CASH OFFERS TO ACQUIRE THE COMPANY'S SHARES AND WARRANTS

On 25th October, 2002, the Company announced that Hollyfield Group Limited ("Hollyfield"), a wholly owned subsidiary of ITC Corporation Limited ("ITC Corporation"), through Anglo Chinese Corporate Finance, Limited will make a voluntary conditional cash offer at the price of HK$0.30 for each share in the Company, other than those shares owned by ITC Corporation or its wholly owned subsidiaries. On 12th December, 2002, the share offer became unconditional as the condition requiring ITC Corporation and its concert parties to hold more than 50% of the voting rights attaching to the shares of the Company has been satisfied. In addition, Hollyfield has also made an offer at the price of HK$0.01 for each warrant to the holders of warrants of the Company, other than ITC Corporation or its wholly owned subsidiaries.

收購本公司之股份及認股權證之該等現金收購建議

本公司於二零零二年十月二十五日公佈，Hollyfield Group Limited(「Hollyfield」，其為德祥企業集團有限公司(「德祥企業」)之全資附屬公司)將會透過英高財務顧問有限公司提出一項自願有條件現金收購建議，按每股股份0.30港元之價格收購本公司之股份(不包括由德祥企業或其全資附屬公司擁有者)。於二零零二年十二月十二日，由於要求德祥企業及與其一致行動之人士擁有50%以上之本公司股份所附之投票權之條件已獲履行，故上述之股份收購建議亦已成為無條件。此外，Hollyfield亦向本公司之認股權證持有人提出一項收購建議，按每份認股權證0.01港元之價格收購本公司之認股權證(不包括已由德祥企業或其全資附屬公司擁有者)。

SECURITIES IN ISSUE

As at the period end, there were 1,036,744,924 shares in issue and outstanding share options over a total of 16,100,000 shares with subscription price remained at HK$0.5552 per share. No share options were granted or exercised during the period and share options over 38,349,206 shares at a subscription price of HK$0.6048 per share lapsed and were cancelled during the period. There was no movement in the issued share capital during the period.

As at the period end, there were 204,920,349 outstanding warrants ("2003 Warrants")which confer rights to the holders to subscribe up to approximately HK$82 million in cash for shares of HK$0.10 each at an initial subscription price of HK$0.40 per share. These warrants are exercisable at any time on or before 29th August, 2003 and none has been exercised up to 30th September, 2002.

已發行證券

本期間結束時，已發行股份共1,036,744,924股，另有可合共認購16,100,000股股份之未行使購股權，認購價維持在每股0.5552港元。期內並無授出任何購股權，亦無任何購股權被行使，而可按認購價每股0.6048港元認購38,349,206股股份之購股權在期內已作廢及註銷。期內已發行股本並無任何變動。

本期間結束時，有204,920,349份尚未行使之認股權證(二零零三年認股權證)，其持有人據此有權以現金按初步認購價每股0.40港元認購合共約82,000,000港元之每股面值0.10港元之股份。此等認股權證可在二零零三年八月二十九日或之前任何時間內行使。截至二零零二年九月三十日為止，並無任何認股權證被行使。