

CONFIDENTIAL MEETING BRIEFING  
25/04/2006

FROM: RESEARCH TEAM

PROSPECT: Mrs Ina Ho (presumed to be Ms Ina Chan Yuen-chan)  
Miss Florinda Ho

Visit to Oxford on Thursday 27 April 2006

NOTE:

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PURPOSE AND OBJECTIVES

To build the relationship with the Ho family, and explore how it may develop.

RECENT OXFORD ACTIVITY

The Vice-Chancellor, Pro-Vice-Chancellor and Dyan Sterling met with Dr Stanley Ho's daughter, Ms Daisy Ho, in Hong Kong on 12 April 2006.

Dr Ho was a guest at the dinner for the China Oxford Scholarship Fund held in Hong Kong on 11 April 2006, attended by The Vice-Chancellor, Pro-Vice-Chancellor, Professor John Bell and Dyan Sterling.

BACKGROUND

Dr Ho has married at least four times<sup>1</sup>, and is believed to be a polygamist in that it is suggested that he did not divorce between the marriages. Mrs Ina Ho — Ina Chan Yuen-chan — is reported to be Mr Ho's third wife. His fourth wife is said to be Angela Leong On-kei. Dr Ho is believed to have 17 children.<sup>2</sup> It was not possible to establish details of children born to Mrs Ina Ho.

In June 2005, both Mrs Ina Ho and Angela Leong joined the board of STDM, Dr Ho's flagship company. At the same meeting, shareholders voted to expel Dr Ho's sister, Winnie Ho, as a shareholder of STDM. Dr Ho has been in a long running dispute with his sister, described below.<sup>3</sup>

No information was found on Mrs Ho's daughter, Florinda.

*Dr Stanley Ho*

Born into a wealthy family, Dr Ho's privileged childhood ended abruptly at the age of 13 when his father lost his money and fled to Vietnam without his family. Dr Ho became determined to succeed and support his family. After gaining a scholarship to study at the University of Hong Kong, he arrived in the then Portuguese colony of Macau [Macao] at the age of 19, and found work in a trading company.

With his entrepreneurial skill and command of languages which he had studied in evening classes, Dr Ho impressed his employers and quickly became a partner of the firm at the age of 21. He performed extremely well and was given a very large bonus. He invested this in Hong Kong in construction and kerosene businesses, which in turn prospered.

Dr Ho, together with partners including the tycoon Henry Fok and renowned Macau gambler Yip Hon bid for contracts in Macau. In 1961 they won the public tender for Macau's gaming monopoly. The contract proved very lucrative, not least because of the illegality of gambling

in Hong Kong (with the exception of betting through the Hong Kong Jockey Club), which gave Macau the status of gambling capital of the region, and the opportunity to build tourism around it. The company was renamed Sociedade de Turismo e Diversões de Macau, S.A.R.L. (STDM).

Dr Ho held the monopoly on gaming in Macau for four decades. It ended not long after Portugal handed Macau back to Chinese ownership in 1999. Other firms were allowed to compete for gaming licences in 2001. However Dr Ho still holds a considerable stake in gambling in Macau. He and members of his family own 15 of the 18 casinos, including the Lisboa, which remains the largest grossing property in Macau. Gambling revenue in Macau has expanded hugely in recent years, from US\$2bn in 2000 to US\$5.8bn in 2005. The number of visitors to Macau has increased by 50% in the last two years.<sup>4</sup>

One of the main rivals to the Ho empire is the Las Vegas Sands Corp, which owns the Sands Macao casino. MGM Mirage (which has a joint venture with Dr Ho's daughter Pansy Ho<sup>5</sup>) is building a US\$1.1bn casino in Macau due to open in late 2007, and Wynn Resorts, headed by Las Vegas entrepreneur Stephen Wynn, is building a US\$1.2bn hotel and casino, opening later in 2006.<sup>6</sup>

Earlier this year plans were announced for a listing on the Hong Kong Stock Exchange of Sociedade de Jogos de Macau (SJM) which is the subsidiary of STDM through which the gaming licences and operations are owned. Such a listing would allow the company to raise funds for the construction of three new casino complexes. An IPO offering 25% of the shares of the company would be expected to raise around US\$1.9bn.<sup>7</sup>

In a related move in March 2006, Dr Ho stepped down as Chairman of Melco International Development in favour of his son Lawrence Ho, already Chief Executive of the company. This step was intended to avoid a potential conflict of interest with Dr Ho's role in SJM. Melco has a gaming joint venture in Macau with Australian company Publishing and Broadcasting (PBL). PBL is controlled by the family of the late Kerry Packer. Melco and PBL bought its gaming sub-concession from Wynn Resorts for US\$900m.<sup>8</sup>

Dr Ho has numerous other investments in Hong Kong and China. He is founder and Chairman of the Shun Tak Group, which has interests in shipping, including ownership of the jetfoil service between Macau and Hong Kong; property development and investment in Macau, Hong Kong and China; and hotels in Macau. Dr Ho is also the owner of the airline Hong Kong Express, which has been operating scheduled jet services between Hong Kong and destinations in mainland China since 2005.<sup>9</sup>

A long-running dispute is ongoing between Dr Ho and his sister, Winnie Ho Yuen-ki. This has been evidenced in a number of matters, most recently concerning dividends which Ms Ho claims have not been paid to her.

Ms Ho worked at STDM for 25 years, and claims to have an 8 per cent stake in the company. In late 2001, she took legal steps to force STDM to register her stake in the name of her company, Moon Valley Foundation. Ms Ho claims she was asked to sell her shares in the company to other parties, but declined. She was removed as a director shortly after this.<sup>10</sup>

Since then, a succession of legal suits has been lodged by both sides. Ms Ho claims that she is owed HK\$3 billion in unpaid dividends from STDM, and that the company was restructured to deliberately force her out and deprive her of her share of the company. STDM has filed a number of suits relating to money it claims she was paid in advance.<sup>11</sup>

In June 2005, major shareholders unanimously passed a motion to have Ms Ho removed as a shareholder from the company. This would have to be ratified by the Macau courts. At the time, Mr Ho told the press: "I no longer regard her as a sister ... what she has done has made it impossible for us to remain as brother and sister."<sup>12</sup>

#### CORPORATE BOARD MEMBERSHIPS AND AFFILIATIONS

Mrs Ho is a director of STDM, appointed in June 2005.

Dr Stanley Ho is Group Executive Chairman of Shun Tak Holdings Ltd, which is listed on the Hong Kong Stock Exchange and major shareholder in STDM, SJM, Hong Kong Express and other associated companies.

#### VOLUNTEER & NON-PROFIT BOARDS AND AFFILIATIONS

None known for Mrs Ho or for Miss Florinda Ho.

#### *Dr Stanley Ho*<sup>13</sup>

In Hong Kong, Dr Ho is Chairman of the board of directors of the University of Hong Kong Foundation for Educational Development and Research, and a member of the Court of the University of Hong Kong. He is a Vice-Patron of the Community Chest of Hong Kong, a trustee of the Better Hong Kong Foundation, and a Patron of the Society of the Academy for Performing Arts.

Dr Ho has supported scholarships and made a number of gifts to the University of Hong Kong, which have named the Stanley Ho Sports Centre and the Flora Ho Sports Centre; Lady Ho Tung Hall was also established by the Ho family.

In Macau, Dr Ho is Vice-President of the Association of Benefactors of the Kiang Wu Hospital, is a trustee of the Foundation for the Co-operation and Development of Macau, and is a member of the Council of the University of Macau.

#### OXFORD GIVING HISTORY

None recorded through OUDO.

#### OXFORD ACTIVITIES

None apparent aside from those recorded in Recent Oxford Activity, above.

#### Sources

<sup>1</sup> Eg South China Morning Post, 15/06/2005; Agence France Presse, 29/06/2005

<sup>2</sup> Eg The Australian, 14/11/2005

<sup>3</sup> South China Morning Post, 29/06/2005

<sup>4</sup> Washington Post, 06/04/2006

<sup>5</sup> Financial Times 11/04/2006

<sup>6</sup> Washington Post, 06/04/2006

<sup>7</sup> Dow Jones Newswires 16/03/2006 <http://sg.biz.yahoo.com/060316/15/3zezz.html>

<sup>8</sup> Financial Times 16/03/2006; 11/04/2006

<sup>9</sup> [http://en.wikipedia.org/wiki/Hong\\_Kong\\_Express](http://en.wikipedia.org/wiki/Hong_Kong_Express)

<sup>10</sup> South China Morning Post, 02/03/2006

<sup>11</sup> South China Morning Post, 02/03/2006

<sup>12</sup> South China Morning Post, 02/03/2006

<sup>13</sup> Briefing on Dr Stanley Ho for COSF dinner, prepared by TCM 05/04/2006

Prepared by: CK

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