This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase, or subscribe for securities of the Company.

HONGKONG CHINESE LIMITED

香 港 華 人 有 限 公 司*

(Incorporated in Bermuda with limited liability)

(Stock code: 655)

RIGHTS ISSUE OF 471,390,178 RIGHTS SHARES AT HK$1.00 EACH IN THE PROPORTION OF SEVEN RIGHTS SHARES FOR EVERY TWENTY SHARES HELD WITH BONUS WARRANTS ON THE BASIS OF THREE WARRANTS FOR EVERY SEVEN RIGHTS SHARES TO THE QUALIFYING SHAREHOLDERS ONLY AND INCREASE IN AUTHORISED SHARE CAPITAL

Reference is made to the announcement and circular of the Company dated 17th May, 2008 (the "Rights Issue Announcement") and 20th May, 2008 (the "Rights Issue Circular") respectively in relation to, among other things, the Rights Issue. Capitalised terms used herein shall have the same meanings as set out in the Rights Issue Announcement and the Rights Issue Circular unless the context otherwise required.

The Directors announce that the theoretical ex-rights price of approximately HK$1.29 per Share as set out in the Rights Issue Announcement and the Rights Issue Circular was based on, amongst others, the closing price of the Shares on 16th May, 2008 (being the last trading day before the date of the Rights Issue Announcement and the date of the Underwriting Agreement), the 2007 final distribution of HK$0.05 per Share, the theoretical value of the Bonus Warrants and the gross proceeds from the Rights Issue of approximately HK$471.4 million.

Pursuant to the "Guidelines on adjustments to the previous closing price of a security" issued by the Stock Exchange, the calculation of the theoretical ex-rights price of the Shares would not account for the theoretical value of the Bonus Warrants. On this basis, the theoretical ex-rights price of the Shares, based on the closing price of the Shares on 16th May, 2008, would be approximately HK$1.319 per Share. The Subscription Price of HK$1.00 represents approximately 24% discount to the theoretical ex-rights price of the Shares (calculated based on the aforesaid method).

The Rights Issue is subject to the satisfaction of the conditions as described under the paragraph headed "Rights Issue - Conditions precedent to the Rights Issue" in the Rights Issue Announcement and the Rights Issue Circular. In particular, the Underwriting Agreement contains provisions allowing the

Underwriters to terminate the Underwriting Agreement on the occurrence of force majeure events (as described in the Rights Issue Announcement and the Rights Issue Circular) by giving written notice to the Company at any time prior to 4:00 p.m. on the second business day following the Final Acceptance Date, i.e. 25th June, 2008. Accordingly, any dealings in the Shares before the Underwriting Agreement becomes unconditional and in the Rights Shares in their nil-paid form from 11th June, 2008 to 18th June, 2008 (both dates inclusive) will bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholder or other person contemplating selling or acquiring Shares and/or Right Shares in their nil-paid form from the date of this announcement up to 27th June, 2008 will bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholder or other person contemplating any dealings in the Shares or Rights Shares in their nil-paid form are recommended to consult their own professional advisers.

By Order of the Board
HONGKONG CHINESE LIMITED
Andrew Hau
Secretary

Hong Kong, 27th May, 2008

As at the date of this announcement, Dr. Mochtar Riady (Chairman) and Mr. Leon Chan Nim Leung are the Non-executive Directors of the Company, Messrs. Stephen Riady (Chief Executive Officer), John Lee Luen Wai and Kor Kee Yee are the Executive Directors of the Company and Messrs. Albert Saychuan Cheok, Victor Yung Ha Kuk and Tsui King Fai are the Independent Non-executive Directors of the Company.

** For identification purpose only*