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OCEAN SHORES GROUP LIMITED

海岸集團有限公司*

(Incorporated in Bermuda with limited liability)

MAJOR TRANSACTION

**Granting of Hotel and Intranet Distribution Rights and
Disposal of 100% interest in**

Ocean Shores Licensing Limited to Gainful Fortune

DISCLOSEABLE AND CONNECTED TRANSACTION

Licensing of distribution rights for 116 Movies from China Star

CONNECTED TRANSACTION

**Grant of first right of refusal by China Star to acquire
Territory Distribution Rights**

DELAY IN THE DESPATCH OF THE CIRCULAR

Despatch of the circular to the shareholders of Ocean Shores Group Limited (the "Company") containing information relating to the proposed Gainful Fortune Supply Agreement, Sale and Purchase Agreement, Licensing Agreement and Territory Supply Agreement as announced on 8th February, 2002 will be delayed to on or before 13th March, 2002.

Reference is made to the press announcement of the Company dated 8th February, 2002 (the "Announcement") regarding the proposed Gainful Fortune Supply Agreement, Sale and Purchase Agreement, Licensing Agreement and Territory Supply Agreement. Capitalised terms defined in the Announcement shall have the same meanings herein unless the context otherwise requires.

Under Rules 14.13(2) and 14.29(2) of the Listing Rules, the Company is required to despatch the circular containing, amongst others, further details of the matters disclosed in the Announcement, an opinion from an independent financial adviser and a letter from an independent board committee relating to the transactions contemplated in the Licensing Agreement and Territory Supply Agreement to its shareholders within 21 days of the publication of the Announcement, being not later than 4th March, 2002. Due to the long period of Chinese New Year holidays and as more time is required to collate certain financial information to be included in the circular, an application has been made to the Stock Exchange for its consent to an extension of time for the despatch of the circular. It is expected that the circular will be despatched to the shareholders of the Company on or before 13th March, 2002.

By Order of the Board
Ocean Shores Group Limited
Lei Hong Wai
Executive Director

Hong Kong, 1st March, 2002

** for identification only*