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iSteelAsia.com

iSteelAsia.com Limited

(Incorporated in Bermuda with limited liability)

**SUBSCRIPTION OF NEW SHARES IN
STEMCOR HOLDINGS LIMITED
(DISCLOSEABLE TRANSACTION)**

Reference is made to the announcement made by the Company on 29th August, 2000. The Directors are pleased to announce that the Subscription Agreement was entered into between the Company, ISAS and Stemcor today, pursuant to which:

- (i) ISAS, an indirect wholly-owned subsidiary of the Company, had conditionally agreed to subscribe for Tranche A Shares at a cash consideration of US\$3 million (approximately HK\$23.4 million). It is currently expected that Tranche A Shares will represent approximately 3.5% (subject to adjustment) of the issued share capital of Stemcor as enlarged by the issue of Tranche A Shares; and
- (ii) Stemcor granted to the Company two options (Tranche B Option and Tranche C Option) to subscribe for Tranche B Shares and Tranche C Shares at a consideration of US\$5 million (approximately HK\$39 million) and US\$8 million (approximately HK\$62.4 million) respectively. It is currently expected that Tranche B Shares will represent approximately 5.5% of the issued share capital of Stemcor as enlarged by the Stemcor Shares to be acquired upon completion of the Subscription and upon exercises of the Tranche B Option and that Tranche C Shares will represent approximately 8.1% of the issued share capital of Stemcor as enlarged by the Stemcor Shares to be acquired upon completion of the Subscription and upon exercises of the Tranche B Option and the Tranche C Option.

The Subscription Agreement is conditional upon, among others, entering into of a number of ancillary agreements/arrangements, including, among others, the Put Option Agreement, Revenue Option Agreement and Website Trading Agreement, between the Company and/or ISAS and/or ISABVI and Stemcor, on or before the completion of Subscription. The terms of such ancillary agreements have not been finalised as at the date of this announcement.

It is the intention of both parties on or before completion of the Subscription that Stemcor will enter into the Website Trading Agreement with the Company under which Stemcor will undertake to trade up to an initial minimum of 750,000 tonnes of steel products through the iSteelAsia.com portal. It is also the intention of both parties that Stemcor will enter into the Put Option Agreement with the Company and ISAS under which ISAS will be granted the Put Option to require Stemcor to buy back all of the Tranche A Shares (as adjusted) and Tranche B Shares (as adjusted and assuming that Tranche B Option is exercised) for US\$3 million and US\$5 million respectively, such amounts being the respective subscription price paid by ISAS.

The obligations of ISAS under the Subscription Agreement are guaranteed by the Company.

The Subscription constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

A circular containing details of the Subscription Agreement will be despatched to the shareholders of the Company as soon as practicable.

Investors should be aware that completion of the Subscription Agreement is subject to certain conditions being satisfied. In particular, ISAS may decide not to proceed with the Subscription if ISAS is not satisfied with the results of its due diligence on Stemcor or the parties fail to agree on the terms of the ancillary agreements/arrangements and completion of the Subscription is subject to approval by the shareholders of Stemcor. Furthermore, there can be no assurance that the ancillary agreements/arrangements will be entered into. Investors should therefore exercise caution when dealing in the Shares.

INTRODUCTION

Reference is made to the announcement made by the Company on 29th August, 2000. The Directors are pleased to announce that the Subscription Agreement was entered into between the Company, ISAS and Stemcor today.

THE SUBSCRIPTION AGREEMENT

Date

1st December, 2000

Parties

Subscriber:	ISAS
Subscriber's guarantor:	the Company (the obligations of ISAS under the Subscription Agreement are guaranteed by the Company)
Issuer:	Stemcor, a private company which is not a connected person (as defined under the GEM Listing Rules) of the Company

The Subscription

ISAS has conditionally agreed to subscribe for Tranche A Shares for a total cash consideration of US\$3 million (approximately HK\$23.4 million). The consideration has been determined after arm's length negotiations.

The number of Tranche A Shares which will be issued upon completion of the Subscription is initially determined based on the Initial Agreed Valuation of Stemcor. It is currently expected that Tranche A Shares will represent approximately 3.5% of the issued share capital of Stemcor as enlarged by the issue of Tranche A Shares.

The number of Tranche A Shares under the Subscription is subject to adjustment. Once the Agreed Completion Accounts are available, the Final Agreed Valuation will be calculated based on the higher of (i) 10 times the Audited Net Trading Profit and (ii) 1.5 times the Audited Net Assets (but excluding the subscription price of Tranche A Shares to be paid to Stemcor and any assets acquired by Stemcor therewith) as shown in the Agreed Completion Accounts. If the Final Agreed Valuation is higher or lower than the Initial Agreed Valuation, the number of Tranche A Shares will then be revised upwards or downwards (as the case may be) to equal the number that would have applied if the Final Agreed Valuation had been used in calculating and deriving the number of Tranche A Shares.

The Options

Under the Subscription Agreement, Stemcor has granted to ISAS two options (being the Tranche B Option and Tranche C Option) to subscribe for additional Stemcor Shares.

Under the Tranche B Option, ISAS has the option to subscribe for a certain number of Stemcor Shares for a total consideration of US\$5 million (approximately HK\$39 million).

Tranche B Option is exercisable no earlier than the date on which the Year 2000 Accounts are delivered by Stemcor to ISAS. In the event that the Year 2000 Accounts are delivered by Stemcor to ISAS on or before 31st March, 2001, Tranche B Option is exercisable no later than 31st May, 2001. However, if the Year 2000 Accounts are delivered by Stemcor to ISAS after 31st March, 2001, then Tranche B Option is exercisable within two months after the date on which the Year 2000 Accounts are delivered by Stemcor to ISAS.

Under the Tranche C Option, ISAS has the option to subscribe for a certain number of Stemcor Shares for a total consideration of US\$8 million (approximately HK\$62.4 million).

Tranche C Option is exercisable no earlier than the date on which Stemcor delivers the Year 2000 Accounts to ISAS. In the event that the Year 2000 Accounts are delivered by Stemcor to ISAS on or before 31st March, 2001, Tranche C Option is exercisable no later than 31st August, 2001. However, if the Year 2000 Accounts are delivered by Stemcor to ISAS after 31st March, 2001, then Tranche C Option is exercisable within five months after the date on which the Year 2000 Accounts are delivered by Stemcor to ISAS.

The number of Stemcor Shares under the Tranche B Option and Tranche C Option is also determined based on the Initial Agreed Valuation of Stemcor and is also subject to the same adjustment as referred to in the paragraph “The Subscription” above.

Based on the total number of issued shares of Stemcor as at the date of this announcement and the anticipated Initial Agreed Valuation of Stemcor it is currently expected that:

- the number of Stemcor Shares to be acquired upon the exercise of Tranche B Option will represent approximately 5.5% of the issued share capital of Stemcor as enlarged by the Stemcor Shares to be acquired upon completion of the Subscription and upon exercise of the Tranche B Option; and
- the number of Stemcor Shares to be acquired upon the exercise of Tranche C Option will represent approximately 8.1% of the issued share capital of Stemcor as enlarged by the Stemcor Shares to be acquired upon completion of the Subscription and upon exercises of the Tranche B Option and the Tranche C Option.

At present, the Directors have not decided on whether to exercise the rights granted to the Company by Stemcor under Tranche B Option and Tranche C Option. Should the Directors decide that the Company will exercise its rights under Tranche B Option and Tranche C Option, the Company may finance the consideration through internal resources, banking facilities, other debt arrangements, equity financing or a combination of any of the above.

Put Option

It is contemplated that the Put Option Agreement will be entered into between ISAS and Stemcor. Under the terms of the Put Option Agreement, ISAS will be granted the Put Option to require Stemcor to buy back all of the Tranche A Shares (as adjusted) and Tranche B Shares (as adjusted and assuming that Tranche B Option is exercised) for US\$3 million and US\$5 million respectively, such amounts being the respective subscription price paid by ISAS. The Put Option will be exercisable by ISAS no earlier than 30th April, 2002 and no later than 31st October, 2002. Further, no put option for Tranche C Shares will be granted by Stemcor to the Company under the Put Option Agreement.

The rights of the Company under each of the Tranche B Option, the Tranche C Option and the Put Option are not conditional upon the exercise of the other options.

Conditions of the Subscription

ISAS is not obliged to complete the Subscription unless, among other things, the following conditions are satisfied or waived by ISAS:

- (i) the representations and warranties made by Stemcor in the Subscription Agreement shall be true and correct;

- (ii) all government approvals and all consents, waivers or approvals of any third party necessary for the consummation by Stemcor of the transactions relating to the Subscription shall have been obtained to the reasonable satisfaction of ISAS;
- (iii) there shall be no order of any court or government agency outstanding and no litigation (civil or criminal), arbitration, inquiry or other administrative proceedings by or before any competent government authority or pre-litigation claim or demand pending or ongoing against the Stemcor Group, wherein an unfavourable injunction, judgment, order, decree, ruling or charge would (a) prevent consummation of such transactions, (b) cause any of such transactions to be rescinded following consummation, (c) affect adversely the right of ISAS to own Tranche A Shares and/or Tranche B Shares and/or Tranche C Shares or exercise its rights thereunder or (d) otherwise have a material adverse effect on Stemcor or any of its subsidiaries, its assets or its business;
- (iv) ISAS shall have completed its legal, financial and technical due diligence of the Stemcor Group; provided, however, that if within four weeks after the date of the Subscription Agreement ISAS shall not have terminated the Subscription Agreement based on its dissatisfaction with the results of such due diligence, this condition shall be deemed to have been waived;
- (v) the Stemcor Group's businesses shall have been carried on in the ordinary course of business and there shall have been no material adverse change in the Stemcor Group and its businesses taken as a whole from 31st December, 1999 to the date of completion of the Subscription; and
- (vi) Stemcor shall have divested itself of substantially all of the assets and discontinued all of the activities constituting part of the Other Activities.

Stemcor is not obliged to complete the Subscription unless, among other things, the following conditions are satisfied or waived by Stemcor:

- (i) the representations and warranties made by the Company in the Subscription Agreement shall be true and correct;
- (ii) prior to the completion of the Subscription, the Subscription Agreement and the issuances of the Tranche A Shares, the Tranche B Shares and the Tranche C Shares shall have been approved by the shareholders of Stemcor and all other requirements of section 165 of the Companies Act 1985 of the UK shall have been complied with; and
- (iii) the ancillary agreements shall have been executed and delivered by all relevant parties.

Exclusivity

Stemcor has agreed not to engage in discussions that will lead to commercial undertakings or arrangements of any business relationship with any third party that operates an online steel trading portal that competes with the iSteelAsia.com portal. Stemcor will be permitted to offer or purchase steel on other online steel trading portals other than the iSteelAsia.com portal in the ordinary course of business; provided that the board of directors of Stemcor affirmatively determines that the conduct of such business and the volume of such trading on any other portal is not and will not be detrimental to the strategic alliance of Stemcor with the Company.

Completion of the Subscription

Completion of the Subscription will take place on the second business day following the due fulfilment or waiver of the conditions above or on such other date as may be agreed in writing between Stemcor and ISAS but in no event later than 29th December, 2000.

Promptly after completion of the Subscription, the Company will procure the Board to appoint a nominee of Stemcor to the Board, to serve on the same basis as the other non-executive directors of the Board and Stemcor will procure the election of a nominee of ISAS to the board of directors of Stemcor, to serve as a non-executive director.

However, if ISAS at any time after 31st December, 2002 holds less than 5% of the issued share capital of Stemcor as at date of the Subscription Agreement thereof, ISAS then will no longer be entitled to nominate any director to the board of directors of Stemcor.

Stemcor has undertaken to ISAS that from the date of completion of the Subscription and so long as ISAS has the right to nominate a director to the board of directors of Stemcor, it shall not without the consent of the director nominated by ISAS enter into any business other than Steel Trading, which shall include such investments, ancillary and related activities within the steel and related businesses as are commonly engaged in by steel trading companies as part of the ordinary course of their business.

TONNAGE COMMITMENT BY STEMCOR

On or before completion of the Subscription, it is anticipated that the Website Trading Agreement will be entered into between ISABVI and Stemcor pursuant to which Stemcor will undertake to complete purchases and sales of Steel Products on the iSteelAsia.com portal in the amount of (i) at least 750,000 tonnes during the six-month period following the date of completion of the Subscription and (ii) an additional 750,000 tonnes during the nine-month period thereafter. Furthermore, Stemcor will also become a Founding Member (as defined in the Prospectus) of the Company by entering into the Revenue Option Agreement (as referred in the announcement of the Company dated 1st August, 2000 as the New Revenue Option Agreement) with the Company. The Revenue Option Agreement allows Founding Members to acquire certain existing Shares from TN Development (as defined in the Prospectus) at a predetermined price based on the volume of trades conducted through the iSteelAsia.com portal. In the case of Stemcor, for the purpose of the Revenue Option Agreement, the initial commitment of 750,000 tonnes to be transacted by Stemcor under the Website Trading Agreement will not be eligible for credit under the Revenue Option Agreement. However, if ISAS exercises the Put Option, any trades completed by Stemcor on the iSteelAsia.com portal after the date of completion of Subscription will be eligible for credit under the Revenue Option Agreement.

INFORMATION ON STEMCOR

Stemcor was founded in 1951 with its headquarters in London and is principally engaged in international steel trading. The Stemcor Group also operates as a global provider of specialist services to the steel and metals industries, in areas such as marketing, procurement, shipping, engineering and trade finance. Stemcor's main trading centres are located in London, Dusseldorf, New York, Singapore and Sydney. The Stemcor Group also maintains offices in Bangkok, Beijing, Bucharest, Dnepropetrovsk, Dubai, Hong Kong, Istanbul, Johannesburg, Karachi, Kiev, Krakow, Lagos, Lisbon, Madrid, Mexico City, Miami, Moscow, Mumbai, Nairobi, Rio de Janeiro, Shanghai, Sofia, Tehran and Tokyo. In countries where there is no Stemcor office, the Stemcor Group is represented by appointed agents.

The following table sets out the tonnage of steel invoiced by Stemcor for each of the five years ended 31st December, 1999:

	1995	1996	1997	1998	1999
	<i>'000 tonnes</i>	<i>'000 tonnes</i>	<i>'000 tonnes</i>	<i>'000 tonnes</i>	<i>'000 tonnes</i>
Tonnage of steel invoiced	1,963	2,505	3,919	3,534	4,397

The audited equity shareholders' funds of Stemcor as at 31st December, 1999, which were prepared in accordance with the Companies Act 1985 of UK and the applicable UK accounting standards, amounted to approximately £20,943,000 (approximately HK\$233,305,000).

The following table sets out the turnover, the profit/(loss) on ordinary activities before taxation, profit/(loss) attributable to shareholders, and dividend paid of the Stemcor Group for each of the two years ended 31st December, 1999 and for the six months ended 30th June, 2000:

	For the year ended 31st December,				For the six months	
	1998		1999		ended 30th June,	
	<i>(Audited)</i>		<i>(Audited)</i>		<i>(Unaudited)</i>	
	<i>£'000</i>	<i>HK\$'000</i>	<i>£'000</i>	<i>HK\$'000</i>	<i>£'000</i>	<i>HK\$'000</i>
Turnover	759,842	8,464,640	787,610	8,773,975	493,128	5,493,446
Profit/(loss) on ordinary activities before taxation	(1,795)	(19,996)	3,548	39,525	3,368	37,520
Profit/(loss) attributable to shareholders	(3,469)	(38,645)	1,759	19,595	2,268	25,266
Dividend paid	228	2,540	342	3,810	—	—

Note: The audited figures in pound sterling shown in the table above appeared in the announcement made by the Company on 29th August, 2000 were translated into Hong Kong dollar amounts at an exchange rate of £1.00=HK\$11.55.

The following table sets out the turnover, the profit/(loss) on ordinary activities before taxation and profit/(loss) attributable to shareholders of Steel Trading of the Stemcor Group for each of the two years ended 31st December, 1999 and for the six months ended 30th June, 2000:

	For the year ended 31st December,				For the six months	
	1998		1999		ended 30th June,	
	<i>(Audited)</i>		<i>(Audited)</i>		<i>(Unaudited)</i>	
	<i>£'000</i>	<i>HK\$'000</i>	<i>£'000</i>	<i>HK\$'000</i>	<i>£'000</i>	<i>HK\$'000</i>
Turnover	745,414	8,303,912	770,669	8,585,253	488,640	5,443,450
Profit/(loss) on ordinary activities before taxation	(1,096)	(12,209)	5,259	58,585	4,125	45,953
Profit/(loss) attributable to shareholders	(2,077)	(23,138)	3,195	35,592	2,865	31,916

Note: All the information sets out above regarding the Stemcor Group has been provided by Stemcor without any independent investigation or verification by the Group.

INFORMATION ON THE GROUP

The Group is principally engaged in the provision of trading and other value-added services for participants in the supply chain of the steel industry. The Group's traditional steel trading operation was originated in 1994 by the VSC Group. As the industry becomes increasingly competitive, many competitors are beginning to adopt the latest technology to increase their productivity and profits. The iSteelAsia.com portal provides an Internet-based platform as an additional means for buyers to source steel products and sellers to sell steel products with online access to steel industry information and a range of value-added services such as insurance and trade finance. All of the Company's services, including those of its subsidiaries, are focused on serving customers in the steel industry.

For the six months ended 30th September, 2000, over 531,000 tonnes of Steel Products were traded through the iSteelAsia.com portal.

REASONS FOR THE SUBSCRIPTION

As disclosed in the Prospectus, expansion and acquisition strategies will play a significant role in the future growth plan of the Group. The Directors believe that the Subscription is part of the expansion and acquisition strategies of the Group and represents a good opportunity for the Group to enhance future growth.

GENERAL

The terms of the Subscription Agreement were arrived at after arm's length negotiations and the Directors consider that the terms of the Subscription Agreement are fair and reasonable so far as the Company and its shareholders taken as a whole are concerned.

The Directors expect that the Subscription will be financed by the Group's internal resources, banking facilities and/or the net proceeds generated from the pre-placing of new Shares of the Company to Li Ka Shing Foundation Limited pursuant to a placing agreement dated 29th March, 2000 as disclosed in the Prospectus.

The exercise of Tranche B Option and/or the exercise of Tranche C Option by the Company will be in compliance with the GEM Listing Rules.

The Subscription constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

The Subscription Agreement is conditional upon, among others, entering into of a number of ancillary agreements/arrangements, including, among others, the Put Option Agreement, Revenue Option Agreement and Website Trading Agreement, between the Company and/or ISAS and/or ISABVI and Stemcor, on or before the completion of Subscription. The terms of such ancillary agreements have not been finalised as at the date of this announcement.

None of the Directors, management shareholders and substantial shareholders of the Company and its associates has any interests in Stemcor.

A circular containing details of the Subscription Agreement will be despatched to the shareholders of the Company as soon as practicable.

Investors should be aware that completion of the Subscription Agreement is subject to certain conditions being satisfied. In particular, ISAS may decide not to proceed with the Subscription if ISAS is not satisfied with the results of its due diligence on Stemcor or the parties fail to agree on the terms of the ancillary agreements/arrangements and completion of the Subscription is subject to approval by the shareholders of Stemcor. Furthermore, there can be no assurance that the ancillary agreements/arrangements will be entered into. Investors should therefore exercise caution when dealing in the Shares.

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Agreed Completion Accounts”	the Accounts reviewed by ISAS's accountants and agreed between Stemcor's accountants and ISAS's accountants in accordance with the terms of the Subscription Agreement
“Audited Net Assets”	the consolidated net assets of the Stemcor Group as at 31st December, 2000, excluding the subscription price of the Tranche A Shares and any assets acquired therewith
“Audited Net Trading Profit”	the audited consolidated net profit of the Stemcor Group from Steel Trading after taxation for the year ending 31st December, 2000
“Board”	the board of directors of the Company
“Company”	iSteelAsia.com Limited

“Directors”	the directors of the Company
“Final Agreed Valuation”	the amount equal to the greater of 10 times the Audited Net Trading Profit and 1.5 times the Audited Net Assets (but excluding the subscription price of the Tranche A Shares to be paid to Stemcor and any assets acquired by Stemcor therewith) as shown in the Agreed Completion Accounts
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of the Hong Kong Limited
“Group”	the Company and its subsidiaries
“Initial Agreed Valuation”	being the higher of (i) 10 times the aggregate of the profit from Steel Trading identified in Stemcor’s unaudited management accounts for the period from 1st January, 2000 to 30th November, 2000 and one month of forecast profits for December 2000; and (ii) 1.5 times the consolidated net assets identified in Stemcor’s unaudited management accounts as at 30th November, 2000 and any change forecast to have taken place as at 31st December, 2000 (assuming the disposition of any assets relating to the Other Activities)
“ISABVI”	iSteelAsia Limited, an indirect wholly-owned subsidiary of the Company
“ISAS”	iSteelAsia (Stemcor) Holdings Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“Other Activities”	businesses which are in the process of being closed down or disposed of by the Stemcor Group
“Prospectus”	the prospectus of the Company dated 14th April, 2000
“Put Option”	an option which may be granted to ISAS to require Stemcor to buy back Tranche A Shares (as adjusted) and Tranche B Shares (as adjusted and assuming that Tranche B Option is exercised) in full
“Put Option Agreement”	an ancillary agreement anticipated to be entered into between the Company and Stemcor, no later than 29th December, 2000 in relation to the Put Option

“Revenue Option Agreement”	an ancillary agreement anticipated to be entered into between TN Development and Stemcor no later than 29th December, 2000 pursuant to which TN Development may grant options to Stemcor as a Founding Member (as defined in the Prospectus)
“Shares”	share(s) of HK\$0.10 each in the capital of the Company
“Steel Products”	steel and steel products traded on the iSteelAsia.com portal
“Steel Trading”	all the businesses of the Stemcor Group (except the Other Activities) which is to say the buying and selling of steel products and steelmaking raw materials on a proprietary or agency basis, together with ancillary services in related areas such as stockholding, processing, arranging shipping and transportation, arranging insurance of steel products, other financial services and incidental trade in other commodities, all carried out in order to facilitate and increase the profitability of steel trading
“Stemcor”	Stemcor Holdings Limited, a private company incorporated in the UK
“Stemcor Group”	Stemcor and its subsidiaries
“Stemcor Share(s)”	ordinary share(s) of £1.00 each in the issued share capital of Stemcor
“Subscription”	the subscription by the Company of Tranche A Shares on the terms and conditions under the Subscription Agreement
“Subscription Agreement”	the share subscription agreement dated 1st December, 2000, entered into between the Company, ISAS and Stemcor regarding the subscription of new shares in Stemcor
“Tranche A Shares”	new Stemcor Shares to be subscribed for at the consideration of US\$3 million by the Company pursuant to the Subscription Agreement
“Tranche B Option”	an option granted by Stemcor to the Company to acquire Tranche B Shares
“Tranche B Shares”	additional Stemcor Shares to be acquired by the Company upon exercise of the Tranche B Option
“Tranche C Option”	an option granted by Stemcor to the Company to acquire Tranche C Shares
“Tranche C Shares”	additional Stemcor Shares to be acquired by the Company upon exercise of the Tranche C Option

“TN Development”	TN Development Limited, a company incorporated in the British Virgin Islands with limited liability
“VSC”	Van Shung Chong Holdings Limited, a company incorporated in Bermuda, the securities of which are listed on the main board of The Stock Exchange of the Hong Kong Limited
“VSC Group”	VSC and its subsidiaries
“US\$”	United States dollars, the lawful currency of the United States of America
“Website Trading Agreement”	an ancillary agreement anticipated to be entered into between ISABVI and Stemcor, no later than 29th December, 2000 regarding the commitments by Stemcor to make purchases and sales of Steel Products through the iSteelAsia.com portal
“Year 2000 Accounts”	the audited consolidated balance sheet of the Stemcor Group as at 31st December, 2000 which shall include the Audited Net Assets and the audited consolidated profit and loss account of the Stemcor Group for the year ending on 31st December, 2000 which shall include the Audited Net Trading Profit. Such accounts are expected to be provided by Stemcor to ISAS no later than 31st March, 2001

By Order of the Board
Drina C. Yue
Director

Hong Kong, 1st December, 2000

The pound sterling amounts and US dollar amounts shown in this announcement have been translated into Hong Kong dollars at an exchange rate of £1.00=HK\$11.14 and at an exchange rate of US\$1.00=HK\$7.8 respectively.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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