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SOUTH EAST ASIA WOOD INDUSTRIES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

Website: <http://www.seawood.com.hk>

PROPOSED ISSUE OF CONVERTIBLE LOAN NOTES WHITEWASH WAIVER CREEPER AUTHORISATION INCREASE IN AUTHORISED SHARE CAPITAL

The Company announces that the Shareholders approved the issue of the Convertible Loan Notes, the issue of the Conversion Shares and the increase in the authorised share capital of the Company and the Independent Shareholders approved the Whitewash Waiver and the Creeper Authorisation at the Special General Meeting held on 22 January 2002.

Completion of the subscription and issue of the Convertible Loan Notes is expected to take place on or about 25 January 2002.

Introduction

Reference is made to the announcements (the “**Announcements**”) dated 27 November 2001, 17 December 2001 and 5 January 2002 by South East Asia Wood Industries Holdings Limited (the “**Company**”).

Terms and expressions defined in the Announcements shall, unless the context otherwise requires, have the same meaning when used in this announcement.

Results of the Special General Meeting

The Company announces that at the Special General Meeting held on 22 January 2002:

- (i) the resolutions to approve the issue of the Convertible Loan Notes, the issue of the Conversion Shares and the increase in the authorised share capital of the Company were passed by all the Shareholders who voted on the resolutions; and
- (ii) the resolutions to approve the Whitewash Waiver and the Creeper Authorisation were passed by all the Independent Shareholders who voted on the resolutions, being Independent Shareholders holding an aggregate of 164,542,800 Shares.

Completion of the Subscription Agreement

As the conditions to completion of the Subscription Agreement are expected to be satisfied or waived on or by 25 January 2002, completion of the subscription and issue of the Convertible Loan Notes is expected to take place on or about 25 January 2002.

By Order of the Board
South East Asia Wood Industries Holdings Limited
Peter Kwok Viem
Chairman

Hong Kong, 22 January 2002

The Directors jointly and severally accept full responsibility for the accuracy of information 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.