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WellNet Holdings Limited

創新發展集團有限公司*

(Incorporated in Bermuda with limited liability)

ANNOUNCEMENT

The Company announced on 10th September, 2001 that at the SGM held on 10th September, 2001, resolutions were passed by the WellNet Shareholders to approve the Distribution, the Connected Share Subscription Agreements, the Share Option Scheme, the Spin-off Related Transactions and all the transactions in connection with the Spin-off.

The timetable for the Spin-off has been revised. Share certificates for the WorldMetal Shares under the Distribution are expected to be despatched to the Qualifying Shareholders on or about 24th October, 2001.

The offer structure of the Spin-off is also revised. The Spin-off will now be effected by means of the Distribution, the Share Subscription and the placing of new WorldMetal Shares and a certain number of existing WorldMetal Shares held by the Company to institutional, professional and other investors. These changes will not affect the matters approved in the resolutions passed at the SGM and the Spin-off will proceed in accordance with the requirements of the Listing Rules.

Arrangement has been made for the trading of odd lots of WorldMetal Shares received by the Qualifying Shareholders under the Distribution.

Reference is made to the announcements of WellNet Holdings Limited (the "Company") dated 23rd August, 2001 and 10th September, 2001 and the circular of the Company dated 24th August, 2001 (the "Circular") relating to the Distribution, the Connected Share Subscription Agreements, the Share Option Scheme, the Spin-off Related Transactions and other transactions in connection with the Spin-off and the announcement made by the Company in relation to the postponement of the Spin-off dated 20th September, 2001. Unless otherwise defined, terms used in this announcement have the same meanings as defined in the Circular.

The Company announced on 10th September, 2001 that at the SGM held on 10th September, 2001, resolutions were passed by the WellNet Shareholders to approve the Distribution, the Connected Share Subscription Agreements, the Share Option Scheme, the Spin-off Related Transactions and all the transactions in connection with the Spin-off.

REVISED TIMETABLE OF THE SPIN-OFF

The timetable for the Spin-off has been revised. The expected timetable is set out below:

2001

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|---|--------------|
| Distribution expected to become unconditional | 24th October |
| Despatch of share certificates for the WorldMetal Shares under the Distribution | 24th October |
| Dealings in the WorldMetal Shares on GEM to commence on | 26th October |

CHANGES TO OFFER STRUCTURE

The Spin-off is at present expected to be effected by means of the Distribution, the Share Subscription and the placing of new WorldMetal Shares and a certain number of existing WorldMetal Shares held by the Company to institutional, professional and other investors and will be accompanied by a separate listing of WorldMetal Shares on GEM. Under the revised offer structure, the Company and the public would hold approximately 51.373% and 25.119% respectively in the share capital of WorldMetal after the Spin-off.

In addition, a full board lot is now expected to comprise 10,000 WorldMetal Shares instead of 6,000 WorldMetal Shares.

These changes will not affect the matters approved in the resolutions passed at the SGM and the Spin-off will proceed in accordance with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

ARRANGEMENT FOR ODD LOT TRADING

In order to facilitate the trading of odd lots of WorldMetal Shares received by the Qualifying Shareholders under the Distribution, WorldMetal has arranged for BOCI Securities Limited to match the sale and purchase of odd lots of WorldMetal Shares for a period of 14 calendar days commencing on the first day of dealings in WorldMetal Shares on GEM, which is expected to be 26th October, 2001. Qualifying Shareholders who receive WorldMetal Shares in odd lots and wish to take advantage of this facility to either dispose of or top up their odd lots to board lots of 10,000 WorldMetal Shares may contact Mr. Hang Kwong Lam of BOCI Securities Limited at 21st Floor, Central Tower, 28 Queen's Road Central, Hong Kong (Tel.: 2867 6630) during such period. Qualifying Shareholders holding WorldMetal Shares in odd lots should note that the matching of the sale and purchase of odd lots of WorldMetal Shares is not guaranteed and it may be done at a price lower than the market price.

By order of the Board
WellNet Holdings Limited
Ng Lai Ping, Grace
Company Secretary

Hong Kong, 15th October, 2001

* For identification only