



新世界發展有限公司
New World Development Company Limited



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Securities & Exchange Commission
Office of International Corporate Finance
Room 3045
450 Fifth Street, N.W.
Washington, D. C. 20549
U S A

February 16, 2003

Dear Sirs

Re: File Number 82-2971
New World Development Co Ltd
Rule 12g3-2 (b) exemption

SUPPLY

We refer to the above and enclose herewith Announcement dated February 13, 2004 in connection with the proposed Rights Issue in the proportion of two Rights Shares for every five shares held at HK\$5.40 per Rights Share, proposed increase in Authorized Share Capital and resumption of trading of shares of the Company in duplicate for your files.

PROCESSED

FEB 26 2004

THOMSON
FINANCIAL

Yours truly
For and on behalf of
New World Development Co Ltd

Michael C Pei

Encls.
MP/jc

c.c. Ms Ellen Lin- The Bank of New York

新世界發展有限公司

New World Development Company Limited

Proposed Rights Issue in the Proportion of Two Rights Shares for Every Five Shares Held at HK\$5.40 per Rights Share, Proposed Increase in Authorised Share Capital and Resumption of Trading of Shares

Underwriters
Chow Tai Fook Enterprises Limited



THE RIGHTS ISSUE

The Company proposes to raise approximately HK\$5,334 million, before expenses, by issuing not less than 987,817,877 new Shares and not more than 1,031,232,719 new Shares by way of rights issue at a price of HK\$5.40 per Rights Share on the basis of two Rights Shares for every five Shares held on the Record Date. The Company will provisionally allot Rights Shares for every five Shares held by the Qualifying Shareholders on the Record Date to the extent of the rights available to the Qualifying Shareholders as at the date of this announcement, the Major Shareholder and the Major Shareholders' Subsidiaries are interested in aggregate in 870,785,889 Shares, representing approximately 35.26% of the existing issued share capital of the Company. The Major Shareholder has undertaken to, and to procure the Major Shareholder's Subsidiaries to, take up their respective entitlements under the Rights Issue in full. The Rights Issue is fully underwritten by the Underwriters, other than those Rights Shares undertaken by the Major Shareholder to be accepted by it and the Major Shareholder's Subsidiaries by way of their respective rights entitlements. The Rights Issue is conditional upon, among others, the approval by Shareholders at the Extraordinary General Meeting and the approval of the Underwriting Agreement and the approval of the Listing Committee of the Securities and Futures Commission. The Underwriting Agreement is set out in the section headed "TERMINATION OF THE UNDERWRITING AGREEMENT" in the full text of this announcement below. Accordingly, the Rights Issue may or may not proceed.

INCREASE IN AUTHORISED SHARE CAPITAL

If the Rights Issue takes effect, the issued share capital of the Company will be increased from HK\$2,469,546,694 to HK\$5,457,362,571 (assuming that no outstanding Convertible Bonds are converted into Shares prior to the Record Date) or HK\$3,609,314,518 assuming full conversion of all outstanding Convertible Bonds before the Record Date. In order to facilitate the Rights Issue and to assist in the future expansion of the Company, the Company proposes to increase its authorised share capital from HK\$3,300,000,000 to HK\$10,000,000,000 by the creation of an additional 6,700,000,000 new Shares. The Directors have no present intention to issue any part of this capital, except for the issue of new Shares pursuant to the Rights Issue and upon conversion of the Convertible Bonds.

SHAREHOLDERS' APPROVAL

The increase in the authorised Share Capital of the Company and the Rights Issue require Shareholders' approval. A circular setting out, among other things, a letter from the board of Directors, the details of the Rights Issue and the increase in the authorised share capital of the Company and the notice of the Extraordinary General Meeting will be sent to the Shareholders as soon as practicable.

Trading in the securities of the Company was suspended at the request of the Company with effect from 2:30 p.m. on 12 February 2004 pending the release of this announcement. Application has been made to the Stock Exchange for resumption of the trading of the securities of the Company with effect from 9:30 a.m. on 16 February 2004.

RIGHTS ISSUE

Issue Statistics
Basis of Rights Issue: two Rights Shares for every five Shares held on the Record Date
Number of existing Shares: 2,469,546,694 Shares (not including Shares held by the Company)
Number of Rights Shares to be issued under the Rights Issue: assuming that no outstanding Convertible Bonds are converted into Shares before the Record Date not less than 987,817,877 Rights Shares and not more than 1,031,232,719 Rights Shares, representing approximately 49.00% of the existing issued share capital of the Company and approximately 28.75% of the issued share capital of the Company as enlarged by the Rights Issue (assuming full conversion of all outstanding Convertible Bonds before the Record Date) no more than 1,031,232,719 Rights Shares, representing approximately 49.00% of the existing issued share capital of the Company and approximately 28.75% of the issued share capital of the Company as enlarged by the Rights Issue

Underwriters

UBS Investment Bank and the Major Shareholder

Note:

As at the date of this announcement, Convertible Bonds in the aggregate principal amount of US\$344.50 million are outstanding which, assuming the Convertible Bonds being converted into Shares, would increase the number of Rights Shares to be issued under 43,414,843 Rights Shares. Other than the Convertible Bonds, the Company has no outstanding options, convertible or warrant which confer the right to subscribe for Shares.

Qualifying Shareholders:

The Company will send provisional allotment letters and forms of application for excess Rights Shares to Qualifying Shareholders only.

To qualify for the Rights Issue, a Shareholder must on the Record Date:

- be registered as a member of the Company; and
- have an address on the register of members of the Company in Hong Kong

In order to be registered as a member of the Company on the Record Date, Shareholders must lodge any holders of Shares together with the relevant share certificate with the Company's share registrar, Kings Limited at Ground Floor, Bank of East Asia Harbour View Centre, 36 Gloucester Road, Wanchai, Hong Kong by 4:00 p.m. (Hong Kong time) on Friday, 12 March 2004.

Closures of Register of Members

The register of members of the Company will be closed from Monday, 15 March 2004 to Monday, 22 March 2004 (both days inclusive). No transfer of Shares will be registered during this period.

TERMS OF THE RIGHTS ISSUE

Subscription price
HK\$5.40 per Rights Share, payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of Rights Shares or applies for excess Rights Shares or when a transfer of non-paid Rights Shares applies for Rights Shares.

The subscription price of HK\$5.40 per Rights Share was determined with reference to recent closing prices of the Shares on the Stock Exchange and represents (a) a discount of approximately 37.9% to the closing price of HK\$5.70 per Share quoted on 12 February 2004 (being the last half-trading day prior to the suspension of trading); (b) a discount of approximately 30.41% to the theoretical ex-rights price of HK\$7.76 per Share based on 13 February 2004 (being the last half-trading day prior to the suspension of trading); and (c) a discount of approximately 38.07% to the average closing price of HK\$7.26 per Share for the last ten full trading days prior to the date of this announcement.

Allocation of provisional allotments
Two Rights Shares for every five Shares held by a Qualifying Shareholder on the Record Date.

Status of the Rights Shares
When fully paid, issued and allotted, the fully-paid Rights Shares will rank pari passu with all fully-paid Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all dividends and other distributions which are declared, made or paid after the date of issue of the fully-paid Rights Shares. If any interim dividend is recommended by the Directors for the six-month period ended 31 March 2004, the Rights Shares will rank pari passu with the Shares then in issue.

Dealings in non-paid and fully-paid Rights Shares will be subject to the payment of stamp duty in Hong Kong.

Rights of Non-Qualifying Shareholders
The Prospectus Documents will not be registered or filed under the applicable securities or equivalent legislation of any jurisdiction other than Hong Kong. The Company will not register the Rights Shares in any Non-Qualifying Shareholders with registered addresses in territories outside Hong Kong. Accordingly, no application for provisional allotment of Rights Shares will be made to the Company for its own benefit. Any copies of the Prospectus to Non-Qualifying Shareholders for their information only. The Company will not issue any provisional allotment letters or forms of application for excess Rights Shares to Non-Qualifying Shareholders.

The Company will make arrangements for the Rights Shares, which would otherwise have been provisionally allotted to Non-Qualifying Shareholders, to be sold in the market in their non-paid form as soon as practicable after the date of the Rights Issue. The Company will not be responsible for any loss or expense incurred in the proceeds of such sale, less expenses, of HK\$100 or more will be paid to Non-Qualifying Shareholders in Hong Kong dollars by cheque or cash as soon as possible. The Company will retain individual amounts of less than HK\$100. Any such unsold Rights Shares will be available for excess application.

Fractional Entitlement to the Rights Shares
Fractional entitlements to Rights Shares will not be provisionally allotted and will be rounded down to the nearest whole number. Rights Shares representing the aggregate of fractions of Rights Shares (rounded down to the nearest whole number) will be provisionally allotted to a nominee appointed by the Company and, if a premium of HK\$100 (net of expenses) can be obtained, will be sold by the Company or its appointed nominee and the net proceeds of such sale, less expenses, of HK\$100 or more will be paid to Non-Qualifying Shareholders in Hong Kong dollars by cheque or cash as soon as possible. The Company will retain individual amounts of less than HK\$100. Any such unsold Rights Shares will be available for excess application.

Application for excess Rights Shares
Qualifying Shareholders may apply for any unsold entitlements, and any Rights Shares provisionally allotted but not accepted.

Application is made by completing the form of application for excess Rights Shares. The Directors will allocate the excess Rights Shares on a fair and equitable basis, but will give preference to topping-up odd lots to whole board lots.

Share Certificates
Subject to the fulfilment of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be issued to those entitled thereto at their own risk on or before Thursday, 15 April 2004.

Application for listing
The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their non-paid and fully-paid forms.

UNDERWRITING ARRANGEMENTS
Underwriting Agreement

Date: 13 February 2004

Underwriters: HSBC, UBS Investment Bank and the Major Shareholder

Number of Rights Shares undertaken: All Rights Shares other than those undertaken by the Major Shareholder to be taken up by it and the Major Shareholder's Subsidiaries by way of their respective rights entitlements. The Major Shareholder has undertaken to, and to procure the Major Shareholder's Subsidiaries to, take up the underwritten first 690,000,000 such Rights Shares not taken up by the Underwriters or the Major Shareholder's Subsidiaries, with the balance to be underwritten by HSBC and UBS Investment Bank.

Commission: 2% of the aggregate price payable on the Rights Shares underwritten by the Underwriters.

The Major Shareholder, being also the controlling Shareholder of the Company, together with the Major Shareholder's Subsidiaries are interested in aggregate in 870,785,889 Shares, representing approximately 35.26% of the issued share capital of the Company. The Major Shareholder has undertaken to, and to procure the Major Shareholder's Subsidiaries to, take up their respective entitlements under the Rights Issue in full.

Assuming that (a) the Rights Issue proceeds and is completed; (b) the Major Shareholder and the Major Shareholder's Subsidiaries have taken up their respective entitlements under the Rights Issue in full; (c) the Major Shareholder is required to take up the 690,000,000 Rights Shares under its underwriting obligation pursuant to the Underwriting Agreement; and (d) no Convertible Bonds are converted into Shares before the Record Date, the Major Shareholder and the Major Shareholder's Subsidiaries will be interested in approximately 37.26% of the issued Share Capital of the Company immediately after completion of the Rights Issue.

Termination of the Underwriting Agreement
If, at any time prior to the Latest Termination Time, one or more of the following events or matters shall develop or occur, or either:

- (1) any material breach by the Company or the Major Shareholder of any of its representations, warranties or undertakings in the Underwriting Agreement comes to the knowledge of either of HSBC and UBS Investment Bank or either of HSBC and UBS Investment Bank has reasonable cause to believe that any such material breach has occurred; or
- (2) any event occurs or matter arises, which, if it had occurred before the date of the Underwriting Agreement or before any of the dates or before any time on which the representations, warranties and undertakings are deemed to be given by the Company or the Major Shareholder pursuant to

- (3) any statement contained in the Prospectus has become or has been discovered to be untrue, incorrect, incomplete or misleading in any material respect, comes to the knowledge of either of HSBC and UBS Investment Bank; or
- (4) matters have arisen which, in the opinion of either of HSBC and UBS Investment Bank, constitute a material omission therefrom; or
- (5) there is any adverse change in the business or in the financial or trading position or prospects of any member of the Company or of either of HSBC and UBS Investment Bank, in material in the context of the issue of the Rights Shares; or
- (6) there has occurred, happened, come into effect or become public knowledge any event, series of events or circumstances concerning or relating to the Company, or not for or for the first time, which, in the opinion of either of HSBC and UBS Investment Bank, has or may have a material adverse effect on (whether or not permanent) local, national or international financial, political, military, industrial, economic, legal, fiscal, regulatory or any other matter which, in the opinion of either of HSBC and UBS Investment Bank, has or may have a material adverse effect on (whether or not permanent) local, national or international financial, political, military, industrial, economic, legal, fiscal, regulatory or any other matter, including without limitation, any declaration by the PRC, Hong Kong, the United Kingdom of Great Britain or the United States of America of a national emergency, any outbreak or escalation of hostilities, any act of terrorism, or any other epidemic, calamity or crisis, in any of those places, the effect of which (in the opinion of either of HSBC and UBS Investment Bank) is or may be material in the context of the Rights Issue; or (2) or (3) or (4) or (5) or (6) may be material in the context of the Rights Issue, or may make it inadvisable or inexpedient to proceed with the Rights Issue;
- (iii) any declaration of a banking moratorium by Hong Kong authorities;
- (iv) any moratorium, suspension or material restriction on trading in shares or securities (other than that as a result of announcing the Rights Issue); or
- (v) any suspension of dealings in the Shares for a period of over three consecutive Business Days (other than as a result of announcing the Rights Issue); or
- (vi) any new law or regulation or any change in existing laws or regulations which, in the opinion of HSBC and UBS Investment Bank has or is likely to have a material adverse effect on the business or the financial or trading position or prospects of the Company or of either of HSBC and UBS Investment Bank may jointly, in addition to and without prejudice to any other remedy, terminate the Underwriting Agreement.

then HSBC and UBS Investment Bank may jointly, in addition to and without prejudice to any other remedy, terminate the Underwriting Agreement.

If HSBC and UBS Investment Bank terminate the Underwriting Agreement, the Rights Issue will not proceed and the Underwriting Agreement is terminated by HSBC and UBS Investment Bank.

The Major Shareholder has undertaken to HSBC and UBS Investment Bank that, for a period of three months from the date of the completion of the Rights Issue, it will not and will procure that none of its nominees and companies (including any change in its ownership, control or management, or directly or indirectly) will lend, pledge, sell, transfer or otherwise dispose of any of its Shares or any other securities exercisable or exchangeable for any such Shares or interests.

The Company has also undertaken, and the Major Shareholder has also undertaken, to HSBC and UBS Investment Bank that, for a period of three months from the date of the completion of the Rights Issue, the Company will not (except for the issue of new Shares and for purposes of the terms of any employee share option scheme of the Company or (b) conversion of outstanding Convertible Bonds) alter or issue or offer or grant any new or existing Shares or securities or any new or existing convertible or exchangeable or exchangeable for any such Shares or interests.

CONDITIONS OF THE RIGHTS ISSUE
In addition to and without prejudice to any other conditions, each of the following events happening:

- (i) the passing of resolutions by the Shareholders at the Extraordinary General Meeting to increase the Rights Issue and the increase in the authorised share capital of the Company not later than the Record Date;
- (ii) the delivery by or on behalf of the Company of a copy of each of the Prospectus Documents, duly signed by or on behalf of all Directors together with any requisite accompanying documents to the Listing Committee of the Stock Exchange for its registration and the registration in accordance with the provisions of the Companies Ordinance (Chapter 32, Laws of Hong Kong) not later than the Record Date;
- (iii) the consent of the Shareholders to the Shareholders and the posting of the provisional allotment letters and the application forms for excess Rights Shares to the Qualifying Shareholders not later than the Record Date;
- (iv) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) listing of and permission to deal in, the Rights Shares, in their non-paid and fully-paid forms, by not later than the date of Rights Shares in non-paid form, the first day of dealings in non-paid Rights Shares; and (v) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional and not subject to termination in accordance with the terms of the Underwriting Agreement.

If any of the above conditions (which have not previously been waived jointly by HSBC and UBS Investment Bank) is capable of being waived under the Underwriting Agreement, the terms of the Underwriting Agreement and time specified above, the Rights Issue will not proceed.

WARNING OF THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES
Existing Shares are expected to be dealt in on an ex-gratis basis from Thursday, 11 March 2004. Dealings in the Rights Shares in non-paid form are expected to take place from Wednesday, 24 March 2004 to Wednesday, 31 March 2004 (both days inclusive). If the Underwriters terminate the Underwriting Agreement (see the paragraph headed "Termination of the Underwriting Agreement" in the full text of this announcement), the conditions of the Rights Issue (as set out in the section headed "Conditions of the Rights Issue" above) are not fulfilled, the Rights Issue will not proceed.

Any buying or selling of the Shares from now up to the date on which all such conditions are fulfilled, and any buying or selling of non-paid Rights Shares, is at investors' own risk. If in any doubt, investors should consider obtaining professional advice.

REASONS FOR THE RIGHTS ISSUE AND USE OF THE PROCEEDS
Subsequent to the placing of Shares of the Company as disclosed in its announcement dated 29 October 2003, the net proceeds of approximately HK\$1,225 million has been used to repay bank borrowings, the Directors intend to adopt a financing strategy on debt reduction and liquidity generation. In this regard, the Directors consider that the Rights Issue will strengthen the capital base and will facilitate the Company's plans to further diversify its existing urban and agricultural land bank and pay for land conversion premium to the Government. The Directors also intend to raise the required capital by way of rights issue, which enables all Shareholders to participate in the future development of the Company on equal terms. The net proceeds of the Rights Issue are estimated to be approximately HK\$3,259 million on the basis that there will be no conversion of the Convertible Bonds and HK\$2,469,546,694 per Share. Other than the urban and agricultural land bank and pay for land conversion premium to the Government, the Directors also intend to raise the required capital by way of rights issue, which enables all Shareholders to participate in the future development of the Company on equal terms. The net proceeds of the Rights Issue are estimated to be approximately HK\$3,259 million on the basis that there will be no conversion of the Convertible Bonds and HK\$2,469,546,694 per Share. Other than the urban and agricultural land bank and pay for land conversion premium to the Government, the Directors also intend to raise the required capital by way of rights issue, which enables all Shareholders to participate in the future development of the Company on equal terms. The net proceeds of the Rights Issue are estimated to be approximately HK\$3,259 million on the basis that there will be no conversion of the Convertible Bonds and HK\$2,469,546,694 per Share. 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新世界發展有限公司

New World Development Company Limited

(Incorporated in Hong Kong with limited liability)

Proposed Rights Issue in the Proportion of Two Rights Shares for Every Five Shares Held at HK\$5.40 per Rights Share, Proposed Increase in Authorised Share Capital and Resumption of Trading of Shares

Underwriters
Chow Tai Fook Enterprises Limited



THE RIGHTS ISSUE

The Company proposes to raise approximately HK\$5,334 million, before expenses, by issuing not less than 987,817,877 new Shares and no more than 1,031,232,719 new Shares by way of rights issue at a price of HK\$5.40 per Rights Share on the basis of two Rights Shares for every five Shares held on the Record Date. The Company will provisionally allot two Rights Shares for every five Shares held by the Qualifying Shareholders on the Record Date. The Rights Issue will only be available to the Qualifying Shareholders.

INCREASE IN AUTHORISED SHARE CAPITAL

If the Rights Issue takes effect, the issued share capital of the Company will be increased from HK\$2,469,544,694 to HK\$3,457,362,571 (assuming that no outstanding Convertible Bonds are converted into Shares prior to the Record Date) or HK\$3,693,314,518 (assuming full conversion of all outstanding Convertible Bonds before the Record Date). In order to facilitate the Rights Issue and to assist in the future expansion of the Company, the Company proposes to increase its authorised share capital from HK\$3,300,000,000 to HK\$10,000,000,000 by the creation of an additional 6,700,000,000 new Shares. The Directors have no present intention to issue any part of that capital except for the issue of new Shares pursuant to the Rights Issue and upon conversion of the Convertible Bonds.

SHAREHOLDERS' APPROVAL

The increase in the authorised share capital of the Company and the Rights Issue require Shareholders' approval. A circular setting out, among other things, a letter from the board of Directors, the details of the Rights Issue and the increase in the authorised share capital of the Company and the notice of the Extraordinary General Meeting will be sent to the Shareholders as soon as practicable.

RIGHTS ISSUE

The Rights Issue is conditional upon, among other things, the approval by Shareholders at the Extraordinary General Meeting and the approval of the Stock Exchange. The details of the Rights Issue are set out in the Prospectus. The Rights Issue will only be available to the Qualifying Shareholders. The Rights Issue will be available to the Qualifying Shareholders on the Record Date. The Rights Issue will be available to the Qualifying Shareholders on the Record Date. The Rights Issue will be available to the Qualifying Shareholders on the Record Date.

UNDERWRITERS

HSBC
UBS Investment Bank and
Chow Tai Fook Enterprises Limited

NOTE

As at the date of this announcement, Convertible Bonds in the aggregate principal amount of US\$34.5 million are outstanding which, assuming all such Convertible Bonds being converted into Shares, would increase the number of Shares to be issued by about 1,141,843 Rights Shares. Other than the Convertible Bonds, the Company has no pending applications for listing of securities or warrants or rights to issue securities.

QUALIFYING SHAREHOLDERS

The Company will send provisional allotment letters and forms of application for excess Rights Shares to Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must on the Record Date: (i) be registered as a member of the Company; and (ii) have an address on the register of members of the Company in Hong Kong.

CLOSERS OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 15 March 2004 to Monday, 22 March 2004 (both days inclusive). No transfer of Shares will be registered during this period.

BASES OF RIGHTS ISSUE

HK\$5.40 per Rights Share, payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of Rights Shares or applies for excess Rights Shares or when a transferee of non-paid Rights Shares subscribes for Rights Shares.

STATUS OF THE RIGHTS SHARES

When fully paid, issued and allotted, the fully paid Rights Shares will rank pari passu in all respects with the Shares then in issue. Holders of Rights Shares will not be entitled to receive all future dividends and distributions which are declared, made or paid after the date of issue and allotment of the fully paid Rights Shares. If any interim dividend is recommended by the Directors for the six-month period ending 31 December 2003, the Rights Shares will be subject to the payment of stamp duty in Hong Kong.

RIGHTS OF NON-QUALIFYING SHAREHOLDERS

The Prospectus Documents will not be registered or filed under the applicable securities or equivalent legislation in any territory other than Hong Kong. The Company will not offer to sell or subscribe to the Non-Qualifying Shareholders with registered addresses in territories outside Hong Kong. Accordingly, no provisional allotment of Rights to Non-Qualifying Shareholders, the Prospectus Documents will not be registered or filed under the applicable securities or equivalent legislation in any territory other than Hong Kong.

FRACTIONAL ENTITLEMENT TO THE RIGHTS SHARES

Fractional entitlements to Rights Shares will not be provisionally allotted and will be rounded down to the nearest whole number. Rights Shares representing the aggregate of fractions of Rights Shares (rounded down to the nearest whole number) will be provisionally allotted to a nominee appointed by the Company and, if a premium of HK\$100 (net of expenses) can be obtained, will be sold by the Company or its appointed nominee and the net proceeds will be paid to the Non-Qualifying Shareholders in Hong Kong. If no such premium can be obtained, the Company will not be liable to pay to the Non-Qualifying Shareholders any amount of less than HK\$100. Any such unsold Rights Shares will be available for excess application.

APPLICATION FOR EXCESS RIGHTS SHARES

Qualifying Shareholders may apply for any unused entitlements, and any Rights Shares provisionally allotted but not accepted. Application is made by completing the form of application for excess Rights Shares. The Directors will allot the excess Rights Shares on a fair and equitable basis, but will give preference to top-slicing odd lots to whole board lots.

SHARE CERTIFICATES

Subject to the fulfilment of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto at their own risk on or before Thursday, 15 April 2004. The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their non-paid and fully-paid forms.

UNDERWRITING AGREEMENTS

The Major Shareholder, being also the controlling Shareholder of the Company, together with the Major Shareholder's Subsidiaries are interested in aggregate in 870,785,889 Shares, representing approximately 35.2% of the issued share capital of the Company. The Major Shareholder has irrevocably undertaken to and to procure the Major Shareholder's Subsidiaries to take up the Rights Shares in full.

TERMINATION OF THE UNDERWRITING AGREEMENT

At any time prior to the Latest Termination Time, one or more of the following events or matters shall develop occur, either in whole or in part: (i) any material breach by the Company or the Major Shareholder of any of its representations, warranties or undertakings in the Underwriting Agreement; (ii) any material breach by the Company or the Major Shareholder of any of its representations, warranties or undertakings in the Underwriting Agreement; (iii) any material breach by the Company or the Major Shareholder of any of its representations, warranties or undertakings in the Underwriting Agreement; (iv) any material breach by the Company or the Major Shareholder of any of its representations, warranties or undertakings in the Underwriting Agreement.

EXPECTED TIMETABLE OF THE RIGHTS ISSUE

Last day of dealings in Shares on a cum-dividend basis	Monday, 15 March 2004
First day of dealings in Shares on an ex-dividend basis	Monday, 15 March 2004
Latest time for lodging transfers of Shares in order to qualify for the Rights Issue	4:00 p.m. on Friday, 12 March 2004 (both days inclusive)
Book closure period (both days inclusive)	Monday, 15 March to Monday, 22 March 2004
Latest time for lodging transfer forms for the Rights Issue	10:00 a.m. on Saturday, 20 March 2004
Extraordinary General Meeting to approve the Rights Issue and the Increase in Authorised Share Capital	Monday, 22 March 2004
Record Date	Monday, 22 March 2004
Extraordinary General Meeting to approve the Rights Issue and the Increase in Authorised Share Capital	Monday, 22 March 2004
Prospectus Documents expected to be despatched	Monday, 22 March 2004
First day of dealings in non-paid Rights Shares	Monday, 22 March 2004
Latest time for splitting non-paid Rights Shares	4:00 p.m. on Friday, 26 March 2004
Last day of dealings in non-paid Rights Shares	Wednesday, 31 March 2004
Latest time for acceptance of and payment for Rights Shares	4:00 p.m. on Tuesday, 6 April 2004