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購回股份之一般授權

本附錄遵照香港聯合交易所有限公司（「聯交所」）之規定，為股東提供有關授予本公司董事會（「董事」）權力購回證券建議之資料。

（甲）行使購回權力

股東週年大會通告第六項及第七項決議案如獲通過，將一般性及無條件授權董事在直至載於日期為二零零二年四月九日之股東週年大會通告第六項決議案所界定之有關期間結束前隨時購回本公司最多佔股東週年大會當日已發行之本公司股本中每股面值港幣0.10元之繳足股份（「股份」）10%之股份。

因此，按照於二零零二年四月十七日（本附錄付印前之最後實際可行日期（「最後實際可行日期」））已發行股份466,921,794股為基準，如購回權力獲全面行使，本公司於有關期間內將已購回最多達46,692,179股股份。此乃根據由最後實際可行日期至股東週年大會之日概無進一步發行股份及回購股份之假設而計算。

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GENERAL MANDATE TO REPURCHASE OF SHARES

This Appendix includes information required by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) to be given to shareholders concerning the proposed securities repurchase mandate to be granted to the board of directors of the Company (the “Directors”).

(a) Exercise of the repurchase mandate

Resolutions Nos. 6 and 7 set out in the Notice of Annual General Meeting will, if passed, give a general unconditional mandate to the Directors authorising the repurchase by the Company of up to 10% of the fully paid shares of HK\$0.10 each in the capital of the Company (“Shares”) in issue at the date of the Annual General Meeting at any time until the end of the Relevant Period as defined in Resolution No. 6 set out in the Notice of Annual General Meeting dated 9th April, 2002.

Accordingly, exercise in full of the repurchase mandate (on the basis of 466,921,794 Shares in issue as at 17th April, 2002, being the latest practicable date prior to the printing of this Appendix (the “Latest Practicable Date”)) would result in up to 46,692,179 Shares being repurchased by the Company during the Relevant Period. This is based on the assumptions that no further shares will be issued and no further shares will be repurchased after the Latest Practicable Date up to the date of the Annual General Meeting.

購回股份之一般授權 – 續

(乙) 購回之原因

董事相信，股東授予一般權力以便董事購回股份乃符合本公司及其股東之最佳利益。視乎當時之市況及融資安排而定，該等購回可能導致本公司之每股資產淨值及／或每股盈利得以提高，而購回事宜只會在董事認為對本公司及其股東有利之情況下進行。

(丙) 購回之資金

本公司只能根據百慕達法律及本公司之公司組織章程大綱及公司細則之規定，動用可合法作有關用途之資金購回證券。購回可以所購回證券之實收資本、可供派息之溢利或就購回證券而發行新股份所得收入支付。此等資金可包括借貸或其他營運資金。

倘若全面行使購回權力對於董事認為本公司及其附屬公司（「本集團」）宜不時具備之營運資金情況或本集團之借貸水平（與於二零零一年十二月三十一日之經審核綜合財務報表所披露之狀況比較）可能產生負面之影響。因此，除非董事在顧及一切有關因素後確認購回乃符合本集團之最佳利益，否則董事無意行使購回權力至該極限。

GENERAL MANDATE TO REPURCHASE OF SHARES

– Continued

(b) Reasons for repurchases

The Directors believe that it is in the best interests of the Company and its shareholders to have a general authority from shareholders to enable the Directors to repurchase Shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or the earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its shareholders.

(c) Funding of repurchases

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with the laws of Bermuda and the Memorandum of Association and the Bye-laws of the Company. Repurchases may be funded from capital paid up on the purchased securities, profits otherwise available for dividends or, the proceeds of a new issue of shares made for the purpose. Such funds may include borrowings or other working capital sources.

If the repurchase mandate were exercised in full, there could be a material adverse effect on the working capital position of the Company and its subsidiaries (the “Group”) or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Group (as compared with the position disclosed in the audited consolidated financial statements as at 31st December, 2001). However, the Directors have no intention to exercise the repurchase mandate to such an extent unless the Directors determine that such repurchases are, taking into account of all relevant factors, in the best interests of the Group.

購回股份之一般授權－續

(丁) 股份之價格

於最後實際可行日期前六個月內本公司並無購回其任何股份(不論是否在聯交所購回)。本公司股份於最後實際可行日期前十二個月每月於聯交所錄得之最高及最低成交價如下：

GENERAL MANDATE TO REPURCHASE OF SHARES

– Continued

(d) Share prices

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date. The highest and lowest prices at which Shares of the Company have been traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

		股份 Shares	
		最低 Lowest	最高 Highest
		港幣 HK\$	港幣 HK\$
二零零一年	2001		
四月	April	2.550	2.750
五月	May	2.650	3.425
六月	June	2.825	3.075
七月	July	2.900	3.050
八月	August	2.775	3.075
九月	September	2.575	3.200
十月	October	2.650	3.000
十一月	November	2.800	2.925
十二月	December	2.825	3.000
二零零二年	2002		
一月	January	2.900	3.325
二月	February	3.225	3.325
三月	March	3.250	3.400

購回股份之一般授權 – 續

(戊) 一般資料

各董事及(經彼等進行一切合理查詢後所深知)彼等任何聯繫人士目前均無意在購回權力獲股東批准之情況下根據此項購回權力出售任何股份予本公司。

各董事已向聯交所承諾在適用之情況下，彼等將根據聯交所證券上市規則(「上市規則」)及百慕達法律行使購回權力。

倘本公司進行股份購回後，股東於本公司投票權之相應權益增加，該等增加之權益根據香港公司收購及合併守則(「收購守則」)將被視作一項收購行動。有鑑於此，一名或多名一致行動之股東，可能因為其持股比例增加而獲得或鞏固本公司之控制權，或根據收購守則第二十六條有責任提出強制性收購建議。倘行使購回權力將會引致上述後果，則董事現時預期彼等不會行使該項權力。

於最後實際可行日期，王華湘父子有限公司(「王華湘父子」)實益擁有本公司之已發行股本約51.65%權益。倘若本公司全面行使購回權力，王華湘父子實益擁有之本公司權益將增至約57.39%。因此，根據收購守則，王華湘父子毋須因此等實益權益之增加而提出收購本公司全部已發行證券。

目前並無任何關連人士(定義見上市規則)知會本公司，表示倘購回權力獲股東批准，彼等有意出售股份予本公司，該等人士亦無承諾不將之出售予本公司。

GENERAL MANDATE TO REPURCHASE OF SHARES

– Continued

(e) General

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their associates currently intends to sell any Shares to the Company under the repurchase mandate if such repurchase mandate is approved by the shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the repurchase mandate in accordance with The Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and the laws of Bermuda.

If as a result of a share repurchase by the Company, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeover and Mergers (the “Takeover Code”). Accordingly, a shareholder, or a group of shareholders acting in concert, could, depending on the level of increase in shareholding interest(s) obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code. In the event that any exercise of the repurchase mandate would have such a consequence, the Directors do not currently expect that they would exercise the mandate to such an extent.

As at the Latest Practicable Date, W. S. Wong & Sons Company Limited (“WSW&S”) was beneficially interested in approximately 51.65% of the issued share capital of the Company. In the event that the Company exercises the repurchase mandate in full, the beneficial interest of WSW&S in the Company will increase to approximately 57.39%. Accordingly, WSW&S would not be required under the Takeover Code to make an offer for all the issued securities of the Company pursuant to such increase.

No connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the repurchase mandate is approved by shareholders.