

ISSUE OF SHARES

During the period, the Company issued and allotted a total of 1,583,332 shares of HK\$0.10 each of the Company to a director being the remuneration shares issued pursuant to his service agreement approved at the extraordinary general meeting on 14th September 1999. The issue of shares to the director constituted a connected transaction for the purposes of Chapter 14 of the Listing Rules and was approved by shareholders of the Company at the extraordinary general meeting on 14th September 1999.

The Company also issued 3,240,000 shares to Mr. Chen Chou Fan, Edward during the period upon his exercise of share options granted under the Share Option Scheme. Mr. Chen ceased to be a director of the Company on 1st April 2001.