



Hysan Development Company Limited (希慎興業有限公司)

Incorporated under Hong Kong Companies Ordinance, Cap. 32 with limited liability

8 May 2000

FINAL DIVIDEND FOR THE YEAR ENDED 31 DECEMBER 1999 - OPTION TO RECEIVE SHARES IN LIEU OF CASH DIVIDEND AND CALCULATION OF MARKET VALUE

A circular to shareholders giving details of the option to receive shares in lieu of the cash dividend of HK\$0.30 per ordinary share for the year ended 31 December 1999 was sent on 8 May 2000.

As stated in such circular, the number of new shares of par value HK\$5.00 each ("New Shares") to be allotted to shareholders who elect to receive their dividends in scrip is calculated by dividing the total amount of the cash dividend which each of them would otherwise have been entitled to receive by either (i) the market value of a New Share or (ii) HK\$5.00 being the par value of each share, whichever is the higher of (i) and (ii).

The market value of a New Share ("Market Value") has been determined to be HK\$8.46 and is the average of the closing prices of the Shares on The Stock Exchange of Hong Kong Limited ("Stock Exchange") for the last five consecutive Stock Exchange dealing days commencing on 2 May 2000.

The formula used for calculating the entitlement is as follows:

Number of shares held as at 8 May 2000 x HK\$0.30 = Maximum dividend available

$$\begin{array}{rcl} \text{Maximum dividend available} & & \text{maximum number of New Shares} \\ \text{-----} & = & \text{(rounded down to the nearest whole} \\ & & \text{number)} \\ & & \text{HK\$8.46} \end{array}$$

Application has been made to the Stock Exchange for listing of and permission to deal in the New Shares. Shareholders who wish to receive, in lieu of the cash dividend, in whole or in part, an allotment of New Shares should complete and sign the form of election and return it to the Registrars of the Company, Standard Registrars Limited, 5/F, Wing On Centre, 111 Connaught Road Central, Hong Kong

not later than 4:00 p.m. on Tuesday, 23 May 2000. It is expected that cheques for cash entitlements and/or (subject to such application being granted) definitive share certificates for the New Shares will be posted to shareholders at the risk of those entitled thereto on 30 May 2000.

By order of the Board

Joseph Mau

Company Secretary

Hong Kong, 8 May 2000