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CHEUNG KONG (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock code: 001)

CONNECTED TRANSACTIONS

The CKH Group had provided guarantees on a several basis for certain joint venture companies in respect of 50% of the obligations of such joint venture companies under loan facilities made available by independent financial institutions.

The provision of the guarantees to the joint venture companies constitutes connected transactions for CKH under Listing Rule 14A.13(2). As the relevant percentage ratios derived from the respective amount of guarantees provided in respect of the loan facilities to each joint venture company exceed 0.1% but are less than 2.5% as determined in accordance with Rule 14A.66(2) of the Listing Rules, the provision of guarantees is exempt from the independent shareholders' approval requirements but is subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules.

PROVISION OF GUARANTEES

The CKH Group provided the following guarantees on a several basis in respect of loan facilities made available by independent financial institutions to the following joint venture companies:

Joint venture companies	Date	Guarantees provided by the CKH Group
Hutchison Whampoa Properties (Shanghai) Gubei Limited	21st June, 2004	50% of the obligations under a revolving loan facility of HK\$100 million in principal amount
Hutchison Whampoa Properties (Shanghai) Gubei Limited	30th December, 2004	50% of the obligations under a revolving loan facility of HK\$250 million in principal amount
Shenzhen Hutchison Whampoa CATIC Properties Limited	30th December, 2004	50% of the obligations under a term loan facility of HK\$500 million in principal amount
Hutchison Whampoa Properties (Shanghai) Limited	30th December, 2004	50% of the obligations under a term loan facility of HK\$200 million in principal amount
Hutchison Whampoa Properties (Shanghai) Limited	30th December, 2004	50% of the obligations under a term loan facility of HK\$290 million in principal amount

The loan facilities are to re-finance existing third party loan facilities and/or existing shareholders' loans, to finance the construction and development costs of the projects undertaken by the joint venture companies, and to finance their general working capital requirements (as the case may be).

In respect of each guarantee provided, the joint venture companies have agreed to pay to the CKH Group a guarantee fee of 0.5% per annum on 50% of the aggregate amount of the relevant loan facility.

Hutchison Whampoa Properties (Shanghai) Gubei Limited and Hutchison Whampoa Properties (Shanghai) Limited are wholly foreign-owned enterprises owned as to 50% by indirect wholly owned subsidiaries of CKH and HWL respectively. Shenzhen Hutchison Whampoa CATIC Properties Limited is a sino-foreign co-operation joint venture held indirectly through a 50/50 joint venture company of CKH and HWL.

The Board of Directors of CKH, including its Independent Non-executive Directors, considers that the terms for provision of the guarantees to be in the interests of CKH and its shareholders, on normal commercial terms and fair and reasonable so far as CKH and its shareholders are concerned.

CONNECTED TRANSACTIONS

HWL is a substantial shareholder of certain subsidiaries of CKH and hence a connected person of CKH within the meaning of the Listing Rules. Each of the joint venture companies is a connected person of CKH within the meaning of the Listing Rules by virtue of 30% or more of the equity interests of each of the joint venture companies being indirectly held by HWL. The provision of the guarantees to the joint venture companies constitutes connected transactions for CKH under Listing Rule 14A.13(2).

As the relevant percentage ratios derived from the respective amount of guarantees provided in respect of the loan facilities to each joint venture company exceed 0.1% but are less than 2.5% as determined in accordance with Rule 14A.66(2) of the Listing Rules, the provision of guarantees is exempt from the independent shareholders' approval requirements but is subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules.

GENERAL

The principal activities of the CKH Group are investment holding, property development and investment, hotel and serviced suite operation, property and project management and investments in securities.

The above joint venture companies are principally engaged in the businesses of property development and/or leasing in the PRC.

As at the date of this announcement, the Directors (*Note*) of CKH are Mr. LI Ka-shing (*Chairman*), Mr. LI Tzar Kuoi, Victor (*Managing Director and Deputy Chairman*), Mr. George Colin MAGNUS (*Deputy Chairman*), Mr. KAM Hing Lam (*Deputy Managing Director*), Mr. CHUNG Sun Keung, Davy, Mr. IP Tak Chuen, Edmond, Ms. PAU Yee Wan, Ezra, Ms. WOO Chia Ching, Grace and Mr. CHIU Kwok Hung, Justin as Executive Directors; Mr. LEUNG Siu Hon, Mr. FOK Kin-ning, Canning, Mr. Frank John SIXT and Mr. CHOW Kun Chee, Roland as Non-executive Directors; and Mr. KWOK Tun-li, Stanley, Mr. YEH Yuan Chang, Anthony, Mr. Simon MURRAY, Mr. CHOW Nin Mow, Albert, Ms. HUNG Siu-lin, Katherine, Dr. WONG Yick-ming, Rosanna, Mr. KWAN Chiu Yin, Robert and Mr. CHEONG Ying Chew, Henry as Independent Non-executive Directors.

DEFINITIONS

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

“CKH”	Cheung Kong (Holdings) Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 001);
“CKH Group”	CKH and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HWL”	Hutchison Whampoa Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 013);
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong.

By Order of the Board
CHEUNG KONG (HOLDINGS) LIMITED
Eirene Yeung
Company Secretary

Hong Kong, 30th December, 2004

Note: Other than Chairman and Managing Director, order by date of appointment, and in the case of Non-executive Director (“NED”)/Independent Non-executive Director (“INED”), order by date of appointment as NED/INED.

Please also refer to the published version of this announcement in The Standard dated 31 December 2004.