

MILESTONE

2002

June

Analyst & Media Plant Visits

The Company organized analyst and media plant visits to Shenyang and Wuxi, manufacturing base of the Group's air-conditioner compressor operation and its fabless IC design house respectively from 18-22 June 2002. A total of 14 analysts/fund managers and 14 reporters participated.

May

Conversion of Convertible Bonds ("CB"), Placement and Subscription

CRH converted its holding of the Company's CB amounting to HK\$851.7 million into the Company's shares at HK\$0.9108 per share. The Company allotted and issued 939,688,810 shares to CRH. The CB was issued by the Company on 1 February 2001 as consideration for injection of assets by CRH. CRH placed 290,000,000 and subscribed 170,000,000 shares of the Company to maintain public float. After CB conversion, placement and subscription, CRH's shareholding in the Company is 74.17%.

Appointment of New Executive Director

Mr. Yu Yu was appointed as Executive Director on 28 May 2002. He is also the Vice President, Business Development of the Company and responsible for the Information Technology ("IT") Services & Business Development of the Group.

Apr

Trademark Licence with Sanyo Electric Co. Ltd.

Agreement with Sanyo Electric Co., Ltd. to use the trademarks "三洋" and "Sanyo" on compressors manufacture by the Group for a term of 5 years.

Share Premium Reduction

Reduce share premium account and apply contributed surplus account to set off against accumulated losses to pave the way for future dividend distribution.

Mar

Appointment of New Non-executive Director

Prof. Ko Ping Keung was appointed as Non-executive Director to provide advice on strategic development of Semiconductor operation. Prof. Ko is the Dean of Engineering at the Hong Kong University of Science and Technology.

2001 Annual Results

Successfully restructured & back to black with gross profit margin rose to 39% under a techno-manufacturing focus.

Feb

Acquisition of Fabless I.C. Design House

Acquired 55% controlling stake in Wuxi China Resources Semico Company Limited, one of the four largest I.C. design entities in the PRC.

2001

Nov

Expansion of Compressor Business

Acquired 2 production lines from Sanyo Electric Co., Ltd. and Toyota Tsusho Corporation.

Jun

Financial Turnaround

Achieved remarkable half year results for 2001 with turnover surged 645%.

May

Expansion of Management Team

Appointed four additional directors to lead the technology businesses and to prepare for further strategic expansions.

Jan

Business Restructuring

Completed the acquisition of technology business portfolio from CRH.

Became CRH's listed technology flagship and renamed as "China Resources Logic".