



The Stock Exchange of Hong Kong

(the "Exchange")

PUBLIC STATEMENT

The Listing Committee (the "Listing Committee") of the Exchange has conducted respectively a hearing and a review hearing in respect of the sale (the "Sale") of shares in Nam Pei Hong (Holding) Limited ("Nam Pei Hong") by G-Prop (Holdings) Limited (then known as International Tak Cheung Holdings Limited) ("ITC") and Paul Y. - ITC Construction Holdings Limited to Victory Hunter Holdings Limited, a company controlled by Mr. Yau Wai Ming ("Mr. Yau") in July 1997.

The Listing Committee has found that:-

- (i) The meetings between Mr. Yau and representatives of ITC prior to the Sale could have relevance to the price movements of Nam Pei Hong's shares at that time; and
- (ii) Nam Pei Hong and Mr. Chan Kwok Keung, Charles, Mr. Cheung Kwok Wah, Ken and Mr. Tse Cho Tseung (the "Relevant Individuals") should have informed the Exchange earlier of such meetings and of the Sale pursuant to paragraphs 2 and 39 of the Listing Agreement.

The Listing Committee has found that Nam Pei Hong was in breach of its obligations under paragraphs 2 and 39 of the Listing Agreement and the then management of Nam Pei Hong, which included the Relevant Individuals were to blame for such breach. The Listing Committee also considers the handling of the disclosure of such meetings and the Sale by the then management of Nam Pei Hong to shareholders and the investing public to be poor and unsatisfactory. The Listing Committee is highly critical of the conduct of the Relevant Individuals in permitting the breach to occur and is satisfied that it warrants making public its findings and criticisms which are expressed or implicit in those findings. This is done by the publication of this Public Statement.

Nam Pei Hong and the Relevant Individuals have written to the Exchange to apologize for the occurrence of such incident and confirm that they have taken steps to ensure that similar incident will not occur again in future.

For and on behalf of
The Stock Exchange of Hong Kong Limited
Bonnie S.Y. Chan
Secretary to the Listing Committee