



## SOUTH EAST ASIA WOOD INDUSTRIES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)  
Website: <http://www.seawood.com.hk>

### PROPOSED CHANGE OF COMPANY NAME AND WAIVER FROM PUBLIC FLOAT REQUIREMENT

The board of directors of the Company have proposed that the English name of the Company be changed to "CITIC Resources Holdings Limited" and that the Company adopt the Chinese name "中信資源控股有限公司" for identification purpose only.

The public float of the Company is below 25% of the issued share capital of the Company. The Stock Exchange has granted the Company a further waiver until 31 October 2002 from strict compliance with the minimum 25% public float requirement. **Shareholders of the Company and investors are advised to exercise caution when dealing in the Shares.**

#### PROPOSED CHANGE OF COMPANY NAME

The board of directors (the "Board") of South East Asia Wood Industries Holdings Limited (the "Company") has proposed that the English name of the Company be changed to "CITIC Resources Holdings Limited" and that the Company adopt the Chinese name "中信資源控股有限公司" for identification purpose only (the "Proposal").

#### Reasons

China International Trust and Investment Corporation ("CITIC") is a state-owned enterprise incorporated in the People's Republic of China. Since its incorporation in 1979, it has developed into an international conglomerate engaging in a wide array of activities ranging from financial services to telecommunications as well as resources.

CITIC, through Keentech Group Limited ("Keentech"), its indirect wholly owned subsidiary, has held an indirect interest in the Company since 20 April 2001. This interest recently increased to about 41.26% of the total issued share capital of the Company as a result of Keentech's conversion of HK\$1,000 million floating rate convertible loan notes (the "Convertible Loan Notes") into 1,176,470,588 shares of HK\$0.05 each of the Company ("Shares").

The Board believes that a change of the Company's name to "CITIC Resources Holdings Limited" is in the interests of the Company and its shareholders as a whole as it reflects the closer association between the Company and CITIC which should allow the Company to capitalise on the reputation of CITIC.

The Directors also consider that the proposed name change better reflects the business intentions of the Company which, in addition to having interests in the wood industry, will also explore investment opportunities in other natural resources.

#### Conditions

The Proposal is subject to the passing of a special resolution by the shareholders of the Company at a special general meeting to be convened by the Company and approval by the Registrar of Companies in Bermuda.

#### Effects

The Proposal will have no effect on the existing contracts, business, or day to day operations of the Company. Further, the proposed change of name will not affect any rights of the shareholders of the Company. All existing share certificates bearing the existing name of the Company, "South East Asia Wood Industries Holdings Limited", will continue to be legal and valid evidence of title to the Shares stated thereon and shall remain legal and valid for trading and settlement purposes.

#### Special General Meeting

A special general meeting of the Company (the "SGM") will be held to seek the approval of shareholders of the Company to the Proposal.

The Company will carry out the necessary filing procedures with the Registrar of Companies in Bermuda and in Hong Kong. If approved, it is expected that the Proposal will be completed in mid November 2002.

A circular containing further details of the Proposal together with a notice convening the SGM will be despatched to the shareholders of the Company as soon as practicable.

The Company will make a further announcement on the effective date of the Proposal and the arrangements relating to trading and dealings in the Shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") under the new name of the Company.

#### PUBLIC FLOAT

As previously announced by the Company in its announcements dated 31 July 2002 and 14 August 2002, the number of Shares held by the public has fallen to less than 25% of the issued share capital of the Company as a result of the conversion of the Convertible Loan Notes by Keentech. The temporary waiver from the public float requirement of Rule 8.08 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") previously granted to the Company by the Stock Exchange expires on 30 September 2002.

Since the granting of the waiver, the Company has reviewed the position of its public float with its financial advisers. However, due to a deterioration in the market generally and with poor sentiment continuing to affect the market, the Company has not been able to take any appropriate action that would have been in the interests of the Company and its shareholders to restore its public float to at least 25% of the issued share capital of the Company. Shareholders are advised that the Company has obtained a further waiver from the Stock Exchange from strict compliance with the minimum 25% public float requirement set out in Rule 8.08 of the Listing Rules until 31 October 2002. Each of the Company, United Star International Inc. and Keentech, the two largest shareholders of the Company holding approximately 43.68% and 41.26% respectively of the Company's issued share capital, has undertaken to use its best commercial efforts to ensure that the number of Shares held by the public shall satisfy the requirements of Rule 8.08 of the Listing Rules by 31 October 2002.

The Stock Exchange has stated that it will closely monitor trading and price movement in the Shares.

#### If the Stock Exchange believes that:

- (a) a false market exists or may exist in the Shares; or
- (b) there are too few Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend trading in the Shares.

Shareholders of the Company and investors are advised to exercise caution when dealing in the Shares.

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