

ISSUE OF BONUS WARRANTS

The Board proposes to make a bonus issue of warrants (“Bonus Warrants”) to all holders (“Ordinary Shareholders”) of ordinary shares of HK\$0.08 each in the share capital of the Company (“Ordinary Shares”) whose names appear on the register of members of the Company on the record date, which will be on 28 January, 2001 (other than those with registered addresses outside Hong Kong (“Overseas Shareholders”)), on the basis of one Bonus Warrant for every five existing Ordinary Shares held on that date.

The Bonus Warrants are proposed to be issued for the purpose of strengthening the equity base of the Company for future development.

Assuming that the proposed issue of Bonus Warrants is implemented, each Bonus Warrant will entitle the holder thereof to subscribe for one new Ordinary Share at a price of HK\$6.25 in cash, subject to adjustment, at any time from the date of issue of the Bonus Warrants (which will be on 29 January, 2001), up to and including 28 January, 2004.

Full exercise of the Bonus Warrants at the initial subscription price of HK\$6.25 per Ordinary Share would result in the issue of a total of 101,673,487 new Ordinary Shares, representing approximately 17% of the issued ordinary share capital of the Company as at the date hereof (as enlarged by the issue of such new Ordinary Shares), and the receipt by the Company of approximately HK\$635,459,293 before expenses. Fractional entitlements will not be issued but will be aggregated and sold for the benefit of the Company. The exercise price of each Bonus Warrant represents a premium of approximately 33% over the closing price of HK\$4.70 per Ordinary Share on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 15 December, 2000 and a premium of approximately 32% over the average closing price of the Shares for the last ten trading days ended 15 December, 2000, being HK\$4.74.

The Bonus Warrants will be traded on the Stock Exchange in board lots of 1,000 Bonus Warrants carrying rights to subscribe HK\$6,250 for Ordinary Shares at the initial subscription price of HK\$6.25 per Ordinary Share (subject to adjustment).

The register of members of the Company will be closed from 20 January, 2001 to 28 January, 2001 (both dates inclusive) in order to determine entitlements to the issue of the Bonus Warrants, during which no transfers will be registered.

發行紅利認股權證

董事會建議對本公司股本中每股面值0.08元之普通股（「普通股」）之所有持有人（「普通股股東」）發行紅利認股權證（「紅利認股權證」）。合資格者為其名字於記錄日期二零零一年一月二十八日列於本公司股東名冊之人士（其登記地址在香港以外地區者除外（「海外股東」））。基準為於該日每持有五股現有普通股獲一份紅利認股權證。

本集團擬發行紅利認股權證以加強本公司之股本基礎作未來之發展。

假設建議發行之紅利認股權證悉數行使，則每份紅利認股權證持有人有權於發行紅利認股權證之日（即將為二零零一年一月二十九日）至二零零四年一月二十八日（包括首尾兩天）任何時間以現金價格6.25港元（可予調整）認購一股新普通股。

以初步認購價每股普通股6.25港元悉數行使紅利認股權證將會導致發行合共101,673,487股新普通股，佔本公司於該日期（經發行該等新普通股擴大後）已發行普通股本約17%，而本公司在扣除支出前將收取約635,459,293港元。零碎股份將不會發行，惟將會整合及出售，利益撥歸本公司。每份紅利認股權證之行使價較每股普通股於二零零零年十二月十五日在香港聯合交易所有限公司（「聯交所」）之收市價4.70港元，約有33%溢價。較股份於二零零零年十二月十五日止最近十個交易日之每日平均收市價每股4.74港元，約有32%溢價。

紅利認股權證將以每手1,000份紅利認股權證於聯交所買賣，該等紅利認股權證附有權力可按每股普通股6.25港元之初步認購價（可予調整）認購價值6,250港元之普通股。

本公司之股東名冊將於二零零一年一月二十日至二零零一年一月二十八日（包括首尾兩天）暫停進行登記以釐定可獲發行紅利認股權證股東之權益，屆時將不會進行過戶登記。

ISSUE OF BONUS WARRANTS (continued)

Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars pro rata to Overseas Shareholders and remittances thereof will be posted to them, at their own risk, unless the amount falling to be distributed to any such person is less than HK\$100, in which case it will be retained for the benefit of the Company.

The issue of the Bonus Warrants will be conditional upon the Listing Committee of the Stock Exchange granting listings of and permission to deal in the Bonus Warrants and the new Ordinary Shares falling to be issued upon exercise of the subscription rights attaching to the Bonus Warrants. Application will be made to the Listing Committee of the Stock Exchange in respect of such listings.

A circular containing further details of the proposed issue of the Bonus Warrants will be despatched to Ordinary Shareholders as soon as practicable.

發行紅利認股權證 (續)

出售所得款項淨額(在扣除開支後)將以港幣按比例基準分派予海外股東,並向彼等寄發有關付款支票,郵誤風險概由彼等承擔,惟分派予彼等之款項少於100港元除外。在各情況下利益歸屬本公司所有。

發行紅利認股權證須待獲得聯交所上市委員會批准紅利認股權證及因行使附隨於紅利認股權證的認購權而將予發行之新普通股上市及買賣,方可作實。本公司已就有關上市事宜向聯交所上市委員會作出申請。

一份載有建議發行紅利認股權證之進一步詳情之通函,將會在切實可行的情況下盡快寄發予普通股股東。