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HOPEWELL HOLDINGS LIMITED

合和實業有限公司

(incorporated in Hong Kong with limited liability)



Hopewell Highway Infrastructure Limited

合和公路基建有限公司*

(incorporated in the Cayman Islands with limited liability)

**ANNOUNCEMENT
CANCELLATION OF THE OPTION**

In consideration of the payment of HK\$70,000,000 by the Company to BOCHK, the Company and BOCHK agreed on 11 November, 2003 to cancel the Option.

As stated in the prospectus dated 28 July, 2003 issued by HHI, the Option was granted by the Company to the then Bank of China, Hong Kong Branch (now succeeded by BOCHK) in 2000.

For purposes of maintaining the existing interests of the Company in HHI, the Company has entered into an agreement with BOCHK on 11 November, 2003 to cancel the Option, with effect from that date, in consideration of the payment of HK\$70,000,000 by the Company to BOCHK. The amount of consideration was arrived at after commercial negotiations between the Company and BOCHK, which amount the directors of the Company consider to be fair and reasonable.

As at the date of this announcement, the Company indirectly holds 2,160,000,000 shares in HHI, representing approximately 75% of the total issued share capital of HHI.

DEFINITIONS

- “BOCHK” means Bank of China (Hong Kong) Limited;
- “Company” means Hopewell Holdings Limited;
- “HHI” means Hopewell Highway Infrastructure Limited; and

“Option”

means an option granted by the Company to the then Bank of China, Hong Kong Branch (now succeeded by BOCHK) in 2000 to purchase from the Company up to 5% of the issued share capital of HHI as at the date on which dealings in shares in HHI first commence on the Stock Exchange (being 144,000,000 shares of HK\$0.10 each) at the purchase price of HK\$4.18 per share of HK\$0.10 each (subject to adjustment) commencing from 6 August, 2003 and ending on the date falling 36 months after such date (both dates inclusive). BOCHK has not exercised the Option to purchase any shares in HHI from the Company.

By Order of the Board
Hopewell Holdings Limited
Peter Yip Wah LEE
Company Secretary

By Order of the Board
Hopewell Highway Infrastructure Limited
Peter Yip Wah LEE
Company Secretary

11 November, 2003

* *For identification only*

“Please also refer to the published version of this announcement in The South China Morning Post”