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OXFORD PROPERTIES & FINANCE LIMITED

(incorporated in Hong Kong with limited liability)

ANNOUNCEMENT

The board of directors of Oxford Properties & Finance Limited (the “Company”) is pleased to announce the following:

- i) the Company is in preliminary negotiations with an independent third party with a view to entering into a joint venture agreement with it and pursuant to which the Company and the potential joint venture partner will jointly develop/redevelop some, if not all, of the Company’s Guam properties. Terms of the joint venture agreement, which may include the issue of new shares of the Company, have not yet been finalized. Further announcement(s) will be made as and when appropriate and in compliance with the requirements of the Listing Rules;
- ii) 司徒澤樺先生 (“Mr Seto Chak Wah”) has been appointed Chairman of the Company with effect from 4 October, 2002; and
- iii) the board of directors of the Company resolved on 4 October, 2002 to accept the recommendation of the Special Committee comprising 司徒澤樺先生 (“Mr Seto Chak Wah”), 黎文良先生 (“Mr Lai Man Leung”) and Mr Clive William Oxley (“岳士禮”先生) and has appointed an independent accounting firm to assist the Special Committee to deal with, inter alia, such purported issues as were raised in the Inspector’s Report dated 25 April 2001. Further announcement will be made when the report from the independent accountants is available.

The Company intends to make an application shortly for the resumption of trading of the shares of the Company. Shareholders are advised to exercise caution when trading in the shares of the Company, whether or not through the facilities of The Stock Exchange of Hong Kong Limited, since the above negotiations are still at a preliminary stage and may prove fruitless so that the joint venture agreement may not eventuate.

The board of directors (the “Board”) of Oxford Properties & Finance Limited (the “Company”) continues to be of the view that based on the information currently available to it, there is still no evidence to conclude that the Company is at present in breach of the public float requirement. Notwithstanding the view of the Board as aforesaid, the Company nevertheless, on 12 September 2002 and 15 September 2002, submitted concrete proposals to The Stock Exchange of Hong Kong Limited (the “HKSE”) to increase the public float of the shares of the Company. The HKSE has reacted favourably to the submissions and has agreed to the resumption of trading of the shares of the Company (the “Shares”) subject to certain conditions, the details of which will be included in a further announcement which will be issued by the Company shortly.

The Board is pleased to hereby announce that the Company is in preliminary negotiations with an independent third party (“Potential JV Partner”) with a view to forming a joint venture (“JV”) to develop/redevelop in stages some, if not all, of the Company’s Guam properties.

The Potential JV Partner is an independent third party not connected with any of the directors, chief executives or substantial shareholders of the Company or any of its subsidiaries or their respective associates.

According to the information available to the Company, the Potential JV Partner already has substantial investments in Guam and is considered by the Board to be thoroughly conversant with business and investment conditions there.

The proposal currently under negotiation is that the Company will supply some, if not all, of its landed properties in Guam as its contribution to the JV whilst the development/redevelopment of these properties would be the responsibility of the Potential JV Partner. The proposed JV shall be for a term of years, which has yet to be negotiated, on a Build, Operate and Manage basis.

The Company seeks to enter into the JV Agreement with the dual aims of (1) enhancing the value of the Company’s existing assets, and (2) conserving the Company’s cash resources by as far as possible issuing new shares in the capital of the Company to the Potential JV Partner to make up part or all of any imbalance in the contribution of the Company to the JV. In this respect the Potential JV Partner has indicated that it would only be willing to consider accepting newly issued shares that are tradeable on the HKSE.

The Board is of the view that it would be in the best interests of the Company and its shareholders if the negotiations with the Potential JV Partner could be swiftly and satisfactorily concluded in a legally binding joint venture agreement (“JV Agreement”).

The Company has agreed to grant to the Potential JV Partner, at that Partner's request, an extension of the exclusivity period which will accordingly end one month from the date of the resumption of trading of the Shares, during which the Company has further agreed to refrain from entering into any negotiations, preliminary or otherwise, with any party/parties other than the Potential JV Partner in respect of the development/redevelopment of the Company's Guam properties or any part or parcel thereof. Terms of the JV Agreement, which may include the issue of new shares of the Company, have not yet been finalized. The Company intends to make an application to the HKSE for the resumption of trading in the shares of the Company shortly. Further announcement(s) will be made as and when appropriate and in compliance with the requirements of the Listing Rules.

The Board is pleased to announce that 司徒澤樺先生 ("Mr Seto Chak Wah") has been appointed Chairman of the Company with effect from 4 October 2002.

The Board resolved on 4 October, 2002 to accept the recommendation of the Special Committee comprising 司徒澤樺先生 ("Mr Seto Chak Wah"), 黎文良先生 ("Mr Lai Man Leung") and Mr Clive William Oxley ("岳士禮"先生) and has appointed an independent accounting firm to assist the Special Committee to deal with, inter alia, such purported issues as were raised in the Inspector's Report dated 25 April 2001. Further announcement will be made when the report from the independent accountants is available.

Trading of the shares of the Company was suspended at the direction of the Stock Exchange with effect from 9:30 a.m. on 2 August 2002 and remains suspended for the reasons stated in the Company's announcement dated 23 August 2002.

Shareholders are advised to exercise caution when trading in the shares of the Company, whether or not through the facilities of the HKSE, since the above negotiations are still at a preliminary stage and may prove fruitless so that the JV Agreement may not eventuate.

By order of the Board of
Oxford Properties & Finance Limited
司徒澤樺
(*"Seto Chak Wah, alias, Szeto Chak Wah"*)
Chairman

Hong Kong, 9 October 2002

Please also refer to the published version of this announcement in The Standard.