facility of HK\$1,000 million (Note 6)	1,041,666,666 underlying shares under Facility Convertible Notes to be issued pursuant to the terms of an unsecured loan facility of HK\$1,000 million

## 3. Long Positions in Debentures

Name of Company	Name of Director	Capacity	Amount of Debentures				Total
			Personal Interests	Family Interests	Corporate Interests	Other Interests	
Hutchison Whampoa International (01/11) Limited	Li Tzar Kuoi, Victor	Interest of controlled corporation	-	-	US\$2,000,000 7% Notes due 2011 <i>(Note 3)</i>	-	US\$2,000,000 7% Notes due 2011
Hutchison Whampoa International (03/13) Limited	Li Tzar Kuoi, Victor	Interest of controlled corporation	-	-	US\$11,000,000 6.5% Notes due 2013 <i>(Note 3)</i>	-	US\$11,000,000 6.5% Notes due 2013
Hutchison Whampoa Finance (03/13) Limited	Fok Kin Ning, Canning	Interest of controlled corporation	-	-	Euro20,900,000 5.875% Notes due 2013 <i>(Note 5)</i>	-	Euro20,900,000 5.875% Notes due 2013
Hutchison Whampoa International (03/33) Limited	Fok Kin Ning, Canning	Interest of controlled corporation	-	-	US\$6,500,000 6.25% Notes due 2014 <i>(Note 5)</i>	-	US\$6,500,000 6.25% Notes due 2014

*Notes:*

- 1 The 1,912,109,945 shares in the Company comprise 1,906,681,945 shares held by a subsidiary of Hutchison Whampoa Limited (“HWL”) and 5,428,000 shares held by Li Ka-Shing Unity Trustee Company Limited (“TUT1”) as trustee of The Li Ka-Shing Unity Trust (“UT1”). The 2 underlying shares of the Company are held by an indirect wholly-owned subsidiary of Cheung Kong (Holdings) Limited (“CKH”).

The discretionary beneficiaries of each of The Li Ka-Shing Unity Discretionary Trust (“DT1”) and another discretionary trust (“DT2”) are, inter alia, Mr. Li Tzar Kuoi, Victor, his wife and children, and Mr. Li Tzar Kai, Richard. Each of Li Ka-Shing Unity Trustee Corporation Limited (“TDT1”, which is the trustee of DT1) and Li Ka-Shing Unity Trustcorp Limited (“TDT2”, which is the trustee of DT2) holds units in UT1 but is not entitled to any interest or share in any particular property comprising the trust assets of the said unit trust. TUT1 as trustee of UT1 and its related companies in which TUT1 as trustee of UT1 is entitled to exercise or control the exercise of one-third or more of the voting power at their general meetings (“TUT1 related companies”) hold more than one-third of the issued share capital of CKH. Certain subsidiaries of CKH in turn together hold more than one-third of the issued share capital of HWL.

The entire issued share capital of TUT1 and of the trustees of DT1 and DT2 are owned by Li Ka-Shing Unity Holdings Limited (“Unity Holdco”). Each of Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Unity Holdco. TUT1 is only interested in the shares of CKH by reason only of its obligation and power to hold interests in those shares in its ordinary course of business as trustee and, when performing its functions as trustee, exercises its power to hold interests in the shares of CKH independently without any reference to Unity Holdco or any of Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard as a holder of the shares of Unity Holdco as aforesaid.

By virtue of the above and as a discretionary beneficiary of each of DT1 and DT2 and as a director of CKH, Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to the shares of CKH held by TUT1 as trustee of UT1 and TUT1 related companies, the shares of HWL held by the subsidiaries of CKH and the shares of the Company held by each of the subsidiary of HWL and TUT1 as trustee of UT1 and the underlying shares held by the subsidiary of CKH under the SFO as a Director. Although Mr. Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Unity Holdco and is a discretionary beneficiary of each of DT1 and DT2, he is not a director of CKH and has no duty of disclosure in relation to the shares of CKH held by TUT1 as trustee of UT1 and TUT1 related companies under the SFO.

Notes (Cont'd):

- 2 The 2,141,698,773 shares in HWL comprise:
- (a) 2,130,202,773 shares held by certain subsidiaries of CKH. By virtue of the interests in shares of CKH in relation to which Mr. Li Tzar Kuoi, Victor has a duty of disclosure under the SFO in the issued share capital of CKH as described in Note 1 above and as a Director, Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to the said shares of HWL under the SFO.
  - (b) 11,496,000 shares held by Li Ka-Shing Castle Trustee Company Limited (“TUT3”) as trustee of The Li Ka-Shing Castle Trust (“UT3”). The discretionary beneficiaries of each of the two discretionary trusts (“DT3” and “DT4”) are, inter alia, Mr. Li Tzar Kuoi, Victor, his wife and children, and Mr. Li Tzar Kai, Richard. Each of the trustees of DT3 and DT4 holds units in UT3 but is not entitled to any interest or share in any particular property comprising the trust assets of the said unit trust.
- The entire issued share capital of TUT3 and the trustees of DT3 and DT4 are owned by Li Ka-Shing Castle Holdings Limited (“Castle Holdco”). Each of Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Castle Holdco. TUT3 is only interested in the shares of HWL by reason only of its obligation and power to hold interests in those shares in its ordinary course of business as trustee and, when performing its functions as trustee, exercises its power to hold interests in the shares of HWL independently without any reference to Castle Holdco or any of Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard as a holder of the shares of Castle Holdco as aforesaid.
- By virtue of the above and as a discretionary beneficiary of each of DT3 and DT4 and as a director of HWL, Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to the said shares of HWL held by TUT3 as trustee of UT3 under the SFO as a Director. Although Mr. Li Tzar Kai, Richard is interested in one-third of the entire issued share capital of Castle Holdco and is a discretionary beneficiary of each of DT3 and DT4, he is not a Director and has no duty of disclosure in relation to the shares of HWL held by TUT3 as trustee of UT3 under the SFO.
- 3 Such interests are held by certain companies of which Mr. Li Tzar Kuoi, Victor is interested in the entire issued share capital.
- 4 By virtue of being a Director and his deemed interest in those shares of the Company as described in Note 1 above, Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to those shares of Hongkong Electric Holdings Limited held through the Company under the SFO.
- 5 These interests are held by a company which is equally owned by Mr. Fok Kin Ning, Canning and his wife.
- 6 3,875,632,628 shares of Hutchison Global Communications Holdings Limited (“HGC”) are held by certain subsidiaries of CKH and HWL while the interests in 3,333,333,333 underlying shares and 1,041,666,666 underlying shares are held by certain subsidiaries of HWL. By virtue of the interests in the shares of CKH and HWL in relation to which Mr. Li Tzar Kuoi, Victor has a duty of disclosure under the SFO in the issued share capital of CKH and HWL as described in Notes 1 and 2 above and as a Director, Mr. Li Tzar Kuoi, Victor is taken to have a duty of disclosure in relation to the said shares and underlying shares of HGC under the SFO.

Mr. Li Tzar Kuoi, Victor, by virtue of being a Director and his interests in the share capital of the Company as a discretionary beneficiary of certain discretionary trusts as described in Note 1 above, is deemed to be interested in those securities of subsidiaries and associated companies of the Company held through the Company and in those securities of the subsidiaries of HWL held through HWL under the SFO.

Save as disclosed above, none of the Directors or chief executives of the Company had, as at the Latest Practicable Date, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code on Securities Transactions by Directors adopted by the Company.

#### Interests and Short Positions of Shareholders Discloseable under the SFO

So far as is known to any Director or chief executives of the Company, as at the Latest Practicable Date, shareholders (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

#### Long Positions of Substantial Shareholders in the Shares of the Company

Name	Capacity	Number of Ordinary Shares	Approximate % of Shareholding
Hutchison Infrastructure Holdings Limited	Beneficial owner	1,906,681,945 (Note i)	84.58%
Hutchison International Limited	Interest of controlled corporation	1,906,681,945 (Note ii)	84.58%
Hutchison Whampoa Limited	Interest of controlled corporations	1,906,681,945 (Note ii)	84.58%
Cheung Kong (Holdings) Limited	Interest of controlled corporations	1,906,681,945 (Note iii)	84.58%
Li Ka-Shing Unity Trustee Company Limited as trustee of The Li Ka-Shing Unity Trust	Trustee	1,912,109,945 (Note iv)	84.82%
Li Ka-Shing Unity Trustee Corporation Limited as trustee of The Li Ka-Shing Unity Discretionary Trust	Trustee & beneficiary of trust	1,912,109,945 (Note v)	84.82%
Li Ka-Shing Unity Trustcorp Limited as trustee of another discretionary trust	Trustee & beneficiary of trust	1,912,109,945 (Note v)	84.82%
Li Ka-shing	Founder of discretionary trusts	1,912,109,945 (Note v)	84.82%

*Notes:*

- i 1,906,681,945 shares of the Company are held by Hutchison Infrastructure Holdings Limited, a subsidiary of HWL. Its interests are duplicated in the interests of HWL in the Company described in ii below.
- ii HWL is deemed to be interested in the 1,906,681,945 shares of the Company referred to in i above as it holds more than one-third of the issued share capital of Hutchison International Limited, which holds more than one-third of the issued share capital of Hutchison Infrastructure Holdings Limited.
- iii CKH is deemed to be interested in the 1,906,681,945 shares of the Company referred to in ii above as certain subsidiaries of CKH hold more than one-third of the issued share capital of HWL.
- iv TUT1 as trustee of UT1 is deemed to be interested in those shares of the Company described in iii above as TUT1 as trustee of UT1 and TUT1 related companies hold more than one-third of the issued share capital of CKH and in the 5,428,000 shares of the Company held by TUT1 as trustee of UT1.
- v Each of Mr. Li Ka-shing, TDT1 as trustee of DT1 and TDT2 as trustee of another discretionary trust is deemed to be interested in the same block of shares TUT1 as trustee of UT1 is deemed to be interested in as referred to in iv above as all issued and outstanding units in UT1 are held by TDT1 as trustee of DT1 and by TDT2 as trustee of another discretionary trust. More than one-third of the issued share capital of TUT1 and of the trustees of the said discretionary trusts are owned by Unity Holdco. Mr. Li Ka-shing owns one-third of the issued share capital of Unity Holdco.

So far as is known to any Director or chief executive of the Company, as at the Latest Practicable Date, the following shareholders were interested in 10% or more of the equity interests of the following subsidiaries of the Company:

Name of Subsidiary	Name of Shareholder	No. and Class of Shares held	% of Shareholding	
			Directly	Indirectly
China Cement Company (International) Limited	Bell Investment Limited	300,000 ordinary	30%	–
Shenzhen Ready Mixed Concrete Co., Ltd. (深圳現成混凝土有限公司)	Shenzhen Construction Engineering Co. Ltd. (深圳市建築工程有限公司)	9,000,000 ordinary	45%	–
	Bell Investment Limited	N/A	–	16.50%
Guangdong GITIC Green Island Cement Co. Limited (廣信青洲水泥有限公司)	Bell Investment Limited	N/A	–	28.50%
Green Harbour Pacific Company Limited	China Harbour Engineering Company (Group) (中國港灣建設(集團)總公司)	20,000 ordinary	20%	–
	Wai Hing Quarries (China) Limited	20,000 ordinary	20%	–
Oceanblue Holdings Limited	Wai Kee (Zens) Holding Ltd.	2 ordinary	40%	–
Hornby Pacific Limited	Coulomb Technology Limited	50,000 ordinary	38%	–
SurfiT Systems Limited	Coulomb Technology Limited	N/A	–	24.32%

Save as disclosed above, as at the Latest Practicable Date, the Company had not been notified by any persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any options in respect of such capital.

### 3 COMPETING BUSINESS INTERESTS OF DIRECTORS

As at the Latest Practicable Date, the interests of Directors or their respective associates in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group (the “Competing Business”) as required to be disclosed pursuant to the Listing Rules were as follows:

#### (a) Core business activities of the Group

- (1) Development, investment and operation of power plants and distribution facilities.
- (2) Development, investment and operation of toll roads, toll bridges, tunnel and ancillary businesses and services.
- (3) Development, investment and operation and commercialisation of infrastructure materials including cement, concrete and asphalt products.
- (4) Investment holding and project management.
- (5) Securities investment.
- (6) Information technology, e-commerce and new technology.

#### (b) Interests in Competing Business

Name of Director	Name of Company	Nature of Interest	Competing Business (Note)
Li Tzar Kuoi, Victor	Cheung Kong (Holdings) Limited	Managing Director and Deputy Chairman	(4), (5) & (6)
	Hutchison Whampoa Limited	Deputy Chairman	(4), (5) & (6)
	Hongkong Electric Holdings Limited	Executive Director	(1), (4), (5) & (6)
	CK Life Sciences Int’l., (Holdings) Inc.	Chairman	(5) & (6)
Kam Hing Lam	Cheung Kong (Holdings) Limited	Deputy Managing Director	(4), (5) & (6)
	Hutchison Whampoa Limited	Executive Director	(4), (5) & (6)
	Hongkong Electric Holdings Limited	Executive Director	(1), (4), (5) & (6)
	CK Life Sciences Int’l., (Holdings) Inc.	President and Chief Executive Officer	(5) & (6)
George Colin Magnus	Cheung Kong (Holdings) Limited	Deputy Chairman	(4), (5) & (6)
	Hutchison Whampoa Limited	Executive Director	(4), (5) & (6)
	Hongkong Electric Holdings Limited	Chairman	(1), (4), (5) & (6)

**(b) Interests in Competing Business (Cont'd)**

Name of Director	Name of Company	Nature of Interest	Competing Business <i>(Note)</i>
Fok Kin Ning, Canning	Cheung Kong (Holdings) Limited	Non-executive Director	(4), (5) & (6)
	Hutchison Whampoa Limited	Group Managing Director	(4), (5) & (6)
	Hongkong Electric Holdings Limited	Deputy Chairman	(1), (4), (5) & (6)
	Hutchison Harbour Ring Limited	Chairman	(6)
	Hutchison Global Communications Holdings Limited	Chairman	(6)
	Hanny Holdings Limited	Non-executive Director	(4), (5) & (6)
Ip Tak Chuen, Edmond	Cheung Kong (Holdings) Limited	Executive Director	(4), (5) & (6)
	CK Life Sciences Int'l., (Holdings) Inc.	Senior Vice President and Chief Investment Officer	(5) & (6)
	TOM Group Limited	Non-executive Director	(4), (5) & (6)
	CATIC International Holdings Limited	Non-executive Director	(4) & (5)
	Excel Technology International Holdings Limited	Non-executive Director	(4), (5) & (6)
	Hanny Holdings Limited	Non-executive Director	(4), (5) & (6)
	Shougang Concord International Enterprises Company Limited	Non-executive Director	(1), (4) & (5)
Chow Woo Mo Fong, Susan	Hutchison Whampoa Limited	Deputy Group Managing Director	(4), (5) & (6)
	Hongkong Electric Holdings Limited	Non-executive Director	(1), (4), (5) & (6)
	TOM Group Limited	Non-executive Director	(4), (5) & (6)
	Hutchison Harbour Ring Limited	Executive Director	(6)
	Hutchison Global Communications Holdings Limited	Executive Director	(6)
Frank John Sixt	Cheung Kong (Holdings) Limited	Non-executive Director	(4), (5) & (6)
	Hutchison Whampoa Limited	Group Finance Director	(4), (5) & (6)
	Hongkong Electric Holdings Limited	Executive Director	(1), (4), (5) & (6)
	TOM Group Limited	Chairman	(4), (5) & (6)
Tso Kai Sum	Hongkong Electric Holdings Limited	Group Managing Director	(1), (4), (5) & (6)

*Note:* Such businesses may be made through subsidiaries, associated companies or by way of other forms of investments.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors was interested in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with businesses of the Group.

#### 4 OTHER INFORMATION

- (a) As at the Latest Practicable Date, none of the Directors had any service contract with the Company or any of its subsidiaries.
- (b) As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and the Directors were not aware of any litigation or claim of material importance pending or threatened against any of such companies.
- (c) The company secretary of CKI is Ms. Eirene Yeung. She holds a Master's degree in Business Administration and is a solicitor of the High Court of Hong Kong and of the Supreme Court of Judicature in England and Wales.
- (d) The qualified accountant of CKI is Mr. Chan Loi Shun, Dominic. He is an associate of the Hong Kong Society of Accountants and a fellow of the Association of Chartered Certified Accountants.
- (e) The English text of this circular shall prevail over the Chinese text, in case of any inconsistency.

*This circular (in both English and Chinese versions) ("Circular") has been posted on the Company's website at <http://www.cki.com.hk>.*

*Shareholders may at any time choose to change your choice of language of the Company's corporate communication to be despatched in the future ("Corporate Communication") by notice in writing to the Company's Branch Share Registrars, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong. Corporate Communication includes any document to be given or issued by or on behalf of the Company for your information or action, including but not limited to, annual report, summary financial report (where applicable), interim report, summary interim report (where applicable), notice of meeting, listing document, circular and proxy form.*

*Shareholders who have chosen to receive printed copy of the Corporate Communication in either English or Chinese version will receive both English and Chinese versions of this Circular since both languages are bound together into one booklet.*