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漢寶集團(龍蝦大王)有限公司
Hon Po Group (Lobster King) Limited
(incorporated in the Cayman Islands with limited liability)

Cipla Ltd.

(incorporated in the British Virgin Islands with limited liability)

**Sale and Purchase Agreements
relating to Shares in Hon Po Group (Lobster King) Limited**

and

**Possible Mandatory Unconditional Cash Offer by
ICEA Capital Limited
on behalf of
Cipla Ltd.**

**for all the issued Shares of HK\$0.01 each
at a price of HK\$0.05 per Share
(other than those Shares already owned by or agreed to be acquired by
Cipla Ltd. and parties acting in concert with it)**

Financial adviser to Cipla Ltd.



The Directors and the directors of the Purchaser are pleased to announce that the Sale and Purchase Agreements have been entered into between Hon Po Investment and the Purchaser. Pursuant to the Sale and Purchase Agreements, Hon Po Investment has agreed to sell and the Purchaser has agreed to purchase 348,516,000 Shares at a consideration of HK\$17,425,800, subject to the terms and conditions as provided in the Sale and Purchase Agreements. The Sale Shares represent approximately 55.32% of the existing issued share capital of the Company. The consideration of HK\$17,425,800 or HK\$0.05 per Sale Share was arrived at after arm's length negotiations between the parties, which will be settled in cash upon Completion.

Upon Completion, the Purchaser will become the single largest Shareholder.

Upon Completion, the Purchaser and parties acting in concert with it will own in aggregate 348,516,000 Shares, representing approximately 55.32% of the entire issued share capital of Company as at the date of this announcement. The Purchaser is required under Rule 26.1 of the Takeovers Code to make a mandatory unconditional cash offer for all the issued Shares not already owned or agreed to be acquired by it or any parties acting in concert with it.

Pursuant to Rule 8.2 of the Takeovers Code, the composite offer document is required to be despatched to the Shareholders within 21 days of the date of this announcement. However, as the making of the Offer is conditional upon the Completion, the Company will apply to the Executive under Note 2 to Rule 8.2 of the Takeovers Code to postpone the despatch of the composite offer document to the Shareholders. Pursuant to Note 2 to Rule 8.2 of the Takeovers Code, within 7 days after Completion Date, the Purchaser and the Company will despatch the composite offer document to the Shareholders containing the conditions and terms of the Offer, forms of acceptance and transfer, information on the Company, a letter from the independent board committee of the Company and a letter from the independent financial adviser of the Company containing the advice to the independent board committee of the Company. The Company has appointed Dao Heng Securities Limited as the independent financial adviser to advise the independent board committee of the Company in respect of the Offer.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 15th September 2003. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 30th September 2003.

Warning: The Offer is a possibility only. The making of the Offer is subject to and conditional upon the fulfilment of various conditions as stated in the paragraph headed "Conditions of the Sale and Purchase Agreements". If the Sale and Purchase Agreements are not completed, the Offer will not be made. Investors are advised to exercise caution in dealing in the Shares. Further announcement will be made by the Company regarding the Offer when appropriate.

The Directors and the directors of the Purchaser are pleased to announce that the Sale and Purchase Agreements have been entered into between Hon Po Investment and the Purchaser. Pursuant to the Sale and Purchase Agreements, Hon Po Investment has agreed to sell and the Purchaser has agreed to purchase the Sale Shares at a consideration of HK\$17,425,800, subject to the terms and conditions as provided in the Sale and Purchase Agreements.

SALE AND PURCHASE AGREEMENTS

Date of the Sale and Purchase Agreements

23rd September 2003, with the supplemental agreement entered into on 29th September 2003

Parties to the Sale and Purchase Agreements

- Vendor : Hon Po Investment Limited, a company incorporated in the British Virgin Islands with limited liability
- Purchaser : Cipla Ltd., a company incorporated in the British Virgin Islands and is beneficially owned as to 50% by Mr. Cheung Kam Foo and as to 50% by Mr. Lam Lui Ming. The Purchaser, Mr. Cheung Kam Foo and Mr. Lam Lui Ming are independent third parties and are not connected persons of the Company (as defined in the Listing Rules).
- Vendor's Guarantor : Mr. Cheung To Sang, the chairman and managing director of the Company

Shares conditionally agreed to be acquired by the Purchaser

Pursuant to the Sale and Purchase Agreements, Hon Po Investment has agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Shares, representing approximately 55.32% of the issued share capital of the Company.

Consideration

The total consideration payable for the Sale Shares is HK\$17,425,800 in cash at HK\$0.05 per Sale Share, which shall be paid by the Purchaser on Completion. With reference to the closing price of HK\$0.124 per Share quoted on the Stock Exchange on 11th September 2003, being the last trading day immediately prior to the suspension of trading in the Shares on 15th September 2003, the aggregate value of the Sale Shares is approximately HK\$43,216,000.

The consideration was negotiated and determined on arm's length basis between Hon Po Investment and the Purchaser. The purchase price of HK\$0.05 per Sale Share represents a discount of approximately 59.68% to the closing price of HK\$0.124 per Share quoted on the Stock Exchange on 11th September 2003, being the last trading day immediately prior to the suspension of trading in the Shares on 15th September 2003 and a discount of approximately 58.57% to the average closing price of approximately HK\$0.1207 per Share for the 10 trading days up to and including 11th September 2003.

The consideration is negotiated and determined between Hon Po Investment and the Purchaser after taking into account of, among other factors, the following:

- the consolidated net asset value of the Group per Share (with reference to the unaudited consolidated management account of the Group as at 31st December 2002) was only approximately HK\$0.0612 per Share;
- the financial conditions and results of operations of the Group have deteriorated in the past; and
- the closing prices of the Shares as quoted on the Stock Exchange before August 2003 has been at a level of around HK\$0.05 per Share for a considerable period of time.

In light of the above, the directors of the Purchasers consider that the consideration of HK\$0.05 per Sale Share is fair and reasonable and that it has been negotiated and determined between Hon Po Investment and the Purchaser on arm's length basis.

Conditions of the Sale and Purchase Agreements

The completion of the Sale and Purchase Agreements is conditional upon the following conditions being fulfilled:

- (a) the Warranties remaining true and correct and not misleading in all respects;
- (b) all the undertakings comprising the Warranties having been complied with and/or performed;

- (c) the listing of the Shares on the Stock Exchange not having been withdrawn, the Shares continuing to be traded on the Stock Exchange (save for any temporary suspension after the date of the sale and purchase agreement dated 23rd September 2003 not exceeding 5 Business Days or any temporary suspension in connection with the clearance of any announcement in relation to the Sale and Purchase Agreements and the transactions contemplated thereunder) and the Stock Exchange not having indicated that they shall object to such listing and no circumstances existing based on which the SFC could exercise its powers under Rule 8 of the Securities and Futures (Stock Market Listing) Rules 2003 as amended; and
- (d) no change occurring in the condition, financial or otherwise, of any member of the Group which in the reasonable opinion of the Purchaser is or may be prejudicial or materially adverse to the interests of the Purchaser.

If any of the Conditions has not been fulfilled or waived by the Purchaser in its absolute discretion on or before 31st December 2003 (or such other date as may be mutually agreed by the parties to the Sale and Purchase Agreements), the Sale and Purchase Agreements shall from such date be null and void and have no effect and no party shall have any obligations and liabilities to the other party under the Sale and Purchase Agreements (without prejudice to the rights of any party in respect of antecedent breaches).

Pursuant to the terms of the Sale and Purchase Agreements, the Purchaser is entitled to conduct a due diligence review of the Group's assets, liabilities, business, operations, financial and taxation aspects as it may consider appropriate for a period of 14 days from the date of the sale and purchase agreement dated 23rd September 2003. If the Purchaser discovers any breach of the Listing Rules or any breach of the Warranties, including but not limited to, any matters disclosed in the announcement of the Company dated 19th September 2003 (which included the matter relating to the possible overstatement of a special dividend declared prior to the listing of the Company), the Purchaser shall be entitled to terminate the Sale and Purchase Agreements and not to proceed to Completion.

Completion shall take place on or before 4:00 p.m. on the Completion Date, which is expected to be on or before 16th October 2003, or at such other time as the parties to the Sale and Purchase Agreements may agree in writing.

PROPOSED LOAN FACILITY OF THE COMPANY

ICEA Financial Services Limited will, upon Completion, provide a loan facility to the Company to repay certain bank loans and to enhance its working capital in the amount of HK\$18.5 million at an interest rate of prime rate plus 2%, and the Company will execute a debenture in favor of ICEA Financial Services Limited for creating a first floating charge over all the properties, assets and undertaking of the Company. The Purchaser, Mr. Cheung Kam Foo and Mr. Lam Lui Ming will provide guarantee to ICEA Financial Services Limited in relation to the loan facility. The Directors are of the opinion that the proposed loan facility is on normal commercial terms. In the event of default of the proposed loan facility by the Company, it is only upon having exhausted all assets of the Company charged under the relevant debenture that ICEA Financial Services Limited would then approach the Purchaser, Mr. Cheung Kam Foo and Mr. Lam Lui Ming under the relevant guarantee for the repayment of the outstanding loan amount. As the relevant debenture is to be granted by the Company in favour of ICEA Financial Services Limited, and there are no provisions in the supplemental agreement dated 29th September 2003 or the agreement to be entered into for the proposed loan facility which provide for the Purchaser having the right to claim against the Company in the event of default of such loan facility, the Purchaser will have no right on the relevant debenture. In addition, the Purchaser has no right to subrogate ICEA Financial Services Limited to claim against the Company on the relevant debenture in the event of default of the proposed loan facility by the Company.

The Company intends to use HK\$8,500,000 of the proceeds from the loan facility for repayment of certain bank loans of the Group and the remaining HK\$10,000,000 as working capital of the Group. On the basis that such bank loans are repaid by the Company by making use of the loan facility and the remaining amount of the loan facility is used as working capital of the Group, the Directors are of the view that the Company has sufficient working capital to fund its operations.

POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER

Upon Completion, the Purchaser and parties acting in concert with it will own 348,516,000 Shares representing approximately 55.32% of the issued share capital of Company. Under Rule 26.1 of the Takeovers Code, the Purchaser will then be required to make a mandatory unconditional cash offer for all issued Shares not already owned or agreed to be acquired by it or parties acting in concert with it.

The Offer, when made upon Completion, will be made on the terms set out below.

Principal terms of the Offer

ICEA, on behalf of the Purchaser, will make a mandatory unconditional cash offer on the following basis:

for each Share HK\$0.05 in cash

The offer price of HK\$0.05 per Share is the same price paid by the Purchaser to Hon Po Investment for each Sale Share under the Sale and Purchase Agreements. The offer price of HK\$0.05 per Share represents (i) a discount of approximately 59.68% to the closing price of HK\$0.124 per Share quoted on the Stock Exchange on 11th September 2003, being the last trading day immediately prior to the suspension of trading in the Shares on 15th September 2003; (ii) a discount of approximately 58.57% to the average closing price of approximately HK\$0.1207 per Share for the 10 trading days up to and including 11th September 2003; and (iii) a discount of approximately 18.30% to the consolidated net asset value of the Group per Share (with reference to the unaudited consolidated management account of the Group as at 31st December 2002) of approximately HK\$0.0612 per Share.

Investors are advised to exercise caution in dealing in the Shares as the Offer is a possibility only and will only be made if Completion takes place which is expected to be no later than 4:00pm on 16th October 2003 or such other date as the parties to the Sale and Purchase Agreements may agree in writing. Further announcement will be made by the Company regarding the Offer when appropriate.

Total consideration

As at the date of this announcement, there were 630,000,000 Shares in issue. As at the date of this announcement, at a price of HK\$0.05 per Share, the entire issued share capital of the Company is valued at approximately HK\$31.5 million under the Offer. The total value of the Offer is approximately HK\$14.1 million, with reference to all the 281,484,000 issued Shares not already owned or agreed to be acquired by the Purchaser and parties acting in concert with it at HK\$0.05 per Share. With reference to the closing price of HK\$0.124 per Share quoted on the Stock Exchange on 11th September 2003, being the last trading day immediately prior to the suspension of trading in the Shares on 15th September 2003, the aggregate value of all the Shares subject to the Offer is approximately HK\$34,904,000. The Purchaser has appointed ICEA as its financial adviser and the Offer will be made by ICEA on behalf of the Purchaser. ICEA is satisfied that the Purchaser has sufficient financial resources available to satisfy full acceptance of the Offer.

Effect of accepting the Offer

By accepting the Offer, Shareholders will sell their Shares and all rights attaching to them, and all dividends and distribution recommended, declared, made or paid on or after the date of the composite offer document.

Stamp duty

Stamp duty at a rate 0.1% of the amount payable in respect of relevant acceptances will be deducted from the amount payable to Shareholders who accept the Offer.

Despatch of the composite offer document

Pursuant to Rule 8.2 of the Takeovers Code, the composite offer document is required to be despatched to the Shareholders within 21 days of the date of this announcement. However, as the making of the Offer is conditional upon the Completion, the Company will apply to the Executive under Note 2 to Rule 8.2 of the Takeovers Code to postpone the despatch of the composite offer document to the Shareholders. Pursuant to Note 2 to Rule 8.2 of the Takeovers Code, subject to the consent of the Executive, within 7 days after Completion Date, the Purchaser and the Company will despatch the composite offer document to the Shareholders containing the conditions and terms of the Offer, form of acceptance and transfer, information on the Company, a letter from the independent board committee of the Company and a letter from the independent financial advisers of the Company containing the advice to the independent board committee of the Company.

INFORMATION ON COMPANY

The Company is the holding company for a group of companies engaged in the operation of restaurants in Hong Kong. The Group's restaurants specialise in serving Chinese dim sum and main course, in particular, lobster cuisine and other seafood delicacies. Based on the announcement published by the Company on 22nd September 2003, the unaudited consolidated net loss of the Group attributable to the Shareholders for the year ended 31st December 2002 was approximately HK\$68.63 million. The unaudited consolidated net asset value of the Group as at 31st December 2002 based on the management accounts of the Company was approximately HK\$38.54 million.

Shareholdings

The following tables illustrate the changes in shareholdings of the Company upon Completion:

A. Existing shareholding structure

| | Number of Shares Held | Percentage Holdings |
|-----------------------------------|-----------------------|---------------------|
| Purchaser and its concert parties | — | — |
| Hon Po Investment | 380,000,000 | 60.32% |
| Public | 250,000,000 | 39.68% |
| | <hr/> | <hr/> |
| Total | <u>630,000,000</u> | <u>100.00%</u> |

B. Shareholding structure on Completion

| | Number of Shares Held | Percentage Holdings |
|-----------------------------------|-----------------------|---------------------|
| Purchaser and its concert parties | 348,516,000 | 55.32% |
| Hon Po Investment | 31,484,000 | 5.00% |
| Public | 250,000,000 | 39.68% |
| | <hr/> | <hr/> |
| Total | <u>630,000,000</u> | <u>100.00%</u> |

There are no outstanding warrants or share options or securities convertible into Shares as at the date of this announcement. It is the intention of Hon Po Investment to maintain its remaining 5% shareholdings in the Company upon Completion.

INFORMATION ON THE PURCHASER

The Purchaser is a private company incorporated in the British Virgin Islands on 15th August 2003. The Purchaser is beneficially owned as to 50% by Mr. Cheung Kam Foo and as to 50% by Mr. Lam Lui Ming. Mr. Cheung Kam Foo and Mr. Lam Lui Ming are also the directors of the Purchaser. The biographical details of Mr. Cheung Kam Foo and Mr. Lam Lui Ming are as follows:

Mr. Cheung Kam Foo, aged 49, graduated from the University of Hong Kong with both a bachelor degree in electrical engineering and master degree in computer engineering. Mr. Cheung has over 27 years of experience in the telecommunications, intelligent buildings and fast moving consumer goods in the PRC. Mr. Cheung started his career in telecommunications and computer field since his graduation from the University of Hong Kong in 1976. Mr. Cheung started his own business since 1992 and had since developed business operations in both Hong Kong and China. Since 2002, Mr. Cheung has been engaged in the beverage business in both Hong Kong and China. Mr. Cheung is currently the executive CEO of a renowned beverages group in China.

Mr. Lam Lui Ming, aged 45, graduated from the Hong Kong Polytechnic University. Mr. Lam has over 20 years of experience in the data communications and consumer products business in Hong Kong, China and Asia.

The directors of the Purchaser believe that the considerable experience of Mr. Cheung and Mr. Lam in businesses in Hong Kong and the PRC can provide a solid base for them to provide input and guidance in respect of corporate management and business development, as well as general market knowledge applicable to Hong Kong, which would be beneficial to the future operations of the Group.

The Purchaser and its shareholders and directors are parties independent of, not acting in concert with and are not connected persons of the Company (as defined in the Listing Rules).

The Purchaser is an investment holding company incorporated on 15th August 2003. Apart from the proposed investment in the Shares in connection with the Sale and Purchase Agreements, the Purchaser has not been engaged in any other business since its incorporation.

The Purchaser and its concert parties do not have any holdings in the convertible securities, warrants or options in the Company. Apart from the Sale and Purchase Agreements, the Purchaser and its concert parties had not dealt in any Shares, options or securities convertible into Shares during the past six months from the date of this announcement.

INTENTION OF THE PURCHASER REGARDING THE COMPANY

It is the intention of the Purchaser that the existing principal activities of the Group will remain unchanged and the Purchaser has no intention of injecting any assets or business into the Group or disposing of any of its assets. The Purchaser intends to hold its interest in the Company as a long-term investment.

Upon Completion, the Purchaser will nominate new directors to the Board upon the posting of the composite offer document and such appointments will take effect on the posting of the composite offer document for the Offer as permitted under Rule 26.4 of, and subject to compliance with, the Takeovers Code. All existing Directors will resign and such resignations will take effect on the closing date of the Offer, as permitted under Rule 7 of, and subject to compliance with, the Takeovers Code. It is intended by the Purchaser that the independent non-executive Directors will also resign with effect from the closing date of the Offer. While the new directors to be nominated to the Board in connection with the Offer has yet to be finalized at present, the Purchaser intends to identify with its best effort and nominate persons with expertise in the food and beverage sector to enhance the future operations of the Group. Further announcement will be made by the Company on any proposed change of Directors.

MAINTAINING THE LISTING STATUS OF THE COMPANY

The Purchaser intends that the Shares will remain listed on the Stock Exchange after Completion and the close of the Offer. The directors of the Purchaser have undertaken and will procure the new directors to be nominated to the Board by the Purchaser to undertake to the Stock Exchange that appropriate steps following the close of the Offer will be taken to ensure that not less than 25% of the Shares will be held by the public.

When the Offer closes, should there be less than 25% of the Shares in public hands, the directors of the Purchaser presently intend to take appropriate steps which may include, placing down shareholding interest of the Purchaser in Company to independent third parties within one month after closing of the Offer.

The Stock Exchange has stated that if, at the close of the Offer, less than 25% of the Shares are held by the public, or if the Stock Exchange believes that (i) a false market exists or may exist in the Shares; or (ii) there are too few Shares in public hands to maintain an orderly market, then it will consider exercising its discretion to suspend trading in the Shares. In this connection, it should be noted that upon the close of the Offer, there may be insufficient public float for the Shares and therefore trading in the Shares may be suspended until a sufficient level of public float is attained.

If the Company remains a listed company, the Stock Exchange will closely monitor all future acquisitions or disposals of assets by the Company. Any acquisitions or disposals of assets by the Company and its subsidiaries will be subject to the provisions of the Listing Rules. Pursuant to the Listing Rules, the Stock Exchange has discretion to require the Company to issue a circular and an announcement to the Shareholders irrespective of the size of the proposed acquisitions and disposals of assets by the Company, particularly where such proposed acquisitions and disposals of assets by the Company represent a departure from the principal activities of the Group. The Stock Exchange has the power pursuant to the Listing Rules to aggregate a series of acquisitions and disposals of assets by the Company and any such acquisitions and disposals may result in the Company being treated as if it were a new listing applicant and subject to the requirements for new listing application as set out in the Listing Rules.

GENERAL

The Company has appointed Dao Heng Securities Limited as the independent financial adviser to advise the independent board committee of the Company in respect of the Offer. A letter from the independent board committee of the Company will be contained in the composite offer document to advise the independent Shareholders in respect of the Offer.

Resumption of Trading

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 15th September 2003. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 30th September 2003.

Warning: The Offer is a possibility only. The making of the Offer is subject to and conditional upon the fulfilment of various conditions as stated in the paragraph headed "Conditions of the Sale and Purchase Agreements". If the Sale and Purchase Agreements are not completed, the Offer will not be made.

Investors are advised to exercise caution in dealing in the Shares as the Sale and Purchase Agreements are subject to and conditional upon the fulfilment of various conditions and the Offer will only be made upon completion of the Sale and Purchase Agreements. Further announcement will be made by Company regarding the possible Offer when appropriate.

DEFINITIONS

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| “Board” | the board of the directors of the Company |
| “Business Day” | a day on which banks on Hong Kong are open for business other than (i) a Saturday or (ii) a “general holiday” as defined in Section 2 of the General Holidays Ordinance Cap. 149, or one of the days specified from time to time in the Schedule to that Ordinance as being “general holidays” under Section 3 thereof or (iii) a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon |
| “Company” | Hon Po Group (Lobster King) Limited, a company incorporated in the Cayman Islands with limited liability, the entire issued shares of which are listed on the Stock Exchange |
| “Completion” | completion of the Sale and Purchase Agreements |
| “Completion Date” | (i) the date which is the seventh Business Day after the date of completion of the legal and financial due diligence review by the Purchaser of the Group which is expected to be no later than 4:00pm on 16th October 2003; or such other date as Hon Po Investment and the Purchaser may agree in writing |
| “Conditions” | the conditions to which completion of the Sale and Purchase Agreements is subject, more particularly referred to in the paragraph headed “Conditions of the Sale and Purchase Agreements” in this announcement |
| “Director(s)” | the director(s) of the Company |
| “Executive” | the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director |
| “Group” | the group of companies consisting of the Company and its subsidiaries |
| “Hon Po Holdings” | Hon Po Holdings Limited (formerly known as Hon Po Holdings (Lobster King) Limited), an indirect controlling shareholder of the Company and a company incorporated in Hong Kong with limited liability which holds the entire issued share capital of Hon Po Investment. It is owned as to approximately 81.12% in aggregate by Mr. She Hing Chiu and Mr. Tse Chick Sang, executive Directors, and the following trusts/companies in which the executive and non-executive Directors are interested, namely Tabo Development Limited, To Sang Management Company Limited, Lim Mai Tak Consultants and Investment Limited, Kung Ping Investments Limited, Kenson Finance Company Limited, N.W.P. Investments Limited, Nun Chiu Investments Limited, Tread Wood Investment Limited and King Space Limited. The remaining equity interest of approximately 18.88% is in aggregate owned by 54 other individual or corporate shareholders each holding shares ranging from approximately 0.04% to approximately 1.40% of the issued share capital of Hon Po Holdings |
| “Hon Po Investment” | Hon Po Investment Limited, the controlling shareholding of the Company holding approximately 60.32% of the Company’s issued share capital. It is an investment holding company incorporated in the British Virgin Islands with limited liability and is wholly-owned by Hon Po Holdings |
| “ICEA” | ICEA Capital Limited, a deemed licensed corporation to carry out regulated activities of dealing of securities, advising on securities, corporate finance and asset management under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Offer” | the possible mandatory unconditional cash offer for all the issued Shares not already owned or agreed to be acquired by the Purchaser and parties acting in concert with it at HK\$0.05 per Share to be made by ICEA on behalf of the Purchaser in accordance with the Takeovers Code |
| “PRC” | the People’s Republic of China |
| “Purchaser” | Cipla Ltd., a company incorporated in the British Virgin Islands with limited liability and is beneficially owned as to 50% by Mr. Cheung Kam Foo and as to 50% by Mr. Lam Lui Ming |

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|--------------------------------|---|
| “Sale and Purchase Agreements” | A conditional sale and purchase agreement dated 23rd September 2003 and the supplemental agreement dated 29th September 2003 entered into between, amongst others, Hon Po Investment and the Purchaser for the sale and purchase of the Sale Shares |
| “Sale Shares” | the 348,516,000 issued and fully paid Shares to be acquired by the Purchaser pursuant to the Sale and Purchase Agreements |
| “SFC” | the Securities and Futures Commission of Hong Kong |
| “Share(s)” | share(s) of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | the Hong Kong Code on Takeovers and Mergers |
| “Warranties” | the warranties, representations, indemnities and undertakings given or made by Hon Po Investment as set out in the Sale and Purchase Agreements |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |

By Order of the Board
Hon Po Group (Lobster King) Limited
Cheung To Sang
Chairman and Managing Director

For and on behalf of
Cipla Ltd.
Lam Lui Ming
Director

Hong Kong, 29th September 2003

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information (except for the information relating to the Purchaser) contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The directors of the Purchaser accept full responsibility for the accuracy of the information (except for the information relating to the Company and its subsidiaries) contained in this announcement and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

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