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世紀城市國際控股有限公司
Century City
International Holdings Limited
(Incorporated in Bermuda with limited liability)

Share Transaction

The Company has entered into an agreement dated 18 February 2002 for the allotment and issue of 250,000,000 new Shares at HK\$0.10 each to Prism in satisfaction of the consideration for 10,000,000 Prism Shares.

The Company was also granted an option to subscribe for up to a further 30,000,000 Prism Shares.

Prism carries on a business of telecommunications and Internet-related businesses and equipment trading, through Prism Systems.

The Consideration Shares represent approximately 7.5% of the present entire issued share capital of the Company and approximately 7% of the entire issued share capital of the Company as enlarged by the issue of the Consideration Shares.

At the request of the Company, trading in its Shares on the Stock Exchange was suspended from 10.00 a.m. on 19 February 2002. The Company has applied to the Stock Exchange for dealings to resume from 10.00 a.m. on 20 February 2002.

Share Exchange Agreement dated 18 February 2002

Parties

Issuer: the Company
Allottee: Prism
Warrantors: Prism, Mr. Max Tong and Mr. Richard Lo Chi Ho

Each of Prism, Mr. Max Tong and Mr. Richard Lo Chi Ho is an independent third party not connected with any of the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or their respective associates. Mr. Max Tong and Mr. Richard Lo Chi Ho are substantial beneficial shareholders, and directors, of Prism. Presently, Prism's single largest shareholder is holding approximately 33% of Prism; such shareholder is an independent third party not connected with any of the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or their respective associates.

The Transaction

The Company agreed to subscribe for 10,000,000 Prism Shares for the Consideration Shares.

The 10,000,000 Prism Shares issued will represent approximately 5.6% of the present issued share capital of Prism.

The 10,000,000 Prism Shares are valued at approximately HK\$27.24 million, based on a business valuation report prepared by Grant Sherman Appraisal Limited, dated 18 February 2002. Grant Sherman Appraisal Limited is an independent third party not connected with any of the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or their respective associates.

Number and Class of the Consideration Shares

The Consideration Shares represents approximately 7.5% of the present entire issued share capital of the Company and approximately 7% of the entire issued share capital of the Company as enlarged by the issue of the Consideration Shares. The Consideration Shares will rank pari passu in all respects with the existing issued Shares.

The value of Consideration Shares represents a discount of approximately 8.2% to the value attributed to the 10,000,000 Prism Shares.

The Issue Price

The Issue Price represents a premium of 163% over the closing price of HK\$0.038 of the Shares as quoted on the Stock Exchange on 18 February 2002 and a premium of 159% over the average closing price of HK\$0.0386 of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days ending on 18 February 2002. The Issue Price was determined after arm's length negotiation between the Company and Prism. The directors of the Company consider the Issue Price fair and reasonable. The aggregate Issue Price for the Consideration Shares will be satisfied by the issue and allotment of 10,000,000 Prism Shares to the Company.

Prism

Prism is a company incorporated in 2000 under the laws of the British Virgin Islands and carries on a business of telecommunications and Internet-related businesses and equipment trading, through Prism Systems, the major asset of Prism. Prism Systems carries on its business in Hong Kong.

Prism Systems is an emerging Internet Telephony Service Provider of international voice and fax long distance services. Its platform employs Voice-over-Internet Protocol technology. The services to be provided by Prism Systems are intended to be phone-to-phone (cellular or fixed line) with the user requiring no specialist equipment.

Prism Systems provides long distance telephony services with an operational rate structure that is highly competitive among traditional long distance telephony services.

Through existing and planned alliances with complementary services providers, Prism Systems' future services are intended to include Internet access, unified messaging system, call forwarding, video conferencing, virtual private network and other value added peripherals directly to its subscriber base.

Based on the audited profit and loss account of Prism for the period from 1 April 2001 to 31 January 2002 and from 24 May 2000 (its date of incorporation) to 31 March 2001, the net losses before and after tax were HK\$19,530 and HK\$209,500 respectively.

Based on the audited balance sheet of Prism as of 31 January 2002, the net assets of Prism were approximately HK\$17.6 million.

Terms of the Option

The Company has been granted an option by Prism to subscribe for up to a further 30,000,000 Prism Shares at an exercise price

per Prism Share of 25 new Shares, subject to certain adjustment provisions in the event that either party's share capital is altered by way of subdivision or consolidation; in the event of a merger of either party with another entity or in the event any bonus dividend is declared. The exercise price is calculated on the same basis as the number of Consideration Shares per share in Prism for the Transaction, subject to the adjustment provisions outlined above.

The Option is exercisable in full or in up to three instalments of up to 10,000,000 Prism Shares each. The Option is exercisable only if Mr. Y.S. Lo is the controlling shareholder (within the meaning of the Listing Rules) of the Company and there has been no material adverse change in the financial position of the Company since the date of completion of the Transaction. The Option shall lapse on the earlier to occur of 1 October 2002 (or the next business day) and the listing of the Prism Shares on an internationally recognised investment exchange.

Conditions

The Transaction is conditional upon, inter alia, the Company having carried out satisfactory legal and financial due diligence on Prism and its subsidiaries and the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Consideration Shares (subject only to allotment). Application will be made to the Listing Committee of the Stock Exchange of the listing of and permission to deal in the Consideration Shares.

Completion

Completion is expected to take place on or before 8 March 2002.

General Mandate

The Consideration Shares will be issued pursuant to the general mandate to allot, issue and deal with the Shares granted to the directors of the Company on 12 June 2001.

Reasons for the Transaction

The directors of the Company consider the Transaction to be in the interest of the Company as it provides an opportunity for the Company to increase its involvement in information technology and telecommunications businesses, while enlarging the Company's capital base.

Business of the Company

The Company is an investment holding company and the principal activities of its subsidiaries include property investment and management, property development, development consultancy and project management, construction and construction-related businesses, hotel ownership and management, promotions and communications and other investments.

Resumption of trading

At the request of the Company, trading in its Shares on the Stock Exchange was suspended from 10.00 a.m. on 19 February 2002. The Company has applied to the Stock Exchange for dealings to resume from 10.00 a.m. on 20 February 2002.

Definitions

Company	Century City International Holdings Limited, a company incorporated in Bermuda with limited liability
Consideration Shares	250,000,000 new Shares
Issue Price	HK\$0.10 per Consideration Share
Listing Rules	the Rules governing the Listing of Securities on the Stock Exchange
Prism	Prism Communications International Limited, a company incorporated in the British Virgin Islands
Prism Shares	ordinary shares of HK\$0.01 each in the share capital of Prism
Prism Systems	Prism Systems International Limited, a company incorporated in Hong Kong and wholly-owned by Prism
Shares	ordinary shares of HK\$0.10 each in the capital of the Company
Stock Exchange Transaction	The Stock Exchange of Hong Kong Limited the issue of 10,000,000 Prism Shares to the Company for the Consideration Shares

By Order of the Board
Century City International Holdings Limited
Eliza Lam Sau Fun
Secretary

Hong Kong, 19 February 2002