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## **OXFORD PROPERTIES & FINANCE LIMITED**

*(incorporated in Hong Kong with limited liability)*

### **ANNOUNCEMENT**

Oxford Properties & Finance Limited (the “Company”) refers to its announcement dated 21 February 2002 concerning the publication of a report by Mr. Stephen Man-Tak Suen appointed as Inspector under Section 33 of the Securities (Disclosure of Interests) Ordinance.

As such, Mr. James Smith Lee (“Mr. Lee”), on behalf of the eleven corporate shareholders of the Company (“Eleven Major Shareholders”) and through his legal adviser, has informed the board of directors of the Company (“the Board”) that he is seeking independent financial advice and assistance to arrange for a private placement of shares held by him to restore public float. As Mr. Lee has not provided any timetable of his proposed placement, the Board has proceeded with alternative proposals including placing of new shares to independent third parties to restore the minimum public float requirement. The Company will issue an announcement on or before 31 March, 2002 regarding the finalised proposal of the course of action to be adopted, being either the placing of new shares or other proposals. If considered necessary, the convening of an extraordinary general meeting will be announced by the end of March 2002.

Mr. Chan Kam Lun Daniel has also announced his resignation as independent board committee member. A new member of the independent board committee will be appointed before 25 March 2002.

**Shareholders of the Company and public investors should exercise caution when dealing in the shares of the Company.**

The Company refers to its announcement dated 21 February 2002 concerning the publication of a report by Mr. Stephen Man-Tak Suen appointed as Inspector under Section 33 of the Securities (Disclosure of Interests) Ordinance, which concludes that the evidence suggests that the shareholding of the Company is in contravention of the 25% minimum public float requirement under Rule 8.08 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong (the “Listing Rules”).

The Board has considered certain proposals relating to the restoration of the minimum public float requirement. Since many of these proposals require the active participation and co-operation of Mr. Lee, the Company had contacted Mr. Lee with a view to agreeing with Mr. Lee on the course of action to be taken to restore the Company's public float requirement. To resolve this compliance requirement without delay, a deadline for the decision on the course of action to be taken by Mr. Lee and the majority shareholders was set on 9 March 2002. Through his legal advisers, Lau, Wong & Chan, Mr. Lee, on behalf of the Eleven Major Shareholders, has indicated to the Board that he is seeking independent financial advice and assistance to arrange for a private placement of shares held by him to ensure the Company's compliance with Rule 8.08 of the Listing Rules. As Mr. Lee has not provided any timetable of his proposed placement, the Board has proceeded with alternative proposals including a placing of new shares to independent third parties to restore the minimum public float requirement, which does not require the participation and co-operation of Mr. Lee. The Company will issue an announcement on or before 31 March, 2002 regarding the finalised proposal of the course of action to be adopted, being either the placing of new shares or other proposals. If considered necessary, the convening of an extraordinary general meeting will be announced by the end of March 2002.

With a view to obtaining professional advice on the restoration of the minimum public float, the Board has appointed Deloitte & Touche Corporate Finance Limited as financial adviser to the Company to assist in its compliance of Rule 8.08 of the Listing Rules. The Board and the independent board committee of the Company will, if considered necessary, appoint an independent financial adviser to advise the minority shareholders upon finalisation of the course of action to be taken to address the minimum public float issue.

Mr. Chan Kam Lun Daniel ("Mr Chan") has resigned as a member of the independent board committee on 11 March 2002 as Lau, Wong & Chan, which Mr Chan is a partner, has been appointed by Mr. Lee to advise him on the placing of his shares. A new member of the independent board committee will be appointed before 25 March 2002.

The Company will keep the public informed by making further announcements.

**Shareholders of the Company and public investors should exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Oxford Properties & Finance Limited**  
**Wong Shu Yuen**

Hong Kong, 11 March 2002

Please also refer to the published version of this announcement in the Hong Kong iMail.