

Application for Listing

Application will be made to the Stock Exchange for the listing of and permission to deal in the Consideration Shares.

Information on the Company

The principal business of the Company is investment holding. It's subsidiaries are principally engaged in the manufacture and trading of office furniture and building materials, together with the supply and installation of kitchen cabinets. The audited net losses after taxation of the Company were HK\$64,425,000 and HK\$22,605,000 for the two years ended 30 April 2000 and 30 April 2001 respectively.

Information on Select Right

Select Right is a company incorporated in the British Virgin Islands with limited liability on 12 June 2001 and is wholly-owned by Mr. Kok. The sole asset of Select Right is a 70% interests in SNT.

ON-GOING CONNECTED TRANSACTION

Upon Completion, any transaction between the Select Right Group and the associates of Mr. Kok, will become connected transactions of the Company as a result of Select Right becoming a subsidiary of the Company.

SNT will continue to purchase parts and components of mobile phones from Ezze, a company which is owned as to 50% by an independent third party and 50% by Scom Holdings Limited which in turn is owned as to 99.9% by Mr. Kok.

Ezze is one of the suppliers of SNT. It was incorporated in July 2000 and began trading with SNT in January 2001. For the year ended 31 March 2001, SNT purchased mobile phones and parts and components of mobile phones from Ezze in the amount of HK\$1,815,653. Based on the existing confirmed sales orders of SNT up to 31 December 2001, the Directors expect that the purchases from Ezze will amount to approximately HK\$440 million for year ending 31 March 2002.

The Directors would seek Independent Shareholders’ approval of an annual cap of the purchase amount from Ezze to be not more than 36% of the Group’s total purchases for each of the three financial years ending 30 April 2004.

Basis for setting the annual cap

- The Directors estimate that the projected percentages of the total purchase from Ezze for the next three financial years ending 30 April 2004 will be 31.6%, 35.6% and 35% respectively in relation to the Group’s total purchases (including Select Right Group).
- Over the past years, SNT relied heavily on Samsung as its supplier. With the establishment of Ezze in October 2000, Ezze started to supply parts and components of mobile phones to SNT. In order to reduce the risk of heavy reliance on a major supplier, the Directors expect the transactions with Ezze to increase significantly in the future.
- The PRC has recently reached agreements with all the contracting members of the WTO regarding its re-joining as a contracting member of the WTO. WTO uniformly regulated trade and tariffs and aims to promote free trade among its contracting members. Pursuant to the spirit of WTO, the PRC government may deregulate the telecommunications market, which will induce more international consortiums including the manufacturers, distributors and retailers to enter into the PRC market. The Directors therefore believe that with the PRC’s accession to the WTO, the Group’s business in the mobile phone industry will have a significant growth rate.

Under Chapter 14 of the Listing Rules, the above transaction with Ezze will require Independent Shareholders’ approval as the proposed annual cap for the year ending 30 April 2002 exceeds 3% of the Group’s net tangible assets as at 30 April 2001.

The above connected transaction will be conducted on a regular basis and continue to be entered into on normal commercial terms and are, in the opinion of the Directors (including the independent non-executive Directors), fair and reasonable and in the ordinary course of business. As such, the Directors consider that compliance with the on-going disclosure requirements of the transaction with Ezze under the Listing Rules would be impracticable and would not be of benefit to the Shareholders.

The Company will apply for a waiver from the Stock Exchange from strict compliance with the disclosure requirement of the Listing Rules for a period of three (3) financial years ending 30 April 2004 (“Waiver Period”) subject to the following conditions:

- The Company will seek Independent Shareholders’ approval on the On-going Connected Transaction and the annual cap for the Waiver Period;
- in any financial year during the Waiver Period, the respective consideration in respect of the On-going Connected Transaction does not exceed 36% of the Group’s total purchases of that financial year;
- details of the On-going Connected Transaction shall be disclosed in the Company’s annual report;
- the independent non-executive Directors shall review the On-going Connected Transaction annually and confirm in the Company’s annual report and accounts for the year in question that such On-going Connected Transaction has been entered into:
 - in the ordinary course of business of SNT;
 - on normal commercial terms (to the extent that there are comparable transactions to judge whether they are on normal commercial terms, on terms not less favourable to the Group than terms available to or from (as appropriate) independent third parties; and
 - in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the Independent Shareholders as a whole;
- each year the auditors of the Company shall review the On-going Connected Transaction and provide a letter to the Board (with a copy to the Listing Division) confirming the On-going Connected Transaction:
 - has received the approval of the Board;
 - are in accordance with the pricing policies of SNT;
 - the respective consideration in respect of the On-going Connected Transaction does not exceed the annual cap.
- the Company shall promptly notify the Listing Division of the Stock Exchange if it knows or has reasons to believe that the independent non-executive Directors and/or the auditors will not be able to confirm the matters set out in D and E above, the Company may have to re-comply with Rule 14.26 and any other conditions the Listing Division of the Stock Exchange considers appropriate; and
- the Company and the counter party to the On-going Connected Transaction shall submit to the Stock Exchange an undertaking that it will allow the auditors of the Company sufficient access to their records for the purpose of reporting on the transactions set out in E.

The Company will seek Independent Shareholders’ approval of the On-going Connected Transaction at the SGM.

Information on SNT

SNT is a company incorporated in Hong Kong with limited liability, which is owned as to 70% by Select Right. SNT is principally engaged in the trading of mobile phones and electronic components.

Information on Ezze

Ezze is a company incorporated in South Korea with limited liability and is owned as to 50% by Scom Holdings Limited which in turn is owned as to 99.9% by Mr. Kok. Ezze is principally engaged in the trading of parts and components of mobile phones and the design, research and development on mobile phone technology.

PROPOSED CHANGE OF COMPANY NAME

The Board proposes to change the name of the Company, subject to the conditions set out below, to “Ezcom Holdings Limited” (the “New Name”) and to adopt a Chinese name of “易通控股有限公司” for identification purpose.

Conditions for the proposed change of Company name

The proposed change of Company name is subject to the following conditions:–

- the passing of a special resolution by the Shareholders at the SGM approving the proposed change of name of the Company; and

- the Registrar of Companies in Bermuda approving the proposed change of the name of the Company.

Effect of change of name

The proposed change of the name of the Company will not affect any of the rights of the Shareholders. Upon the change of name becoming effective, all the existing share certificates in issue bearing the current name of the Company will continue to be evidence of title to the Shares and valid for trading, settlement and registration purposes. Any issue of share certificates thereafter will be in the New Name. No arrangement will be made for exchange of existing share certificates in circulation in the Company’s current name. A further announcement will be made should the change of name become effective.

Reasons for the change of Company Name

The principal business of the Company is investment holding. The Directors consider that the name “Lamex” is perceived as synonymous with a brand relating to office furniture and believe that the New Name will be more reflective of the diversified business of the Company.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

The Directors propose to increase the authorised share capital of the Company from HK\$500 million to HK\$800 million by the creation of an additional 3,000 million Shares.

Conditions for the Capital Increase

The Capital Increase will be conditional upon:

- the passing of a special resolution by the Shareholders of the Company at the SGM approving the proposed Capital Increase; and
- if required, the approval by the Bermuda Monetary Authority of the Capital Increase.

Reasons for the increase in Authorised Share Capital

The existing authorised share capital of the Company is HK\$500 million, of which 4,597,560,175 Shares have been issued as of the date of this announcement. Under the Agreement, 450,000,000 new Shares will be issued at Completion bringing the total issued share capital to 5,047,560,175 Shares. As of the date of this announcement, there were 382,116,000 share options outstanding under the Company’s share option schemes. The Directors therefore propose to increase the authorised share capital of the Company for the purpose of Completion and to cater for future expansion of the Company.

SUSPENSION OF TRADING

At the request of the Company, trading in its Shares was suspended with effect from 10:00 a.m. on 18 September 2001 pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in its Shares on the Stock Exchange from 10:00 a.m. on 20 September 2001.

GENERAL

A circular containing the details of the Acquisition, the On-going Connected Transaction, the proposed change of Company name and the proposed Capital Increase, the recommendation of the Independent Board and an opinion letter from an independent financial adviser to the Independent Board will be despatched to the Shareholders as soon as practicable. A notice of the SGM will also be despatched together with the circular.

DEFINITIONS

“Acquisition”	the acquisition by the Company of a 73% equity interest in Select Right
“Agreement”	the conditional sale and purchase agreement entered into on the Agreement Date between the Company and Mr. Kok in relations to the 7,300 shares in Select Right
“Agreement Date”	17 September 2001
“associates”	as defined in the Listing Rules
“Board”	The board of directors of the Company
“Capital Increase”	The proposed increase in the authorised share capital of the Company from HK\$500 million to HK\$800 million by the creation of 3 billion new Shares of HK\$0.10 each
“China or PRC”	the People’s Republic of China
“Company”	Lamex Holdings Limited, a company incorporated in Bermuda with limited liability, the securities of which are listed on the Stock Exchange
“Completion”	the completion of the sale and purchase of the Sale Shares pursuant to the terms and conditions of the Agreement
“Consideration Shares”	Shares of the Company, being 450,000,000 Shares in total, to be issued to the Vendor as part of the consideration for the Acquisition
“Directors”	the directors of the Company
“Ezze”	Ezze Mobile Tech Inc, a company incorporated in South Korea with limited liability, which is owned as to 50% by Scom Holdings Limited which in turn is owned as to 99.9% by Mr. Kok
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars
“Independent Board”	the board of Directors consisting of Dr. Yang Shiqin, Dr. Li Jianhua and Mr. Wang Shunian, the independent non-executive Directors of the Company, formed to advise the Independent Shareholders in respect of the terms of the Acquisition and the On-going Connected Transaction
“Independent Shareholders”	Shareholders other than Anglo Express Group Limited and its associates. Anglo Express Group Limited is beneficially wholly-owned by Mr. Kok and is the single substantial shareholder of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Kok”	Mr. Kok Kin Hok, the chairman and a substantial shareholder of the Company
“On-going Connected Transaction”	the on-going connected transaction between SNT and Ezze as described under the section “On-going Connected Transaction” in this announcement
“Placing”	the placing of 766,000,000 Shares announced on 31 August 2001
“Sale Shares”	the shares of Select Right, being 7,300 shares in total, to be sold and purchased pursuant to the Agreement
“Select Right”	Select Right Developments Limited, a company incorporated in the British Virgin Islands with limited liability on 12 June 2001
“Select Right Group”	Select Right and its subsidiaries
“SGM”	a special general meeting of the Shareholders to be convened to consider and, if thought fit, approve the Acquisition, the On-going Connected Transaction, the change of Company name, the Capital Increase
“Shares”	ordinary shares of the Company of HK\$0.10 each
“Shareholders”	the shareholders of the Company
“SNT”	Scom New Technology Ltd, a company incorporated in Hong Kong with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“WTO”	the World Trade Organisation
“%”	Per cent.

By Order of the Board
Mr. Kok Kin Hok
Chairman

Hong Kong, 19 September 2001