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(Incorporated in Bermuda with limited liability)
(Stock Code: 999)

CNY1,000,000,000
6.25 Per Cent. Senior Notes due 2018
(Stock Code: 85923)

PURCHASE AND CANCELLATION OF SENIOR NOTES

Reference is made to the announcement of the Company dated 8 May 2013 regarding the issue of the 6.25 per cent. senior notes due 2018 in the principal amount of CNY1,000,000,000 by the Company (the “Announcement”). Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

In March 2014, the Company had purchased the Notes in the principal amount aggregated up to CNY99,000,000, representing approximately 9.9% of the Notes in the principal amount of CNY1,000,000,000 when issued (the “First Purchase”). This First Purchase Notes was then duly cancelled pursuant to the terms of the indenture governing the Notes on 16 April 2014.

The Company announces that on 9 June 2014, it has further purchased CNY5,000,000 of the Notes (the “Second Purchase”) out of cash from internal resources. Together with the First Purchase, the Company has purchased in the principal amount aggregated up to CNY104,000,000, representing 10.4% of the principal amount of CNY1,000,000,000 when issued.

The Second Purchase Notes would be cancelled by removing the relevant Noteholders’ name from the relevant register and cancelling the corresponding certificates. After cancellation of the Second Purchase Notes, the aggregate principal amount of the Notes which remains outstanding and subject to the terms of the indenture governing the Notes would be CNY896,000,000.

The Company maintains a healthy level of working capital and cash flow, the board of directors (the “Board”) of the Company considers that the purchase of the Notes would reduce the future financial expenses (the Interest the Company is paying is higher than interest income earned) and lower the gearing level of the Company while not affecting the Group’s day-to-day operations or growth.

The Company may or may not purchase further Notes in the future. Noteholders and potential investors should note that any purchase of the Notes from time to time by the Company will be at the Board’s sole and absolute discretion. There is no assurance of the timing, amount or price of any purchase of the Notes or whether the Company will make any further purchase at all. Noteholders and potential investors should therefore exercise caution when dealing in any Notes.

By Order of the Board
Sham Kar Wai
Chairman

Hong Kong, 9 June 2014

As at the date of this announcement, the Board comprises Mr. SHAM Kar Wai and Mr. SHAM Kin Wai as Executive Directors and Mr. Francis GOUTENMACHER, Dr. WONG Tin Yau, Kelvin, JP and Mr. MAK Wing Sum, Alvin as Independent Non-executive Directors.