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SA SA INTERNATIONAL HOLDINGS LIMITED

(the "Company")

(Incorporated in Cayman Islands with limited liability)

ANNOUNCEMENT

The Company announces that the Stock Exchange has granted a waiver pursuant to Rule 10.06(2)(g) of the Listing Rules in respect of the 25 per cent. monthly share repurchases restriction set out in Rule 10.06(2)(a) of the Listing Rules.

The Company announces that The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granted a waiver (the "Waiver") pursuant to Rule 10.06(2)(g) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") in respect of the restriction set out in Rule 10.06(2)(a) of the Listing Rules on a listed issuer, in any one calendar month, to purchase shares of the listed issuer on the Stock Exchange numbering not more than 25 per cent. of the total number of that kind of shares which were traded on the Stock Exchange in the preceding calendar month, as stated in the Stock Exchange daily quotation sheets for the previous month.

The Waiver was granted to the Company on 8th February, 2002 for a period of six months from the date of approval (the "Waiver Period") and the Waiver will expire on 8th August, 2002.

The Waiver is granted subject to the conditions mentioned below.

CONDITIONS OF THE WAIVER GRANTED

The conditions for the Waiver include:-

1. Minimum public float: HK\$100 million

The expected market capitalisation of the Company held by the public throughout the Waiver Period must be at least HK\$100 million.

2. Repurchase up to 10 per cent for each financial year

The Company can only repurchase, within one financial year, up to 10 per cent of its issued share capital from time to time.

3. Minimum public float: 25 per cent

The public float of the Company at any time throughout the Waiver Period must not be less than 25 per cent of its total issued share capital from time to time.

4. Price and time restriction

If the Company wishes to conduct share repurchases:- (i) the repurchase price should not be higher than the latest (or current) independent bid price or the last independent sale (contracted) price quoted or reported on the System (as defined in the Rules of the Exchange), whichever is higher; and (ii) it shall not make the opening bid nor any bid in the last 30 minutes before the close of the normal trading hours as stipulated in the Rules of the Exchange.

The directors of the Company (the "Directors") have undertaken to the Stock Exchange that they will procure the Company to comply with all the conditions as set out in the Waiver.

INFORMATION FOR SHAREHOLDERS

- (i) pursuant to the general mandate (the "Repurchase Mandate") granted by the shareholders of the Company at the annual general meeting of the Company held on 30th August, 2001, the board of the Directors was authorised to repurchase up to a maximum of 133,839,483 ordinary shares of HK\$0.10 each ("Shares") of the Company;
- (ii) the Directors take the view that the slow recovery of the Hong Kong equity market in general with the low turnover in the trading in the Shares in particular constitute exceptional circumstances for the application of the Waiver. As at 7th February, 2002, based on the closing price of the Shares of HK\$0.51, the Shares have been trading at a discount of 22.73% to its unaudited net asset value based on the unaudited net asset value per Share in the amount of HK\$0.66 as at 30th September, 2001. The Directors also take the view that without the benefit of the Waiver and given the low turnover in the trading in the Shares, the Company would not be able to fully utilise the Repurchase Mandate to improve the net asset value per Share for the benefit of the Company and to add liquidity in the interests of the market generally;
- (iii) any repurchases will be made out of funds legally available for such purpose in accordance with the memorandum and articles of association of the Company and the laws of the Cayman Islands;
- (iv) there might not be any material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent published unaudited accounts for the year ended 30th September, 2001) in the event that the proposed purchases were to be carried out in full at any time during the proposed purchase period. However, the Directors have no intention to exercise the Repurchase Mandate to such extent so as to materially affect the operations of the Company;
- (v) none of the Directors, and to the best of their knowledge having made all reasonable enquiries, no associates (as defined in the Listing Rules) of the Directors have a present intention to sell Shares to the Company;
- (vi) the Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the laws of the Cayman Islands;

- (vii) as at 7th February, 2002, Mr Kwok Siu Ming, Simon and his wife, Mrs Kwok Law Kwai Chun, Eleanor together with their associates (as defined in the Listing Rules) were beneficially interested in 918,870,400 Shares, representing approximately 69.60% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase the Shares pursuant to the Repurchase Mandate, the shareholding of Mr Kwok Siu Ming, Simon and Mrs Kwok Law Kwai Chun, Eleanor and their associates would be increased to approximately 76.28% of the issued share capital of the Company and this would not give rise to an obligation to make a mandatory offer under Rule 26 of the Hong Kong Code on Takeovers and Mergers. If the Repurchase Mandate is exercised in full, there will not be a sufficient number of shares held in public hands under Rule 8.08 of the Listing Rules. The Directors have no present intention to exercise the Repurchase Mandate to an extent which would jeopardise the public float requirement;
- (viii) no connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company or have undertaken not to sell any of the Shares held by them to the Company;
- (ix) the total trading turnover of the Company's Shares for the month of January 2002 was 42,011,900 and 4,070,000 Shares were repurchased by the Company in January 2002.

PUBLIC FLOAT

At the close of business on 7th February, 2002 (being the latest practicable date prior to publication of this announcement), 385,617,600 Shares were in public hands and based on the closing price of HK\$0.51 per Share quoted on the Stock Exchange on 7th February, 2002, the market capitalisation of the Company attributable to Shares held by the public was HK\$199,664,976 representing 29.21% of the then issued share capital of the Company.

REPURCHASE LIMIT

As at the date hereof, whilst the Company has no immediate and concrete plans to exercise the Waiver so as to repurchase Shares above the 25 per cent. monthly repurchase limit, the Company would like to have the flexibility to do so in the event that the Directors consider it appropriate.

By the order of the Board
Kwok Siu Ming
Chairman

Hong Kong Dated 8th February, 2002

"Please also refer to the published version of this announcement in the Hong Kong i-mail"