
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares and/or warrants in Hopewell Highway Infrastructure Limited (the "Company"), you should at once hand this circular together with the form of proxy enclosed with this circular to the purchaser or 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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Hopewell Highway Infrastructure Limited

合和公路基建有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 737)

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO REPURCHASE SECURITIES
AND TO ISSUE SHARES**

AND

AMENDMENTS TO THE EXISTING ARTICLES OF ASSOCIATION

A notice convening an Annual General Meeting of the Company to be held at King Palace Chinese Restaurant, 7th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong on Monday, the 18th day of October, 2004 at 10:00 a.m. is set out on pages 14 to 24 of this circular to be despatched to shareholders together with this circular. If you do not propose to attend the meeting, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or adjourned meeting should you so desire.

* For identification only

24th September, 2004

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at King Palace Chinese Restaurant, 7th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong on Monday, the 18th day of October, 2004 at 10:00 a.m.
“Articles of Association”	the articles of association of the Company as amended, supplemented or modified from time to time
“Company”	Hopewell Highway Infrastructure Limited, a company incorporated in the Cayman Islands with limited liability, with its Shares listed on the Stock Exchange
“Directors”	the directors of the Company for the time being
“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 September, 2004, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the notice of the AGM
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to repurchase during the period as set out in the Repurchase Resolution, Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the Repurchase Resolution and Warrants up to the maximum of 10% of the amount of the subscription rights attaching to the Warrants outstanding as at the date of passing of the Repurchase Resolution
“Repurchase Resolution”	the Ordinary Resolution no. 5(1)
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company

DEFINITIONS

“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with Shares during the period as set out in the Ordinary Resolution no. 5(2) up to a maximum of 20% of the issued share capital of the Company as at the date of passing of the resolution approving the Share Issue Mandate
“Share Repurchase Code”	The Hong Kong Code on Share Repurchases
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on Stock Exchange of their own securities on Stock Exchange
“Shareholder(s)”	registered holder(s) of Shares
“Special Resolution(s)”	the proposed special resolution(s) as referred to in the notice of the Annual General Meeting
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Warrants”	warrants of the Company in units of HK\$4.18 of subscription rights each entitling the holder to subscribe for new Shares at an initial subscription price of HK\$4.18 per Share (subject to adjustment) from 6th August, 2003 to 5th August, 2006
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE CHAIRMAN



Hopewell Highway Infrastructure Limited

合和公路基建有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 737)

Directors:

Sir Gordon Ying Sheung WU GBS, KCMG, FICE

(Chairman)

Mr. Eddie Ping Chang HO

(Vice Chairman)

Mr. Thomas Jefferson WU

(Managing Director)

Mr. Alan Chi Hung CHAN

(Deputy Managing Director)

Mr. Leo Kwok Kee LEUNG

Mr. Li Jia HUANG

Mr. Cheng Hui JIA

Mr. Christopher Shih Ming IP

Mr. Philip Tsung Cheng FEI[#]

Mr. Lee Yick NAM[#]

Mr. Gordon YEN[#]

Mr. Kojiro NAKAHARA[#]

Registered office:

P.O. Box 309GT

Ugland House

South Church Street

George Town

Grand Cayman

Cayman Islands

British West Indies

Head office and principal

place of business:

Room 64-02

64th Floor

Hopewell Centre

183 Queen's Road East

Wanchai

Hong Kong

[#] *Independent Non-Executive Directors*

24th September, 2004

*To the Shareholders and, for information only,
the warrant holders of the Company*

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO REPURCHASE SECURITIES
AND TO ISSUE SHARES**

AND

AMENDMENTS TO THE EXISTING ARTICLES OF ASSOCIATION

INTRODUCTION

The purpose of this circular is to provide you with information regarding the proposed re-election of Directors, the Repurchase Mandate, the Share Issue Mandate, the proposed extension of the Share Issue Mandate and the proposed amendments to the existing Articles of Association of the Company, and to seek your approval of the resolutions relating to these matters at the AGM.

^{*} *For identification only*

LETTER FROM THE CHAIRMAN

RE-ELECTION OF DIRECTORS

The Board of Directors currently consists of twelve Directors, namely Sir Gordon Ying Sheung WU, Mr. Eddie Ping Chang HO, Mr. Thomas Jefferson WU, Mr. Alan Chi Hung CHAN, Mr. Leo Kwok Kee LEUNG, Mr. Li Jia HUANG, Mr. Cheng Hui JIA, Mr. Christopher Shih Ming IP, Mr. Philip Tsung Cheng FEI, Mr. Lee Yick NAM, Mr. Gordon YEN and Mr. Kojiro NAKAHARA.

Pursuant to existing Article 112 of the Articles of Association, Sir Gordon Ying Sheung WU, Mr. Eddie Ping Chang HO, Mr. Thomas Jefferson WU and Mr. Alan Chi Hung CHAN shall retire from office at the AGM and being eligible, offer themselves for re-election.

Brief biographical details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix I to this circular.

GENERAL MANDATE TO REPURCHASE SECURITIES

At the annual general meeting of the Company held on 21st October, 2003, a general mandate was given by the Company to the Directors to exercise the powers of the Company to repurchase securities. Such general mandate will lapse at the conclusion of the AGM.

An ordinary resolution will be proposed at the AGM to grant to the Directors the Repurchase Mandate, details of which are set out in the Repurchase Resolution.

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,880,704,024 Shares. At the same time, there were outstanding Warrants carrying the subscription rights up to HK\$362,947,778.16. Assuming that there is no change in the issued share capital and no Warrants are exercised or repurchased between the period from the Latest Practicable Date and the date of passing the Repurchase Resolution, the Company would be allowed to repurchase a maximum of 288,070,402 Shares and Warrants carrying subscription rights up to the limit of HK\$36,294,777.81 pursuant to the Repurchase Mandate as at the date of passing the Repurchase Resolution.

An explanatory statement, as required under the Share Repurchase Rules to provide the requisite information of the Repurchase Mandate is set out in Appendix II to this circular.

GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 21st October, 2003, a general mandate was given by the Company to the Directors to exercise the powers of the Company to issue Shares. Such general mandate will lapse at the AGM.

It will be proposed at the AGM the following two ordinary resolutions respectively: (i) granting to the Directors the Share Issue Mandate; and (ii) authorising an extension of the limit of the Share Issue Mandate so granted by adding to it the number of Shares repurchased by the Company under the Repurchase Mandate, if granted.

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are set out in Ordinary Resolutions nos. 5(2) and 5(3) respectively.

AMENDMENTS TO THE EXISTING ARTICLES OF ASSOCIATION

In addition, your attention is drawn to Special Resolution no. 6 to approve certain amendments to the existing Articles of Association.

LETTER FROM THE CHAIRMAN

The Securities and Futures Ordinance came into effect on 1st April, 2003. In addition, the Stock Exchange has announced certain amendments to the Listing Rules relating to corporate governance issues which became effective on 31st March, 2004 subject to certain transitional arrangements.

The amended Listing Rules include, inter alia, provisions to (i) alter the extent to which a Director is permitted or prohibited to vote on board resolution on certain kinds of contracts/arrangements/proposals; (ii) stipulate clearly the effect of any Shareholder voting in contravention of the Listing Rules; and (iii) stipulate clearly the time period for the lodgment of the notice(s) concerning proposal for the election of Directors.

In the circumstances, in order to comply with the aforesaid requirements and to bring the Articles of Association up to date in line with the current practice in Hong Kong, it is proposed at the AGM to amend the Articles of Association by Special Resolution no. 6. A brief description to the proposed amendments to the existing Articles of Association is set out as follows:

- | | | |
|-----|----------------------------|--|
| (a) | Article 2 | To provide or amend certain definitions for the purpose of clarification. |
| (b) | Articles 5, 68 and 92 | To replace “recognised clearing house” with “clearing house” in light of the amended definition of “clearing house” referred to in Article 2. |
| (c) | Articles 16, 20, 41 and 43 | To revise those provisions on the amount payable for new share certificates, replacement of share certificates and registration of instrument of transfer to the effect that the fee shall be such sum as the Board may from time to time determine but subject to the maximum amount as the Stock Exchange may from time to time determine. |
| (d) | Article 42 | To clarify that fully paid shares are free from restriction on the right of transfer. |
| (e) | Article 76 | To reflect the requirement of voting by poll under the Listing Rules. |
| (f) | Article 81 | To clarify that each proxy or representative appointed or authorised by a Shareholder which is a clearing house (or its nominee) shall have one vote on a show of hands. |
| (g) | Article 85 | To reflect the restriction on voting by Shareholders whom the Company has knowledge is restricted from voting, as required by the amended Appendix 3 of the Listing Rules. |

LETTER FROM THE CHAIRMAN

- (h) Article 103 To be consistent with the provisions of the amended Appendix 3 of the Listing Rules so that subject to certain exceptions, a Director shall abstain from voting at the board meeting on any contract, arrangement or proposal in which he or any of his associates has a material interest nor shall be counted towards the quorum of the relevant board meeting.
- (i) Article 108(c)(i) To delete reference to Article 103(f) for the definition of “associate” as such definition will be provided in Article 2.
- (j) Article 116 To be consistent with the amended Appendix 3 of the Listing Rules which stipulates the minimum seven-day period for lodgment by a Shareholder of the notice to nominate a director and the nomination shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days before the date of such meeting.
- (k) Article 159 To add “summary financial statement may be sent in lieu of annual accounts” as the marginal note of paragraph (c) thereof which permits the Company to send summary financial statement to Shareholders, etc. and to add a new paragraph (d) thereto to provide for the publication of annual report of Directors and balance sheet and summary financial statement on the Company’s Website or in any other permitted manner (including by sending any form of electronic communication).
- (l) Article 163 To permit the Company to serve notice or document in the English language only, in the Chinese language only or in both.

ANNUAL GENERAL MEETING

At the AGM, resolutions will be proposed to the Shareholders in respect of ordinary businesses to be considered at the AGM, including the re-election of Directors, and the Ordinary Resolutions proposed to approve the Repurchase Mandate, the Share Issue Mandate and the extension of the Share Issue Mandate and special business, being the Special Resolution proposed to approve the amendments to the existing Articles of Association. The notice of AGM is set out on pages 14 to 24 of this circular and is expected to be despatched to Shareholders together with this circular.

If you do not propose to attend the AGM, you are requested to complete the form of proxy enclosed with this circular and return it to the principal place of business of the Company in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjourned meeting if you so desire.

LETTER FROM THE CHAIRMAN

RIGHT TO DEMAND A POLL

Pursuant to existing Article 76 of the Articles of Association, a resolution put to the vote of a meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded:

- (i) by the Chairman of the meeting; or
- (ii) by at least five Shareholders present in person (or in the case of a corporation, by its duly authorized representative) or by proxy and entitled to vote; or
- (iii) by any Shareholder or Shareholders present in person (or in the case of a corporation, by its duly authorized representative) or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Shareholders having the right to attend and vote at the meeting; or
- (iv) by any Shareholder or Shareholders present in person (or in the case of a corporation, by its duly authorized representative) or by proxy and holding Shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

RECOMMENDATION

The Directors consider that the proposed re-election of Directors, the Repurchase Mandate, the Share Issue Mandate, the extension of the Share Issue Mandate and the amendments to the existing Articles of Association are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions to be proposed at the AGM to give effect to them.

Yours faithfully,
Sir Gordon Ying Sheung WU GBS, KCMG, FICE
Chairman

The four Directors proposed to be re-elected at the AGM are set out as follows:

Sir Gordon Ying Sheung WU GBS, KCMG, FICE

Aged 68, he has been the Chairman of the Board (the “Chairman”) of the Company since July 2003. He graduated from Princeton University with a Bachelor of Science degree in Engineering in 1958. He was responsible for the Group’s infrastructure projects in the PRC and has been involved in the design and construction of numerous buildings and development projects of the Hopewell Holdings Limited and its subsidiaries in Hong Kong and the PRC. He is also the Chairman of Hopewell Holdings Limited, the ultimate holding company of the Company, a director of various members of the Group and an independent non-executive director of i-Cable Communications Limited. Save as disclosed above, he has not held any directorship in other listed public company during the three years preceding the Latest Practicable Date.

Sir Gordon WU is very active in civic activities and received many awards and honours, details of which are stated in the annual report. He is a Fellow of The Institution of Civil Engineers, Honorary Fellow of Australian Society of Certified Practising Accountants. He received Honorary Directorate Degrees from Hong Kong Polytechnic University, University of Strathclyde, UK and University of Edinburgh, UK.

Sir Gordon WU is the father of Mr. Thomas Jefferson WU, the Managing Director of the Company. As at the Latest Practicable Date, Sir Gordon WU together with his associates have beneficial interest in 22,933,402 shares in the Company (representing 300,000 Shares and Warrants to subscribe for 22,633,402 Shares in the Company at a subscription price of HK\$4.18 per Share) (equivalent to approximately 0.796% of the issued share capital of the Company) within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed above, he does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no specific term of service with the Company but he is subject to retirement by rotation and re-election at the AGM and vacation of office in accordance with the provisions of the Articles of Association. His Director’s fee is to be determined by the Shareholders at the AGM and his other emoluments are to be determined by the Board with reference to the prevailing market practice, the Company’s remuneration policy, his duties and responsibilities with the Group and his contribution to the Group. For the year ended 30th June, 2004, he received a Director’s fee of HK\$260,000 and other emoluments of HK\$2,750,000.

Mr. Eddie Ping Chang HO

Aged 71, he was appointed the Vice Chairman of the Company since July 2003. He has been in charge of negotiating all the joint ventures and financing for development projects in the PRC, including hotel, power plant and road infrastructure projects undertaken by the Group and the group of companies of Hopewell Holdings Limited, the ultimate holding company of the Company. In addition, he has extensive experience in building and development projects in Hong Kong. He is a Honorary Citizen of Shunde District and the cities of Shenzhen and Guangzhou in the PRC. He is also the Vice Chairman and Managing Director of Hopewell Holdings Limited and a director of various members of the Group. Save as disclosed above, he has not held any directorship in other listed public company during the three years preceding the Latest Practicable Date.

Mr. HO does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. HO has beneficial interest in 2,165,600 shares in the Company (representing Warrants to subscribe for 2,165,600 Shares in the Company at a subscription price of HK\$4.18 per Share) (equivalent to approximately 0.075% of the issued share capital of the Company) within the meaning of Part XV of the Securities and Futures Ordinance.

There is no specific term of service with the Company but he is subject to retirement by rotation and re-election at the AGM and vacation of office in accordance with the provisions of the Articles of Association. His Director's fee is to be determined by the Shareholders at the AGM and his other emoluments are to be determined by the Board with reference to the prevailing market practice, the Company's remuneration policy, his duties and responsibilities with the Group and his contribution to the Group. For the year ended 30th June, 2004, he received a Director's fee of HK\$100,000 and other emoluments of HK\$2,200,000.

Mr. Thomas Jefferson WU

Aged 32, he has been an Executive Director of the Company since January 2003 and was appointed the Managing Director in July 2003. He holds a Master of Business Administration degree from Stanford University and a Bachelor of Science degree in Mechanical and Aerospace Engineering from Princeton University. He is responsible for strategic planning, corporate policy and overall management of the Group and has upgraded the financial and management accounting systems of the Group. He is a member of the Chinese People's Political Consultative Conference in Huadu District in the PRC. He is also the Deputy Managing Director of Hopewell Holdings Limited, the ultimate holding company of the Company, and a director of various members of the Group. Save as disclosed above, he has not held any directorship in other listed public company during the three years preceding the Latest Practicable Date.

Mr. WU is a son of Sir Gordon Ying Sheung WU, the Chairman of the Company. Save as disclosed above, he does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, he has beneficial interest in 2,617,000 shares in the Company (representing 100,000 Shares and Warrants to subscribe for 2,517,000 Shares in the Company at a subscription price of HK\$4.18 per Share) (equivalent to approximately 0.091% of the issued share capital of the Company) within the meaning of Part XV of the Securities and Futures Ordinance.

There is no specific term of service with the Company but he is subject to retirement by rotation and re-election at the AGM and vacation of office in accordance with the provisions of the Articles of Association. His Director's fee is to be determined by the Shareholders at the AGM and his other emoluments are to be determined by the Board with reference to the prevailing market practice, the Company's remuneration policy, his duties and responsibilities with the Group and his contribution to the Group. For the year ended 30th June, 2004, he received a Director's fee of HK\$100,000 and other emoluments of HK\$1,586,846.60.

Mr. Alan Chi Hung CHAN

Aged 45, he has been an Executive Director of the Company since January 2003 and was appointed the Deputy Managing Director in July 2003. He was awarded a Postgraduate Diploma in Management Studies by the City University of Hong Kong in 1989 and a Bachelor of Science degree from the Chinese University of Hong Kong in 1983. He is responsible for overall project coordination, project finance, management and administration of the expressway infrastructure and other projects in the PRC. He was an Executive Director of Hopewell Holdings Limited, the ultimate holding company of the Company, during the period from 1st January, 2002 to 25th July, 2003 and is currently a director of various members of the Group. Save as disclosed above, he has not held any directorship in other listed public company during the three years preceding the Latest Practicable Date.

He does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, he does not have any interest in shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no specific term of service with the Company but he is subject to retirement by rotation and re-election at the AGM and vacation of office in accordance with the provisions of the Articles of Association. His Director's fee is to be determined by the Shareholders at the AGM and his other emoluments are to be determined by the Board with reference to the prevailing market practice, the Company's remuneration policy, his duties and responsibilities with the Group and his contribution to the Group. For the year ended 30th June, 2004, he received a Director's fee of HK\$100,000 and other emoluments of HK\$1,815,500.

This Appendix serves as an explanatory statement, as required by Rule 10.06(1)(b) of the Listing Rules, to provide requisite information to Shareholders for their consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing of ordinary resolution no. (1) and Warrants up to the maximum of 10% of the amount of the subscription rights attaching to the Warrants outstanding as at the date of the passing of ordinary resolution no. (1). For the purpose of this Appendix, the term “shares” shall be as defined in Rule 10.06(6)(c) to mean shares of all classes and securities which carry a right to subscribe or purchase shares.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,880,704,024 Shares. At the same time, there were outstanding Warrants carrying subscription rights up to HK\$362,947,778.16 in aggregate, equivalent to the aggregate subscription price for a total of 86,829,612 Shares on the basis of the current subscription price of HK\$4.18 per Share (subject to adjustment).

Subject to the passing of ordinary resolution no. (1) set out in item 5 of the notice of Annual General Meeting and on the basis that no further Shares are issued or repurchased and no Warrants are exercised or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 288,070,402 Shares and Warrants carrying subscription rights up to the limit of HK\$36,294,777.81.

2. REASONS FOR REPURCHASE

The Directors believe that it is in the best interest of the Company and its Shareholders to have a general authority from Shareholders to enable the Directors to repurchase Shares and/or Warrants in the market. Repurchases of Shares and/or Warrants will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and/or its earnings per Share and/or may lessen the dilution effect on exercise of the subscription rights attaching to any Warrants issued by the Company.

3. FUNDING OF REPURCHASE

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the Listing Rules and the applicable laws and regulations of the Cayman Islands. Pursuant to the Repurchase Mandate, repurchases will be made out of funds of the Company legally permitted to be utilised in this connection, including profits of the Company or out of a fresh issue of Shares made for the purpose of the repurchase or, if authorised by the Articles of Association and subject to the Companies Law of the Cayman Islands, out of capital and, in the case of any premium payable on the repurchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles of Association and subject to the Companies Law of the Cayman Islands, out of capital of the Company.

4. IMPACT OF REPURCHASE

There might be material adverse impact on the working capital or gearing levels of the Company (as compared with the position disclosed in the audited accounts contained in the

2004 Annual Report) in the event that the Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE AND WARRANT PRICES

The highest and lowest prices at which the Shares and the Warrants have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	Shares		Warrants	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2003				
September	4.375	3.850	1.75	0.73
October	4.625	4.200	1.85	1.47
November	4.425	4.175	1.61	1.30
December	4.475	4.175	1.57	1.40
2004				
January	4.600	4.350	1.58	1.39
February	4.900	4.350	1.69	1.35
March	5.100	4.600	1.60	1.20
April	4.950	4.275	1.40	1.10
May	4.500	4.025	1.10	0.78
June	4.650	4.300	1.05	0.85
July	4.650	4.525	1.60	0.90
August	4.825	4.600	1.03	0.81

6. UNDERTAKINGS AND DIRECTORS' DEALINGS AND CONNECTED PERSONS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases of securities of the Company pursuant to ordinary resolution no. (1) set out in item 5 of the notice of Annual General Meeting and in accordance with the Listing Rules, the Memorandum and Articles of Association of the Company and the applicable laws and regulations of the Cayman Islands.

None of the Directors nor, to the best of their knowledge and belief, having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules), has any present intention to sell any Shares or Warrants to the Company or its subsidiaries if the Repurchase Mandate is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell any Shares or Warrants to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

7. HONG KONG CODE ON TAKEOVERS AND MERGERS

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the interest of the Shareholder(s) but subject to the latitude provided by the 2% creper provision under Rule 26 of the Takeovers Code, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Hopewell Holdings Limited is beneficially interested in 2,160,000,000 Shares (representing approximately 74.982% of the total issued share capital of the Company as at the Latest Practicable Date).

In the event that the Directors exercise in full the power of repurchase Shares under the Repurchase Mandate, then, assuming the Warrants are not exercised and the present equity shareholdings remain the same, the equity interests of Hopewell Holdings Limited in the Company would be increased from 74.982% to approximately 83.313% of the total issued share capital of the Company. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate. However, the Directors have no present intention to exercise the Repurchase Mandate to such an extent that would result in the number of Shares which are in the hands of the public falling below 25% of the total issued share capital of the Company.

8. SHARE AND WARRANT REPURCHASES MADE BY THE COMPANY

The Company had not repurchased any Shares or Warrants (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



Hopewell Highway Infrastructure Limited

合和公路基建有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 737)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the shareholders of Hopewell Highway Infrastructure Limited (the “Company”) will be held at King Palace Chinese Restaurant, 7th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong on Monday, the 18th day of October, 2004 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited Financial Statements and the Reports of the Directors and Auditors for the year ended 30th June, 2004.
2. To declare a final dividend.
3. To re-elect Directors and to fix the Directors’ fees.
4. To re-appoint Auditors and authorise the Directors to fix their remuneration.
5. To consider and, if thought fit, pass with or without modifications, the following resolutions as Ordinary Resolutions:

Ordinary Resolutions

(1) “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase securities of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal value of securities of the Company repurchased by the Company pursuant to the approval granted in paragraph (a) above shall:
 - (i) in the case of shares, not exceed ten per cent. of the aggregate nominal value of the issued share capital of the Company as at the date of the passing of this Resolution; and
 - (ii) in the case of warrants of the Company, not exceed ten per cent. of the total amount of subscription rights attaching to such warrants outstanding as at the date of the passing of this Resolution,

* For identification only

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and the authority granted pursuant to paragraph (a) above shall be limited accordingly; and

(c) for the purposes of this Resolution,

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

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking, varying or renewing the authority given to the Directors of the Company by this Resolution.”

(2) **“THAT:**

- (a) subject to paragraph (c) below and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal value of the share capital allotted or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), or (ii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company, or (iii) an issue of shares upon the exercise of any subscription rights attaching to any warrants of the Company, or (iv) an issue of shares under any scrip dividend scheme or similar arrangement providing for the allotment and issue of shares in lieu of the whole or part of a dividend in accordance with the Articles of Association of the Company from time to time; or (v) a specific authority granted by the shareholders of the Company in general meeting, shall not exceed twenty per

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cent. of the aggregate nominal value of the issued share capital of the Company as at the date of the passing of this Resolution, and the said approval shall be limited accordingly; and

(d) for the purpose of this Resolution,

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

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking, varying or renewing the authority given to the Directors of the Company by this Resolution;

“Rights Issue” means an offer of shares of the Company or issue of options, warrants or other securities giving the right to subscribe for shares of the Company, open for a period fixed by the Directors of the Company to holders of shares of the Company on the register of members of the Company (or, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares (or, where appropriate, such other securities), subject in all cases to such exclusions 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 applicable to the Company.”

- (3) “**THAT** subject to the passing of the Resolution nos. (1) and (2) set out in item 5 of the notice convening this meeting, the general mandate granted to the Directors of the Company and for the time being in force to exercise the powers of the Company to allot, issue and deal with unissued shares pursuant to Resolution no. (2) set out in item 5 of the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal value of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution no. (1) set out in item 5 of the notice convening this meeting, provided that such extended amount shall not exceed ten per cent. of the aggregate nominal value of the issued share capital of the Company as at the date of the passing of this Resolution.”

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6. As special business, to consider and, if thought fit, pass with or without modifications, the following resolution as a Special Resolution:

Special Resolution

“**THAT** the existing Articles of Association of the Company be and are hereby amended in the following manner:

(a) Article 2

- (i) by inserting the following definition and its marginal note immediately after the definition of “these Articles”:

“associates” shall have the meaning as ascribed to it under associates
the Listing Rules;

- (ii) by deleting the words “substituted therefore” in the definition of “electronic” and substituting therefor the words “substituted therefor”.

- (iii) by deleting the definition of “recognised clearing house” in its entirety and inserting the following definition and its marginal note immediately after the definition of “the Chairman”:

“clearing house” means a clearing house recognised by the clearing house
laws of the jurisdiction in which the shares of the Company
are listed or quoted on a stock exchange in such jurisdiction;

- (iv) by inserting the following sentence at the end of the definition of “subsidiary” and “holding company”;

“, but interpreting the term “subsidiary” in accordance with the definition of “subsidiary” under the Listing Rules”;

- (v) by inserting the following as the last paragraph of Article 2:

References to a document being executed include references document being
executed and
document
to it being executed under hand or under seal or, to the
extent permitted by, and in accordance with all the
applicable laws, rules and regulations, by Electronic
Signature or by any other method. References to a document
or notice, to the extent permitted by, and in accordance with
all the applicable laws, rules and regulations, include
references to any information in visible form whether
having physical substance or not.

(b) Article 5

by deleting the word “recognised” immediately before the words “clearing house” in the fourth line of Article 5.

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(c) Article 16

- (i) by adding the words “(i) in the case of an allotment, of a fee of such sum as the Board may from time to time determine but subject to the maximum amount as the Exchange may from time to time determine for every certificate after the first or (ii)” immediately after the words “upon payment,” in the seventh line of Article 16;
- (ii) by deleting the words “a sum equal to the relevant” in the eighth line of Article 16 and substituting therefor the words “a fee of such sum as the Board may from time to time determine but subject to the”;
- (iii) by deleting the words “after the first or such lesser sum as the Board shall from time to time determine” in the ninth and tenth lines of Article 16.

(d) Article 20

by deleting the words “not exceeding such amount as may from time to time be permitted under the Listing Rules or such lesser sum as the Board may from time to time require)” in the second to fourth lines of Article 20 and substituting therefor the words “of such sum as the Board may from time to time determine but subject to the maximum amount as the Exchange may from time to time determine”;

(e) Article 41

- (i) by adding the words “sum as the Board may from time to time determine but subject to the” immediately after the words “a fee of such” in the first line of paragraph (f) of Article 41;
- (ii) by deleting the words “(or such lesser sum as the Board may from time to time require)” in the second and third lines of paragraph (f) of Article 41.

(f) Article 42

by adding the words “of a share (not being a fully paid up share)” immediately after the words “No transfer” in the first line of Article 42;

(g) Article 43

by deleting the words “without charge” after the words “issued” and “him” in the third line and the second last line of Article 43 respectively and substituting therefor the words “upon receipt of a fee of such sum as the Board may from time to time determine but subject to the maximum amount as the Exchange may from time to time determine” respectively.

(h) Article 68

by deleting the word “recognised” immediately before the words “clearing house” in the tenth line of Article 68.

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(i) Article 76

- (i) by adding the words “a poll is taken as may from time to time be required under the Listing Rules or any other applicable laws, rules or regulations or unless” immediately after the words “on a show of hands unless” in the second line of Article 76;
- (ii) by adding the words “a poll is so taken as may from time to time be required under the Listing Rules or any other applicable laws, rules or regulations or unless” immediately after the word “Unless” in the seventeenth line of Article 76.

(j) Article 81

by inserting the following sentence immediately after the words “in the register.” in the second last line of Article 81:

“Notwithstanding anything contained in these Articles, where more than one proxy or representative is appointed or authorised by a member which is a clearing house (or its nominee), each such proxy or representative shall have one vote on a show of hands.”

(k) Article 85

by re-numbering the existing paragraph (b) of Article 85 as paragraph (c) of Article 85 and adding the following new paragraph (b) and its marginal note to Article 85:

- (b) Where the Company has knowledge that any member is, under any applicable laws and the Listing Rules from time to time, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted. Voting in
contravention of
Listing Rules

(l) Article 92

by deleting the word “recognised” wherever it appears immediately before the words “clearing house” in paragraph (b) of Article 92.

(m) Article 103

- (i) by deleting the existing paragraph (c) of Article 103 in its entirety and substituting therefor the following new paragraph (c):
 - (c) A Director shall not be entitled to vote on (nor shall be counted in the quorum in relation to) any resolution of the Board in respect of any contract or arrangement or any other proposal whatsoever in which he or any of his associates, to the knowledge of such Director, has any material interest, and if he shall do so his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters, namely:

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- (i) the giving of any security or indemnity either:
 - (aa) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
 - (bb) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iii) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in the shares of that company, provided that, the Director and any of his associates are not in aggregate beneficially interested in five per cent. or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associates is derived) or of the voting rights;
- (iv) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries including:
 - (aa) the adoption, modification or operation of any employees' share scheme or any share incentive scheme or share option scheme under which the Director or his associate(s) may benefit; or
 - (bb) the adoption, modification or operation of a pension or provident fund or retirement, death or disability benefits scheme which relates both to Directors, their associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in the shares or debentures or other securities of the Company.

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- (ii) by deleting the words “a Director’s interest” in the second line of paragraph (e) of Article 103 and substituting therefor the words “the interest of a Director and/or his associate(s)”;
- (iii) by adding the words “and/or his associate(s)” immediately after the word “Director” in the third last line of paragraph (e) of Article 103;
- (iv) by deleting paragraph (f) of Article 103 in its entirety and substituting therefor the following new paragraph (f):
 - (f) The Company may by ordinary resolution ratify any transaction not duly authorised by reason of a contravention of this Article provided that no Director who is or whose associate(s) is/are materially interested in such transaction shall vote upon such ordinary resolution in respect of any shares in the Company in which he/they is/are interested.

(n) Article 108(c)(i)

by deleting the words “his Associates (as defined in Article 103(f) above)” and substituting therefor the words “his associates” in Article 108(c)(i);

(o) Article 116

by deleting the existing Article 116 in its entirety and substituting therefor the following new Article 116 and its marginal note:

116. No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing by a member of the Company (not being the person to be proposed), entitled to attend and vote at the meeting for which such notice is given, of the intention to propose that person for election as a Director and notice in writing signed by that person of his willingness to be elected shall have been given to the Company provided that the minimum length of the period, during which such notices are given, shall be at least 7 days. The period for lodgment of such notices shall commence no earlier than the day after the dispatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.
- Notice to be given when person proposed for election

(p) Article 159

- (i) by adding the words “summary financial statement may be sent in lieu of annual accounts” as the marginal note of paragraph (c) of Article 159;

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(ii) by inserting the following as new paragraph (d) of Article 159 and its marginal note immediately after paragraph (c) of Article 159:

(d) The requirement to send to a person referred to in paragraph (b) of this Article the documents referred to in that paragraph or a summary financial statement in accordance with paragraph (c) of this Article shall be deemed satisfied where, in accordance with the Law and all applicable rules and regulations, including without limitation, the rules of the Exchange, the Company publishes copies of the documents referred to in paragraph (b) of this Article and, if applicable, a summary financial statement complying with paragraph (c) of this Article, on the Company's Website or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manners as discharging the Company's obligation to send to him a copy of such documents.

publication of annual report of Directors and balance sheet and summary financial statement on the Company's Website

(q) Article 163

(i) by inserting the words "(including any "corporate communication" as defined in the Listing Rules)" immediately after the words "any notice or document" in the first line of paragraph (a) of Article 163;

(ii) by inserting the following as new paragraph (c) of Article 163 and its marginal note immediately after paragraph (b) of Article 163:

(c) Subject to the Law and other applicable laws, rules and regulations, any notice or document (including any "corporate communication" as defined in the Listing Rules) may be given by the Company in the English language only, in the Chinese language only or in both. Where a person has in accordance with the Law and other applicable laws, rules and regulations consented to receive notice and other documents (including any "corporate communication" as defined in the Listing Rules) from the Company in the English language only or the Chinese language only but not both, it shall be sufficient for the Company to serve on or deliver to him any such notice or document in such language only in accordance with these presents unless and until there is a

Choice of language

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notice of revocation or amendment of such consent given or deemed to have been given by such person to the Company in accordance with the Law and other applicable laws, rules and regulations which shall have effect in respect of any notice or document (including any “corporate communication” as defined in the Listing Rules) to be served on or delivered to such person subsequent to the giving of such notice of revocation or amendment.

By Order of the Board
Peter Yip Wah LEE
Secretary

Hong Kong, 24th September, 2004

Notes:

1. A member of the Company entitled to attend and vote at the above meeting is entitled to appoint not more than two proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. In order to be valid, a 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 such power or authority, must be deposited at the head office and principal place of business of the Company at Room 64-02, 64th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (as the case may be).
3. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding.
4. For the purpose of determining the entitlements to the proposed final dividend and the identity of shareholder who are entitled to attend and vote at the meeting, the registers of members and warrant holders of the Company will be closed from Monday, 11th October, 2004 to Monday, 18th October, 2004, both days inclusive, during which period no transfer of shares will be effected and no transfer or exercise of warrants will be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates or all completed subscription forms in relation to the exercise of the warrants accompanied by the appropriate subscription monies and the relevant warrant certificates must be lodged with the Company’s branch share and warrant registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:00 p.m. on Friday, 8th October, 2004.
5. With regard to the resolutions referred to in items 5 and 6 of this notice, the Directors propose to seek Shareholders’ approval of the general mandates to repurchase securities and to issue shares and amendments to the existing Articles of Association (in order to, among other things, comply with amendments to Appendix 3 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited which came into effect on 31st March, 2004) and a circular in connection with the proposals for re-election of directors, general mandates to repurchase securities and to issue shares and amendments to the existing Articles of Association will be dispatched to the shareholders and, for information only, to the warrant holders together with the 2004 Annual Report of the Company.

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6. As at the date of this notice, the Directors of the Company are Sir Gordon Ying Sheung WU, Mr. Eddie Ping Chang HO, Mr. Thomas Jefferson WU, Mr. Alan Chi Hung CHAN, Mr. Leo Kwok Kee LEUNG, Mr. Li Jia HUANG, Mr. Cheng Hui JIA, Mr. Christopher Shih Ming IP, Mr. Philip Tsung Cheng FEI, Mr. Lee Yick NAM, Mr. Gordon YEN and Mr. Kojiro NAKAHARA.
7. In the case of any conflict between the Chinese translation and the English text hereof, the English text will prevail.