

Pursuant to Chapter 36 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the Securities and Futures Commission regulates L. P. Lammas International Limited in relation to the listing of its shares on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited. The Securities and Futures Commission takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



L. P. Lammas International Limited

豐裕興業國際有限公司

Link Wise Investments Limited

(Incorporated in the British Virgin Islands with limited liability)

(Incorporated in the Cayman Islands with limited liability)

JOINT ANNOUNCEMENT

**PROPOSED ACQUISITION OF SHARES IN
L. P. LAMMAS INTERNATIONAL LIMITED BY
LINK WISE INVESTMENTS LIMITED**

AND

**POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS
BY**



SUN HUNG KAI INTERNATIONAL LIMITED

ON BEHALF OF

LINK WISE INVESTMENTS LIMITED

TO ACQUIRE ALL THE ISSUED SHARES IN

L. P. LAMMAS INTERNATIONAL LIMITED

OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY

LINK WISE INVESTMENTS LIMITED AND

PARTIES ACTING IN CONCERT WITH IT AT HK\$0.0173 PER SHARE AND FOR

CANCELLATION OF ALL THE OUTSTANDING OPTIONS TO SUBSCRIBE FOR

SHARES IN L.P. LAMMAS INTERNATIONAL LIMITED

AT A PRICE EQUAL TO HK\$0.0685

PER 1,000 OPTIONS IN CASH

The Offeror and the Company jointly announce that on 24th October, 2003, the Offeror entered into a conditional Sale and Purchase Agreement with the Vendor, pursuant to which the Offeror agreed to purchase and the Vendor agreed to sell an aggregate of 636,400,000 Shares for a total consideration of HK\$11,000,000 (equivalent to approximately HK\$0.0173 per Sale Share) subject to fulfillment of certain conditions. The Sale Shares represent 79.55% of the entire issued share capital of the Company as at the date hereof.

Completion is expected to take place on or before 5:00 p.m. on the third Business Day after fulfillment or waiver (as the case may be) of the Conditions or such later date as the parties may agree. If all the Conditions have not been fulfilled or waived by 5:00 p.m. on 20th December, 2003 or such later time or date as the Offeror and the Vendor may agree in writing, the Sale and Purchase Agreement will lapse.

Upon Completion, the Offeror will own in aggregate 636,400,000 Shares, representing 79.55% of the entire issued share capital of the Company as at the date hereof. Under Rule 26.1 of the Takeovers Code, the Offeror will be required to make a mandatory unconditional cash offer to acquire all the issued Shares not already owned and/or agreed to be acquired by it or parties acting in concert with it and a mandatory unconditional cash offer for cancellation of the outstanding Options.

The Offers are possibilities only and will only be made if the Sale and Purchase Agreement is completed. Completion is conditional upon fulfillment or waiver (as the case may be) of the Conditions referred to in the paragraph headed “Conditions of the Sale and Purchase Agreement” in the section headed “The Sale and Purchase Agreement” below. Shareholders are advised to exercise caution in dealing in the Shares as the Offers may or may not be made.

The Share Offer will comprise HK\$0.0173 in cash per Share, which represents a discount of approximately 42.33% to the closing price of HK\$0.03 per Share as quoted on the Stock Exchange on 24th October, 2003, being the last trading day before trading in the Shares was suspended on the Stock Exchange. The Share Offer Price also represents a discount of approximately 42.33% to the average closing price of HK\$0.03 per Share for the 10 trading days ended on 24th October, 2003 and approximately 2.68 times the audited net asset value of approximately HK\$0.0047 per Share as at 31st March, 2003.

The Share Offer Price of HK\$0.0173 per Share values the entire issued share capital of the Company at approximately HK\$13.8 million.

According to Rule 8.2 of the Takeovers Code, within 21 days after the release of this announcement or such later date as the Executive may approve, the Offeror is required to despatch the offer document containing the conditions and terms of the Offers, the form of acceptance and transfer of the Shares to the Shareholders and the form of acceptance and cancellation of the outstanding Options to the Optionholders. If the Conditions have not been fulfilled or waived within 21 days hereof, an application will be made by the Offeror to the Executive pursuant to Note 2 to Rule 8.2 of the Takeovers Code for an extension of the time within which an offer document must otherwise be posted by an offeror.

Dealings in the Shares on the Stock Exchange were suspended from 9:30 a.m. on 27th October, 2003 at the request of the Company. Application has been made for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 4th November, 2003.

The Sale and Purchase Agreement

Date: 24th October, 2003

Vendor: WYP Holdings Limited, which is a company incorporated in the British Virgin Islands with limited liability, directly owns 79.55% of the issued share capital of the Company and is wholly and beneficially owned by Mr. Pong

Purchaser: the Offeror

Sale Shares

636,400,000 Shares, representing 79.55% of the entire issued share capital of the Company as at the date hereof. The Sale Shares are owned by the Vendor and will be acquired by the Offeror, free from all encumbrances and together with all rights and benefits attached or accruing thereto, including all rights to any dividend or other distribution declared, made or paid after the Completion Date.

Consideration

HK\$11,000,000 (equivalent to approximately HK\$0.0173 per Sale Share), which was negotiated and determined on arm's length basis with reference to the audited consolidated net asset value of the Group of approximately HK\$3.7 million as at 31st March, 2003. The purchase price of approximately HK\$0.0173 per Sale Share represents a discount of approximately 42.33% to the closing price of HK\$0.03 per Share as quoted on the Stock Exchange prior to the suspension of trading in the Shares on 24th October, 2003 and a discount of approximately 42.33% to the average closing price of approximately HK\$0.03 per Share for the 10 trading days up to and including 24th October, 2003.

Basis of determination of the Consideration:

The Consideration was arrived at after arm's length negotiation between the Vendor and the Offeror and principally on the following basis:

- (a) the parties to the Sale and Purchase Agreement considered that, given the trading volume of the Shares was relatively thin in the past few months, it might be difficult for the Vendor to dispose of the Sale Shares in the open market without depressing the market price; and
- (b) HK\$11,000,000, equivalent to about HK\$0.0173 (rounded up to the fourth decimal point) per Sale Share, represents approximately 11.4 times the unaudited net asset value of about HK\$0.0014 per Share as at 22nd October, 2003.

Payment terms

The Consideration is payable by the Offeror to the Vendor in the following manner:

- (a) a deposit of HK\$1.1 million, being 10% of the Consideration, has been paid upon signing of the Sale and Purchase Agreement; and
- (b) the balance of the Consideration will be paid upon Completion.

The above payment terms were agreed upon after commercial arm's length negotiations between the Offeror and the Vendor.

Conditions of the Sale and Purchase Agreement

Completion shall be conditional upon:

- (a) all relevant regulatory consent for the change in control of the Company and all transactions contemplated under the Sale and Purchase Agreement having been obtained and no indication having been received on or before the Completion Date from the Stock Exchange or the SFC to the effect that the listing status of the Shares may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of Completion or in connection with the terms of the Sale and Purchase Agreement or for any other reason other than an inadequate percentage of the issued share capital of the Company being in public hands following the close of the Offers;
- (b) completion of a due diligence review entitled (but not obliged) to be carried out by the Offeror and any of its officers, employees, agents, professional advisers or other persons authorised by the Offeror and confirmation by the Offeror or the Offeror's solicitors to the Vendor or the Vendor's solicitors that the results of such due diligence review are to the reasonable satisfaction of the Offeror. Such due diligence review refers to the review and investigation by the Offeror on the Group including without limitation to its assets, liabilities, contracts, commitments, business, financial and legal and taxation aspects; and
- (c) the announcement in respect of the transactions contemplated under the Sale and Purchase Agreement having been cleared by the Stock Exchange and the SFC.

The Offeror may waive all or any of the Conditions at any time by notice in writing to the Vendor.

The Conditions are imposed on an "if required" basis. The clearance of the announcement in respect of the transactions contemplated under the Sale and Purchase Agreement by the Stock Exchange is not required as the Company is regulated by the SFC pursuant to Chapter 36 of the GEM Listing Rules. Accordingly, the Offeror has waived the condition of clearance of the announcement in respect of the transactions contemplated under the Sale and Purchase Agreement by the Stock Exchange. As at the date hereof, Condition (c) has been fulfilled.

Completion

According to the terms of the Sale and Purchase Agreement, the parties to the Sale and Purchase Agreement will use their respective reasonable endeavours to procure the fulfillment or waiver (as the case may be) of the Conditions on or before 5:00 p.m. on 20th December, 2003 (or such later time or date as may be agreed by the Vendor and the Offeror in writing). Completion is expected to take place on or before 5:00 p.m. on the third Business Day after fulfillment or waiver (as the case may be) of the Conditions or such later date as the parties may agree in writing.

If the Conditions are not fulfilled or waived by the Offeror by 5:00 p.m. (Hong Kong time) on 20th December, 2003 (or such later time or date as may be agreed by the Vendor and the Offeror in writing), then neither party shall be bound to proceed with the sale and purchase of the Sale Shares and the Sale and Purchase Agreement shall be automatically terminated forthwith save for any antecedent breach of the Sale and Purchase Agreement.

The Offers are possibilities only and will only be made if the Sale and Purchase Agreement is completed. Completion is conditional upon the fulfillment of the conditions referred to in the paragraph headed "Conditions of the Sale and Purchase Agreement" in the section headed "The Sale and Purchase Agreement" above. Shareholders are advised to exercise caution in dealing in the Shares as the Offers may or may not be made.

POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS

Completion is expected to take place on or before 5:00 p.m. on the third Business Day after fulfillment or waiver (as the case may be) of the Conditions or such later date as the parties may agree in writing. Upon Completion, the Offeror will own in aggregate 636,400,000 Shares, representing 79.55% of the entire issued share capital of the Company as at the date hereof. Under Rule 26.1 of the Takeovers Code, the Offeror will be required to make a mandatory unconditional cash offer to acquire all the issued Shares not already owned and/or agreed to be acquired by it or parties acting in concert with it and a mandatory unconditional cash offer for cancellation of the outstanding Options.

The Offers will be made on the terms set out below.

Principal terms of the Offers

On behalf of the Offeror, Sun Hung Kai will make mandatory unconditional cash offers upon Completion on the following basis:

For each Share	HK\$0.0173 in cash
For cancellation of each 1,000 Options	HK\$0.0685 in cash

Under the Offers, the Options will be cancelled, and the Shares will be acquired free from all encumbrances and together with all rights and benefits, including all rights to any dividend or other distribution declared, made or paid after the Completion Date.

Comparison of value

The Share Offer Price of HK\$0.0173 per Share represents a discount of approximately 42.33% to the closing price of HK\$0.03 per Share as quoted on the Stock Exchange on 24th October, 2003, being the last trading day before trading in the Shares was suspended on the Stock Exchange. The Share Offer Price also represents a discount of approximately 42.33% to the average closing price of HK\$0.03 per Share for the 10 trading days ended on 24th October, 2003 and approximately 2.68 times the audited net asset value of approximately HK\$0.0047 per Share as at 31st March, 2003.

As at the date hereof, there are 13,800,000 outstanding Options entitling the Optionholders to subscribe for an aggregate of 13,800,000 Shares at an exercise price of between HK\$0.02 to HK\$0.2 per Share at any time from 14th June, 2001 to 13th June, 2008. The exercise prices of these Options are higher than the Share Offer Price. Sun Hung Kai, on behalf of the Offeror, will make an offer to the Optionholders for cancellation of the outstanding Options at a nominal consideration of HK\$0.0685 in cash in respect of every 1,000 Options to subscribe for 1,000 Shares.

Highest and lowest prices

During the six-month period preceding the date hereof, the highest and lowest closing prices of the Shares on the Stock Exchange were HK\$0.032 per Share as quoted on 19 different trading days between 27th August, 2003 to 23rd September, 2003 and HK\$0.012 per Share as quoted on 25 different trading days between 5th May, 2003 to 10th June, 2003, respectively.

Total consideration

Share Offer

As at the date hereof, the Company has 800,000,000 Shares in issue. Based on the Share Offer Price, the Share Offer values the entire issued share capital of the Company (other than those Shares already owned and/or agreed to be acquired by the Offeror or parties acting in concert with it) at HK\$2,830,280.

Option Offer

On the basis of the price to be offered for cancellation of the Options under the Option Offer as referred to in the “Principal terms of the Offers” above, if all Optionholders agree to cancel their Options in full under the Option Offer to be made by Sun Hung Kai on behalf of the Offeror, the outstanding Options will be valued at approximately HK\$945 in total.

On the basis that there are 800,000,000 Shares in issue and 13,800,000 outstanding Options as at the date hereof, and assuming no further Shares will be issued or repurchased by the Company, the issued Shares will be increased to 813,800,000 Shares, and the Shares that will be subject to the Share Offer will become 177,400,000 Shares if all Options are exercised before the close of the Offers.

The Offers will be financed by internal resources. Sun Hung Kai is satisfied that there are sufficient resources available to the Offeror to satisfy acceptance of the Offers in full.

Optionholders who hold, in aggregate, 13,800,000 outstanding Options comprise the three executive Directors, Mr. Pong, Mr. Kan Siu Lun and Mr. Yu Yan Chun (holding 6,600,000 outstanding Options, 5,600,000 outstanding Options and 800,000 outstanding Options respectively) and an employee of the Group (holding 800,000 outstanding Options).

According to the Sale and Purchase Agreement, the Vendor shall procure that all Options, if any, shall be cancelled, surrendered and extinguished and the Optionholders shall unconditionally and absolutely renounce and waive under seal all their rights, title and interests therein or in connection therewith before Completion.

Apart from the Options referred to above, there are no other outstanding options, warrants, derivatives or conversion right affecting the Shares as at the date hereof.

Other information

Except for the Sale Shares agreed to be acquired under the Sale and Purchase Agreement, none of the Offeror and its ultimate beneficial owner and parties acting in concert with it owns or controls (directly or indirectly) any Shares or Options as at the date hereof, and there have been no dealings in the securities of the Company by the Offeror or parties acting in concert with it during the six months prior to the date hereof.

As at the date hereof, no arrangement which might be material to the Offers (whether by way of option, indemnity or any agreement or understanding, formal or informal, of whatever nature) has been made in relation to the shares of the Offeror or the Company.

None of the Shareholders or Optionholders has indicated to the Offeror nor any person acting in concert with it any irrevocable commitment to accept or reject the Offers as at the date hereof.

Condition of the Offers

The Offers are possibilities only and will only be made if the Sale and Purchase Agreement is completed. Completion is conditional upon fulfillment or waiver (as the case may be) of the Conditions referred to in the paragraph headed “Conditions of the Sale and Purchase Agreement” in the section headed “The Sale and Purchase Agreement” above. Shareholders are advised to exercise caution in dealing in the Shares as the Offers may or may not be made.

Stamp duty

The Offeror will pay seller’s ad valorem stamp duty arising in connection with acceptance of the Share Offer, amounting to HK\$1.00 for every HK\$1,000 or part thereof of the consideration payable in respect of the relevant acceptance, which the Shareholders who accept the Share Offer will be liable to pay and be deducted from the proceeds due to such Shareholders under the Share Offer.

Information about the Offeror

The Offeror is a private company incorporated in the British Virgin Islands with limited liability. The sole director of the Offeror is Mr. Liu and the entire issued share capital of the Offeror is ultimately and beneficially owned by Mr. Liu. Further biographical details of Mr. Liu are set out in the section headed “Proposed change of the composition of the Board” below.

Before Completion, the Offeror, its sole beneficial owner and director, and their respective associates are independent of and not connected with the Company, the directors, chief executive, substantial shareholder or management shareholders of the Company or any of its subsidiaries or their respective associates (as defined in the GEM Listing Rules) or parties acting in concert with any of them (as defined in the Takeovers Code).

Since its incorporation on 8th October, 2003, the Offeror has not carried out any business activity other than entering into the Sale and Purchase Agreement.

Information about the Group

The Company is an investment holding company with its operating subsidiaries principally engaged in the business brokerage services in connection with middle market mergers and acquisitions in the Greater China region. These services range from industry research, due diligence of potential investors and/or investment target and negotiation of the terms of proposed transactions. The Group also offers business introduction services and provides its clients with access to funding sources through credit financing introduction in order to foster appropriate business conditions which could facilitate completion of mergers and acquisitions transactions. Prior to Completion, the Vendor is the controlling Shareholder, which has an aggregate shareholding interest of 79.55% in the Company as at the date hereof.

The changes in shareholding of the Company as a result of Completion are summarised as follows:

Name	Number of Shares held as at the date hereof	Approximate % of the issued share capital as at the date hereof	Immediately after Completion	Approximate % of the issued share capital after Completion (assuming no Shares are issued or repurchased prior to Completion)
The Vendor (<i>Note 1</i>)	636,400,000	79.55%	–	–
<i>Director</i>				
Kan Siu Lun	3,600,000	0.45%	3,600,000	0.45%
The Offeror (<i>Note 2</i>)	–	–	636,400,000	79.55%
Other Shareholders	160,000,000	20.00%	160,000,000	20.00%
Total	<u>800,000,000</u>	<u>100.00%</u>	<u>800,000,000</u>	<u>100.00%</u>

Notes:

- (1) WYP Holdings Limited, an investment company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is ultimately and beneficially owned by Mr. Pong.
- (2) Link Wise Investments Limited, an investment company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is beneficially owned by Huge Profit, which is an investment company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is ultimately and beneficially owned by Mr. Liu.

Intention of the Offeror regarding the Group

It is the intention of the Offeror to hold the Sale Shares as long term investment and to continue to carry on the business of the Group following Completion. Save as disclosed below, it is the intention of the Offeror that there will be no material change in the existing management and employees of the Group by reason only of completion of the Offers. Hence, it is not expected that there will be any material impact on the business operations of the Group. The sole director of the Offeror also confirms that the Offeror has no intention to inject or re-deploy or to dispose of the major assets of the Group following completion of the Offers.

Any further investments or business integration that might be conducted by the Group will be subject to the constitutional documents, relevant regulatory requirements and approval of Shareholders where so required and will be in full compliance with the relevant GEM Listing Rules.

PROPOSED CHANGE OF THE COMPOSITION OF THE BOARD

Pursuant to the Sale and Purchase Agreement, except for Mr. Pong, all Directors will resign from their positions in the Company, such resignation will take effect not earlier than any date as permitted under the Takeovers Code, the GEM Listing Rules or other laws applicable to the Company.

It is intended that after the close of the Offers, Mr. Pong will remain as a Director and continue to act as the responsible officer of LPLA for a minimum period of one month from the close of the Offers until Mr. Pong shall be requested by the Offeror to vacate his office. Mr. Pong's employment with the Company after Completion will be pursuant to the terms of his existing employment contract with the Company and alterations (if any) to his terms will not be on more favourable terms than those on which he has been previously employed by the Company. There is no intention to retain Mr. Pong on a long-term service basis. The Offeror currently intends that Mr. Pong's continued service with LPLA would be a temporary and transitional measure to enable smooth transition and hand over of the management of the ongoing jobs and projects handled by Mr. Pong to the new management to avoid undue disruption to the business of the Group and to enable LPLA to continue to carry on the licensed regulated activity pending the appointment of a new responsible officer and licensed representative, which appointments are subject to approval of the SFC.

An application has been made to the SFC for the Offeror to become a substantial shareholder of LPLA. Such application is still under process by the SFC.

The Company will ensure that, at all times, the Board includes at least two independent non-executive Directors and a compliance officer so as to comply with Rules 5.05 and 5.14 of the GEM Listing Rules.

It is the intention of the Offeror that Mr. Liu will be appointed as executive Director and such appointment will take effect not earlier than any date as permitted under the Takeovers Code, the GEM Listing Rules or other laws applicable to the Company. The Offeror may nominate additional Directors to the Board after the close of the Offers, but such persons have not yet been determined. Details of any appointments together with details of the appointees will be announced by the Company in compliance with the GEM Listing Rules. The sole director of the Offeror believes that the aforesaid proposed change in the composition of the Board will not have any adverse impact on the Company. Further biographical details of Mr. Liu are set out below:

Mr. Liu

Mr. Liu, aged 47, has over 15 years of professional experience in the fields of finance and accounting. Mr. Liu is a fellow member of the Chartered Association of Certified Accountants and an associate member of the Hong Kong Society of Accountants. Mr. Liu is currently a director and the Chairman of Digital World Holdings Limited, the shares of which are listed on the main board of the Stock Exchange as well as director of several private companies in Hong Kong, which are principally engaged in health food production and marketing, investment holding, and are exploring business opportunities in the area of telecommunication.

Compulsory acquisition

The Offeror does not intend to apply any right which may be available to it to acquire compulsorily any Shares outstanding after the close of the Offers.

Maintaining the listing status of the Company

The Offeror intends that the Company will remain listed on GEM upon Completion and the close of the Offers. In the event that, upon Completion and the close of the Offers, less than 20% of the Shares then in issue are held in the hands of the public, it is the intention of the Offeror to place down its shareholding interest in the Company to independent third parties not connected or acting in concert with any director, chief executive, substantial shareholder or management shareholders of the Company or any of its subsidiaries or their respective associates as soon as possible. However, no firm arrangement in respect of the placing has been made. Each of the Offeror and the sole director of the Offeror has undertaken to the SFC and the Company to take appropriate steps to ensure that not less than 20% of the issued Shares will be held by the public as required by the GEM Listing Rules (or such other percentage as may be required from time to time) as soon as possible upon the close of the Offers.

The SFC has indicated that, if upon the close of the Offers, less than 20% of the issued share capital of the Company is held in the hands of the public or if the SFC believes that (i) a false market exists or may exist in the trading of 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 on the Stock Exchange. Accordingly, it should be noted that upon the close of the Offers, 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. Shareholders and the public should exercise caution when dealing in the Shares.

The SFC will also closely monitor all future acquisitions or disposals of assets by the Company. The SFC has indicated that it has the discretion to require the Company to issue a circular to the Shareholders irrespective of the size of any proposed transactions, particularly when such proposed transactions represent a departure from the principal activities of the Company. The SFC also has the power to aggregate a series of transactions of the Company and any such transactions may result in the Company being treated as if it were a new listing applicant.

General

An independent board committee of the Company will be appointed. Somerley Limited has been appointed as the independent financial adviser to advise the independent board committee in respect of the Offers. A circular containing, among others, the advice from the independent board committee in relation to the Offers will be sent to the Shareholders and the Optionholders in accordance with the Takeovers Code. The Offeror and the Company will use all reasonable endeavours to combine the aforesaid offer document with the Company's circular so that the Composite Document and the forms of acceptance and transfer of the Shares will be despatched to the Shareholders and the forms of acceptance and cancellation of the outstanding Options to the Optionholders within 21 days of the date of this announcement or such later date as the Executive may approve.

According to Rule 8.2 of the Takeovers Code, within 21 days after the release of this announcement or such later date as the Executive may approve, the Offeror is required to despatch the offer document containing the conditions and terms of the Offers, the form of acceptance and transfer of the Shares to the Shareholders and the form of acceptance and cancellation of the outstanding Options to the Optionholders. If the Conditions have not been fulfilled or waived within 21 days hereof, an application will be made by the Offeror to the Executive pursuant to Note 2 to Rule 8.2 of the Takeovers Code for an extension of the time within which an offer document must otherwise be posted by an offeror. Further announcement will be made where appropriate.

Dealings in the Shares were suspended from 9:30 a.m. on 27th October, 2003 at the request of the Company. Application has been made for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 4th November, 2003.

WARNING

The Offers are possibilities only and will only be made if the Sale and Purchase Agreement is completed. Completion is conditional upon fulfillment or waiver (as the case may be) of the Conditions referred to in the paragraph headed “Conditions of the Sale and Purchase Agreement” in the section headed “The Sale and Purchase Agreement” above. Shareholders are advised to exercise caution in dealing in the Shares as the Offers may or may not be made.

DEFINITIONS

“associates”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Days”	a day (excluding a Sunday, a Saturday and any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which banks in Hong Kong are generally open for business
“Company”	L. P. Lammas International Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the GEM board of the Stock Exchange
“Completion”	completion of the Sale and Purchase Agreement in accordance with its terms
“Completion Date”	the third Business Day after the fulfillment (or waiver) of the Conditions or such later date as the Offeror and the Vendor may agree in writing
“Composite Document”	the composite offer document and the circular of the Company to be issued jointly by the Offeror and the Company in connection with the Offers
“Conditions”	the conditions precedent to the Sale and Purchase Agreement, details of which are set out in the section headed “Conditions of the Sale and Purchase Agreement” in this announcement
“Consideration”	HK\$11,000,000, being the aggregate purchase price for the Sale Shares at approximately HK\$0.0173 per Sale Share
“Directors”	the directors including independent non-executive directors of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any delegate of the Executive Director

“GEM”	the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries (as defined in the Companies Ordinance (Cap. 32 of the Laws of Hong Kong))
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Huge Profit”	Huge Profit Team Limited, a company incorporated in the British Virgin Islands with limited liability and the entire issued share capital of which is ultimately and beneficially owned by Mr. Liu
“LPLA”	L. P. Lammas Asia Limited, a wholly-owned subsidiary of the Company and a licensed corporation carrying on Type 6 regulated activity under Part V of the Securities and Futures Ordinance
“Mr. Liu”	Mr. Liu Ka Lim, the ultimate beneficial owner and director of the Offeror
“Mr. Pong”	Mr. Pong Wai Yan, Louis, the Chairman and an executive Director
“Offeror”	Link Wise Investments Limited, a company incorporated in the British Virgin Islands with limited liability and the entire issued share capital of which is beneficially owned by Huge Profit
“Offers”	the Share Offer and the Option Offer
“Option Offer”	the possible mandatory unconditional cash offer to be made by Sun Hung Kai on behalf of the Offeror to cancel all the outstanding Options at HK\$0.0685 in cash, per every 1,000 Options
“Optionholders”	holder(s) of the Options
“Options”	options to subscribe for Shares granted under the Share Option Scheme
“Sale and Purchase Agreement”	a conditional agreement dated 24th October, 2003 pursuant to which the Offeror agreed to purchase and the Vendor agreed to sell the Sale Shares at the Consideration
“Sale Shares”	636,400,000 Shares, representing 79.55% of the entire issued share capital of the Company as at the date hereof, held by the Vendor prior to Completion
“Securities and Futures Ordinance”	Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“SFC”	Securities and Futures Commission

“Share(s)”	share(s) of HK\$0.01 each in the capital of the Company
“Share Offer”	the possible mandatory unconditional cash offer to be made by Sun Hung Kai on behalf of the Offeror to acquire all the issued Shares other than those held or agreed to be acquired by the Offeror and parties acting in concert with it at HK\$0.0173 per Share
“Share Offer Price”	HK\$0.0173 per Share
“Shareholders”	holders of the Shares
“Share Option Scheme”	the share option scheme adopted by the Company on 29th November, 2000
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sun Hung Kai”	Sun Hung Kai International Limited, which is a licensed corporation under the Securities and Futures Ordinance, being the financial adviser to the Offeror in relation to the Offers
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Vendor”	WYP Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, which directly owns 79.55% of the issued share capital of the Company and is wholly and beneficially owned by Mr. Pong

By Order of the Board of
Link Wise Investments Limited
Liu Ka Lim
Director

By Order of the Board of
L. P. Lammas International Limited
Pong Wai Yan
Chairman

Hong Kong, 3rd November, 2003

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

The sole director of the Offeror accepts full responsibility for the accuracy of information contained in this announcement (other than that relating to the Company) and confirms, having made all reasonable inquiries, that to the best of his knowledge, the opinions expressed in the announcement (other than those expressed by the Company) have been arrived at after due and careful consideration and that there are no other facts not contained in this announcement (other than those relating to the Company), the omission of which would make any statement in this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website (www.hkgem.com) for at least 7 days from its date of publication.