

Discloseable transaction

On 5 June 2001, the Company entered into a formal agreement in connection with the acquisition of 77.27% interest in Oriental Express Development Limited ("OEDL"), principally engaging in long distance professional educational services through satellite and internet in the PRC. On 12 July 2001, the Company have entered into a supplemental agreement in which the Company would acquire 20 per cent of the entire issued share capital of OEDL and has call option to acquire all the 43.64 per cent of Oriental Express Shares from the Vendor. The aggregate consideration for the transaction amounts to HK\$35 million and will be settled as to HK\$5 million in cash, HK\$30 million be set off against the deposit previously paid upon completion.

Completion of acquisition of 20 per cent interest in OEDL

On 21 September 2001, the acquisition of 20 per cent interest in OEDL was completed.

Placing of warrants

On 18 October 2001, the Company issued 234 million units of warrants through private placing at a price of HK\$0.15 per unit.

Major transaction

On 23 November 2001, the Company entered into a sale and purchase agreement in connection with the acquisition of 45 per cent interest in Independent Islands Limited ("IIL") for an aggregate consideration of approximately HK\$175.6 million. IIL and its subsidiary are principally engaging in the provision of long distance medical training through satellite in the PRC.

Placing of new shares

On 23 November 2001, the Company entered into a placing and underwriting agreement for the placing of 208,800,000 new shares at a price of HK\$0.477 per share to independent investors.

Completion of acquisition of 45 per cent interest in IIL

On 17 January 2002, the acquisition of 45 per cent interest in IIL was completed.

Disposal of feeders

In March 2002, Zhaoqing Wingjin Transportation Co. Limited, an associate of the Group, disposed of the existing feeders for a consideration of RMB1,316,000.