

Our Ref: LD102398

21st January 2002

To : All listed companies

Attention : Authorised representatives

Dear Sirs,

Announcements by listed companies requiring clearance / comments by the Stock Exchange

It is the primary responsibility of listed companies and their directors to ensure that there is full, accurate and timely disclosure of price sensitive information and transactions in the form of announcements as required under the Listing Rules. We have noted an increasing tendency for the Listing Division to receive draft announcements late in the working day. Very often, these draft announcements are not in a substantially final form that is ready for clearance. You will appreciate that we cannot guarantee that there will be staff available after office hours (i.e. 6:00 p.m. on a business day) review such announcements. This may lead to a delay in their release and may either result in less coverage in the press than is intended or even in a suspension in trading the following day.

In order to enhance our service to the market, we will be adopting the following procedure in clearing announcements with effect from 1st February, 2002: -

1. Draft announcements for our clearance should be sent to us as early as possible on a business day (or several days before the intended publication date if they are complicated announcements).
2. If you intend to publish an announcement in the newspapers (in the case of a Main Board company) or on the GEM website (in the case of a GEM company) on Day X, the final version of the announcement in a clearable form or a form which requires only minimal comments in order to be cleared has to be received by us no later than 5:00 p.m. on Day X-1, both Day X and Day X-1 being business days.
3. The latest time for clearing an announcement by us will be 7:00 p.m. on the business day. If an announcement cannot be cleared by then, the review will continue on the following business day, with or without a suspension of trading of the securities concerned, depending on the nature of the subject matter.
4. For an announcement that has been cleared by us on a business day, you are requested to submit a soft copy of the cleared version to HKEx's e-Business & Information Services Unit (eBIS) by 9:00 p.m. on that business day. Our eBIS colleagues will then be able to release the announcement onto the HKEx website or the GEM website before the market opens the following business day.

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If you have an announcement coming up, you should be aware of this and should be in a position to send a draft to us for our review on a timely basis. For this purpose, it is not necessary to send in draft announcements only after an agreement is signed. We are happy to review early drafts that contain the broad terms and a description of the contemplated transaction that are detailed enough for the purpose of our review. You can rest assured that communications between us are treated in the strictest confidence. Sending in a draft announcement for our review will not by itself trigger an immediate trading suspension. In fact, suspensions are normally considered necessary before an announcement is made when an agreement is signed, price sensitive information is leaked or confidentiality in the matter is unlikely to be maintained.

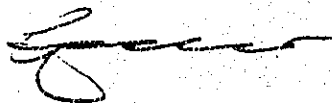
It is hoped that, by committing to the above procedure, we can better meet market expectations and that we can better plan our work. More importantly, by clearing an announcement by 7:00 p.m., there should be sufficient time to submit the final version to the press for publication and write-ups; and to eBIS for dissemination through the HKEx website or the GEM website. As a result, investors should benefit from this enhanced dissemination practice.

Taking this opportunity, we wish to point out that it will be easier and more convenient for you or your advisers to follow the above procedure if you make use of our e-Submission system (which we wrote to you previously). This system makes use of the Internet to facilitate the provision of information and documents by you and your advisers to us for review or for publication on the HKEx website and the GEM website. If you have already registered and been given passwords for the system, please use it for future communications with us. If you have not yet registered for the system, please do so as soon as possible. We understand that most of the financial printers and many professional advisers have already established an e-Submission account with us. This means that you can also conveniently engage their services in communicating with us on transactions and announcements through the e-Submission system.

We appreciate that you often engage professional advisers in dealing with us in these matters. Accordingly, we have circulated this letter to investment bankers and lawyers so that they will also be aware of the above matters.

Should you have any questions about this letter, we will be happy to discuss them with you.

Yours faithfully,
For and on behalf of
The Stock Exchange of Hong Kong Limited



Karen Lee
Head of Listing, Regulation and Risk Management

c.c. The Managing Director of investment banks
The Managing Partner of legal advisers