



Styland Holdings Limited

(Incorporated in Bermuda with limited liability)

CHANGE OF BOARD LOTS AND DESPATCH OF THE CIRCULAR IN RESPECT OF THE PROPOSED RIGHTS ISSUE

Financial adviser to the Company



International Capital Network Limited

Co-Financial adviser to the Company



EVER-LONG SECURITIES CO., LTD.

The Directors resolved to change the board lots of Shares from 500 Shares to 10,000 Shares. The change of board lots will not result in any change in the relative rights of the Shareholders and the Shares will rank *pari passu* in all respects with each other. The change of board lots will become effective on 6 November 2001, being the next business day after the SGM.

The circular setting out information on the Rights Issue has been despatched to Shareholders on 19th October, 2001.

The SGM will be held at Unit D, 5th Floor, Hong Kong Spinners Industrial Building, Phase 5, 760-762 Cheung Sha Wan Road, Kowloon, Hong Kong at 10:00 a.m. on Monday, 5th November, 2001 to consider the Rights Issue and the granting of the general mandates for the issue and repurchase of securities in the Company.

Reference is made to the press announcement (the "Announcement") made by the Company dated 5th October, 2001 in respect of the Rights Issue. Terms used herein shall have the same meanings as defined in the Announcement unless otherwise specified.

CHANGE OF BOARD LOTS

The Directors resolved to change the board lots of Shares from 500 Shares to 10,000 Shares. The change of board lots will not result in any change in the relative rights of the Shareholders and the Shares will rank *pari passu* in all respects with each other. The change of board lots will become effective on 6 November 2001, being the next business day after the SGM. The Directors consider that the change of board lots will improve liquidity of the Shares in the market and is in the interest of the Company and the Shareholders.

In order to alleviate the difficulties arising from the existence of odd lots from the change in board lots, the Company has agreed to procure Ever-Long Securities Company Limited to stand in the market to provide matching services for the odd lots of Shares and Rights Shares (in both nil-paid and fully-paid forms) on a best effort basis during the period from 6th November, 2001 to 6th December, 2001 (both days inclusive).

Share certificates in board lots of 500 Shares will continue to be evidence of entitlement to the Shares and be valid for delivery and settlement. As from 6th November, 2001 new share certificates will be issued in board lots of 10,000 Shares (except for odd lots or where the Company's Hong Kong branch share registrars are otherwise instructed). Existing certificates for the 500 Shares can be submitted to the Company's Hong Kong branch share registrar, Tengis Limited of 4th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong (the "Registrar"), in exchange for new share certificates free of charge during the period from 6th November, 2001 to 4:00 p.m. on 6th December, 2001, both days inclusive. Thereafter the usual charge of HK\$2.5 (or any greater amount as the Stock Exchange may approve from time to time) per new share certificate issued will apply. It is expected that new share certificates will be available for collection 10 business days after submission of the existing share certificates to the Registrar for exchange. Shareholders will be able to collect their new certificates in board lots of 10,000 Shares earlier than the time set out above by using the optional securities registration service or expedited securities registration service provided by the Registrar. The additional fee for such services shall be borne by the Shareholders using such services. The new certificates in board lots of 10,000 Shares will be green in colour in order to distinguish them from existing certificates for the existing Shares which are pink in colour.

DESPATCH OF CIRCULAR

The Directors announce that a circular of the Company containing, inter alia, details of the Rights Issue and the granting of the general mandates for the issue and repurchase of securities in the Company, a letter from the independent board committee of the Company, a letter from the independent financial adviser and a notice of SGM, together with a form of proxy have been despatched to Shareholders on Friday, 19th October, 2001.

SGM

The SGM of the Company will be held at Unit D, 5th Floor, Hong Kong Spinners Industrial Building, Phase 5, 760-762 Cheung Sha Wan Road, Kowloon, Hong Kong at 10:00 a.m. on Monday, 5th November, 2001 to consider the Rights Issue and the granting of the general mandates for the issue and repurchase of securities in the Company.

By Order of the Board
Styland Holdings Limited
Steven Wang Tai Li
Director