GLOBAL CHINA GROUP HOLDINGS LIMITED
泛華集團控股有限公司

(Incorporated in Bermuda with limited liability)

Announcement for the Results for the Six Months Ended 30th June 2002

INTERIM RESULTS

The Board of Directors (the "Board") of Global China Group Holdings Limited (the "Company") is pleased to present the unaudited condensed consolidated financial statements of the Company and its subsidiaries (collectively the "Group") for the six months ended 30th June 2002, as follows:

Condensed Consolidated Profit and Loss Account
For the Six Months Ended 30th June 2002

	Notes	**Six months ended 30th June 2002 Unaudited *HK$'000***	Six months ended 30th September 2001 Unaudited *HK$'000*
TURNOVER	3	**591,743**	720,059
Cost of sales		**(375,824)**	(478,067)
Gross profit		**215,919**	241,992
Other revenue	4	**7,602**	7,945
Restructuring and re-launch costs	5	**(3,935)**	(12,823)
Distribution costs		**(77,805)**	(94,523)
Administrative expenses		**(163,026)**	(178,104)
Other operating expenses		**(10,482)**	(17,134)
Profit on disposal of subsidiaries	6	**150,113**	—
Gain on realization of capital reserve on disposal of subsidiaries		**57,199**	—
PROFIT/(LOSS) FROM OPERATING ACTIVITIES	7	**175,585**	(52,647)
Finance costs		**(941)**	(272)
Provisions for amounts due from jointly-controlled entities and associates		**(5,378)**	(7,322)
Share of profits and losses of:			
Jointly-controlled entities		**(8,333)**	(4,155)
Associates		**(667)**	(87)
PROFIT/(LOSS) BEFORE TAX		**160,266**	(64,483)
Tax	8	**(13,271)**	(12,498)
PROFIT/(LOSS) BEFORE MINORITY INTERESTS		**146,995**	(76,981)
Minority interests		**(31,797)**	8,811
NET PROFIT/(LOSS) FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		**115,198**	(68,170)
Earnings/(loss) per share (HK cents)	10		
— basic		**7.83**	(4.83)
— diluted		**N/A**	N/A

Notes:

1. BASIS OF PRESENTATION

The unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Statement of Standard Accounting Practice ("SSAP") No. 25 "Interim Financial Reporting" and Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The financial year end date of the Company was changed from 31st March to 31st December with effect from 19th November 2001. These unaudited condensed consolidated interim financial statements cover a period of six months from 1st January 2002 to 30th June 2002. Accordingly, the comparative amounts presented for the condensed consolidated profit and loss account, condensed consolidated statement of changes in equity, condensed consolidated cash flow statement and related notes are not for a comparable time period.

2. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of the unaudited condensed consolidated interim financial statements are consistent with those used in the Group's annual audited financial statements for the period ended 31st December 2001 except that the Group has changed certain of its accounting policies following its adoption of the following new and/or revised SSAPs which are effective for accounting periods commencing on or after 1st January 2002. Certain comparative figures have been reclassified to conform with the current period's presentation:

SSAP 1 (revised):	Presentation of Financial Statements
SSAP 11 (revised):	Foreign Currency Translation
SSAP 15 (revised):	Cash Flow Statements
SSAP 33:	Discontinuing Operations
SSAP 34:	Employee Benefits

The principal impact on the interim financial statements after the adoption of the new and/or revised SSAPs is summarised as follows:

An unaudited condensed consolidated statement of changes in equity for the current interim period and the comparative figures is included instead of a statement of recognized gains and losses which was previously presented, after the adoption of the SSAP 1 (revised) "Presentation of Financial Statements".

The format of the unaudited condensed consolidated cash flow statement for the current and prior periods have been revised in accordance with the SSAP 15 (revised) "Cash Flow Statements".

Additional disclosures are set out in the unaudited condensed consolidated interim financial statements after adopting the new SSAP 33 "Discontinuing Operations".

SSAP 34 prescribes the accounting treatment and disclosures for employee benefits. This SSAP has no major impact on the unaudited condensed consolidated interim financial statements.

3. SEGMENTAL INFORMATION

The revenue and results of the Group for the six months ended 30th June 2002 and 30th September 2001, analysed by (a) primary reporting basis — by business segments and (b) secondary reporting basis — by geographical segments, are as follows:

(a) Business segments

	Trading Unaudited		Publishing operations Unaudited		Commercial printing discontinued operations Unaudited		Corporate and others Unaudited		Eliminations Unaudited		Consolidated Unaudited	
	Period ended 30th June 2002 *HK$000*	Period ended 30th September 2001 *HK$000*	**Period ended 30th June 2002 *HK$000***	Period ended 30th September 2001 *HK$000*	**Period ended 30th June 2002 *HK$000***	Period ended 30th September 2001 *HK$000*	**Period ended 30th June 2002 *HK$000***	Period ended 30th September **2001** *HK$000*	**Period ended 30th June 2002 *HK$000***	Period ended 30th September 2001 *HK$000*	**Period ended 30th June 2002 *HK$000***	Period ended 30th September 2001 *HK$000*
Segment revenue:												
Sales to external customers	**52,168**	71,569	**407,965**	393,953	**101,177**	247,536	**30,433**	7,001	**—**	—	**591,743**	720,059
Intersegment sales	**—**	—	**5,048**	5,670	**2,422**	1,661	**3,158**	1,368	**(10,628)**	(8,699)	**—**	—
Other revenue	**1,916**	192	**—**	—	**—**	—	**212**	548	**—**	—	**2,128**	740
Total	**54,084**	71,761	**413,013**	399,623	**103,599**	249,197	**33,803**	8,917	**(10,628)**	(8,699)	**593,871**	720,799
Segment results	**3,125**	1,831	**757**	(36,099)	**5,478**	40,372	**(42,626)**	(53,133)			**(33,266)**	(47,029)
Interest and dividend income											**4,465**	6,274
Unallocated gains											**1,009**	931
Restructuring and re-launch costs											**(3,935)**	(12,823)
Profit on disposal of subsidiaries											**150,113**	—
Gain on realization of capital reserve on disposal of subsidiaries											**57,199**	—
Profit/(loss) from operating activities											**175,585**	(52,647)
Finance costs											**(941)**	(272)
Provisions for amounts due from jointly-controlled entities and associates											**(5,378)**	(7,322)
Share of profits and losses of:												
Jointly-controlled entities	**—**	—	**3,779**	2,663	**—**	—	**(12,112)**	(6,818)			**(8,333)**	(4,155)
Associates	**(35)**	(85)	**—**	—	**—**	—	**(632)**	(2)			**(667)**	(87)
Profit/(loss) before tax											**160,266**	(64,483)
Tax											**(13,271)**	(12,498)
Profit/(loss) before minority interests											**146,995**	(76,981)
Minority interests											**(31,797)**	8,811
Net profit / (loss) from ordinary activities attributable to shareholders											**115,198**	(68,170)

(b) Geographical segments

	Hong Kong and PRC Unaudited		North America Unaudited		Australia and New Zealand Unaudited		Europe Unaudited		Eliminations Unaudited		Consolidated Unaudited	
	Period ended 30th June 2002 *HK$000*	Period ended 30th September 2001 *HK$000*	**Period ended 30th June 2002 *HK$000***	Period ended 30th September 2001 *HK$000*	**Period ended 30th June 2002 *HK$000***	Period ended 30th September 2001 *HK$000*	**Period ended 30th June 2002 *HK$000***	Period ended 30th September **2001** *HK$000*	**Period ended 30th June 2002 *HK$000***	Period ended 30th September 2001 *HK$000*	**Period ended 30th June 2002 *HK$000***	Period ended 30th September 2001 *HK$000*
Segment revenue:												
Sales to external customers	**353,176**	383,100	**181,359**	254,810	**17,699**	20,730	**39,509**	61,419	**—**	—	**591,743**	720,059
Other revenue	**2,128**	740	**—**	—	**—**	—	**—**	—	**—**	—	**2,128**	740
	355,304	383,840	**181,359**	254,810	**17,699**	20,730	**39,509**	61,419	**—**	—	**593,871**	720,799
Segment results	**(31,144)**	(45,506)	**(4,151)**	(3,278)	**(874)**	(195)	**2,903**	1,950	**—**	—	**(33,266)**	(47,029)

4. OTHER REVENUE

	Six months ended 30th June 2002 Unaudited *HK$'000*	Six months ended 30th September 2001 Unaudited *HK$'000*
Interest income	**3,381**	6,189
Dividend income from listed investments	**1,084**	85
Rental Income	**209**	131
Gain on disposal of short term investments	**1,009**	931
Other income	**1,919**	609
	7,602	7,945

5. RESTRUCTURING AND RE-LAUNCH COSTS

The Group incurred a total cost of HK$3,935,000 in the six months ended 30th June 2002 (six months ended 30th September 2001: HK$12,823,000) for a series of restructuring exercises, including ex-gratia payments to executives resulting from the disposal of the Printing Business in April 2002 as well as costs associated with the re-launch of The Standard which was a further step in strengthening the positioning of the publication as a business newspaper for the Greater China region.

6. **DISCONTINUED OPERATIONS**

On 25th January 2002, the Group entered into a sale and purchase agreement with an independent third party to dispose of its commercial printing operations. The disposal was subsequently completed on 19th April 2002.

The carrying amounts of the total assets and liabilities relating to the discontinued operations as at 19th April 2002 (date of completion of disposal) and at 31st December 2001 are as follows:

	Unaudited 19th April 2002 *HK$'000*	Unaudited 31st December 2002 *HK$'000*
Total assets	**307,177**	305,660
Total liabilities	**(65,326)**	(76,059)
	241,851	229,601

The turnover, other revenue, expenses and results from the ordinary operations of the discontinued operations for the period from 1st January 2002 to 19th April 2002 (date of completion of disposal) and the six months ended 30th September 2001 are as follows:

	Unaudited Period ended 19th April 2002 *HK$'000*	Unaudited Six months ended 30th September 2001 *HK$'000*
Turnover	**101,177**	247,536
Inter-group sales	**2,422**	1,661
	103,599	249,197
Cost of sales	**(64,442)**	(144,552)
Gross Profit	**39,157**	104,645
Other revenue	**138**	537
Selling and distribution expenses	**(10,456)**	(24,510)
Administrative expenses	**(13,076)**	(29,459)
Other operating expense	**(254)**	(214)
Intra-group charges	**(5,663)**	(9,832)
Profit on disposal of subsidiaries	**150,113**	—
Operating profit	**159,959**	41,167
Finance costs	**(132)**	(272)
Profit before tax	**159,827**	40,895
Tax	**(496)**	(4,540)
Profit after tax	**159,331**	36,355

The net cash flows attributable to the discontinued operations are as follows:

	Unaudited Period ended 19th April 2002 *HK$'000*	Unaudited Six months ended 30th September 2001 *HK$'000*
Operating activities	**36,858**	15,765
Investing activities	**(17,399)**	(46,600)
Financing activities	**(10,250)**	11,000
Net cash inflow/(outflow)	**9,209**	(19,835)

7. **PROFIT/(LOSS) FROM OPERATING ACTIVITIES**

Profit/(loss) from operating activities is arrived after charging:

	Six months ended 30th June 2002 Unaudited *HK$'000*	Six months ended 30th September 2001 Unaudited *HK$'000*
Amortisation of goodwill	**3,628**	208
Depreciation	**20,403**	20,633
Loss on disposal of fixed assets	**181**	112
Loss on changes in fair value of short term investments, net	**2,596**	12,374
Operating lease rental in respect of:		
Land and buildings	**6,277**	5,454
Other equipment	**132**	931
and after crediting:		
Gain on disposal of fixed assets	**2,322**	111
Gain on realization of capital reserve on disposal of subsidiaries	**57,199**	—
Profit on disposal of subsidiaries	**150,113**	—

8. **TAX**

Hong Kong profits tax has been provided at the rate of 16% (2001: 16%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	Six months ended 30th June 2002 Unaudited *HK$'000*	Six months ended 30th September 2001 Unaudited *HK$'000*
The People's Republic of China (the "PRC")		
Hong Kong	**1,017**	5,551
Elsewhere	**58**	27
Elsewhere	**9,147**	8,507
Overprovision in prior years	**(7)**	(1,310)
Deferred tax	**(10)**	(583)
Share of tax attributable to:		
Jointly-controlled entities	**3,066**	306
Tax charge for the period	**13,271**	12,498

9. **INTERIM DIVIDEND**

No interim dividend is proposed for the six months ended 30th June 2002. (2001: Nil)

10. **EARNINGS/(LOSS) PER SHARE**

The calculation of the basic earnings/(loss) per share is based on the net profit from ordinary activities attributable to shareholders for the period of HK$115,198,000 (2001: loss of HK$68,170,000) and the weighted average of 1,470,345,273 (2001: 1,412,531,918) ordinary shares in issue during the period.

The diluted earnings/(loss) per share for the period ended 30th June 2002 and 30th September 2001 has not been presented as there was no dilutive effect on the basic earnings/(loss) per share during the current and prior periods. The conversion of the preference shares and the outstanding share options would have an anti-dilutive effect on the basic earnings/(loss) per share for the current and prior periods.

11. **COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform with current period's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATIONS

The consolidated turnover of the Group for the six months ended 30th June 2002 ("Period") amounted to HK$591.7 million as compared with HK$720.1 million for the six months ended 30th September 2001 ("Previous Period") while operating losses narrowed from HK$52.6 million to HK$31.7 million (before exceptional gain). The Group recorded an exceptional gain of HK$150.1 million from the disposal of its commercial printing operations and a gain on realization of capital reserve in respect of such disposal. Profit attributable to shareholders was HK$115.2 million for the Period compared with a loss attributable to shareholders of HK$68.2 million during the Previous Period.

The financial year end date of the Company was changed from 31st March to 31st December with effect from 19th November 2001, in order to align with the statutory year end dates of its subsidiaries and jointly controlled entities in the People's Republic of China ("PRC"). Accordingly, the interim results for the Period are not directly comparable with those for the Previous Period.

During the Period, the Group continued to focus on the development of its core businesses, which are organized into 3 key areas: Media Ownership & Services, Human Capital Management and Broadband Content & Distribution, whilst non-core businesses were streamlined and, where appropriate, disposed of in order to provide a strong platform for the Group's long term development and to capture the opportunities ahead.

Media Ownership & Services

Sing Tao

During the Period, Sing Tao Holdings Limited ("Sing Tao") continued to be the major contributor to the Group's Media Ownership business. The businesses of Sing Tao underwent a series of restructuring since the Period, culminating in the media related businesses becoming majority-owned by the Group and the non-media related property investment business (grouped under Sing Tao) being sold to an independent third party. After the change in ownership, Sing Tao has since been renamed Shanghai Ming Yuan Holdings Limited. For purposes of this discussion and analysis, references to the results of Sing Tao include the results for the entire business during the Period.

The consolidated turnover of Sing Tao for the Period amounted to HK$538.8 million as compared with HK$648.5 million for the Previous Period while operating losses narrowed from HK$18.7 million to HK$8.6 million (before exceptional gain). An exceptional gain of HK$146.9 million was recorded from the disposal of its commercial printing business. Profit attributable to shareholders was HK$122.4 million for the Period compared with a loss attributable to shareholders of HK$35.0 million during the Previous Period.

Media Operations

The Media operations, comprising the Newspaper Division and the Magazine Division, staged a significant turnaround during the Period despite the local economy still being in the doldrums. Continuous cost-cutting efforts, improved synergies through resources sharing, revamping of existing products and launching of new titles enabled the Media operations to record revenue and operating profit of HK$413.0 million and HK$0.8 million respectively for the Period, compared with revenue of HK$399.6 million and an operating loss of HK$36.1 million for the Previous Period.

Within the Newspaper Division, revenue was adversely affected by the depressed local advertising market, which in turn was a result of the continuing weakness in the economy. Revenue of Sing Tao Daily, the Group's flagship Chinese newspaper in Hong Kong, was however maintained during the Period as compared with the Previous Period. Despite the drop in revenue, the Newspaper Division recorded an operating profit during the Period, which may be attributed to a series of business process reengineering exercises to improve productivity and reduce costs. During the Period, The Standard had been successfully re-positioned as an English daily business newspaper focusing on the Greater China region.

The overseas newspaper publishing operations saw a gradual recovery from the downturn brought about by the tragedy of September 11, with improvements in both revenue and operating profit during the Period. The overseas markets present substantial growth potential for the Group's Newspaper Division and efforts have been put in place, including the introduction of a new centralized management structure, to strengthen our operations there. In addition, in order to maximize synergistic benefits and to leverage on our global content creation and aggregation capabilities, an International News Centre was set up in New York to co-ordinate the Group's overseas editorial efforts.

During the Period, the Magazine Division had been set up with the acquisition of two well known titles in Hong Kong — "East Touch" and "Teens", to open up new revenue sources and extend the product offering. The Magazine Division had experienced healthy growth in advertising revenue during the Period, and had started to diversify its revenue base to merchandise sales (through a number of "Teens Stations" which are specialized entertainment/merchandise centers targeted at the Teens readers) as well as content sales to media partners in the PRC.

Commercial Printing Operations

On 25th January 2002, the Group entered into a sale and purchase agreement with an independent third party to dispose of its commercial printing operations. This transaction was completed on 19th April 2002. Revenue for the commercial printing operations from 1st January 2002 to 19th April 2002 was HK$103.6 million while operating profit was HK$5.5 million.

The disposal of the commercial printing operations was part of the Group's restructuring efforts in order to focus management resources on its core businesses and its development plans. The disposal realized a substantial gain for the Group and proceeds from the disposal will provide significant financial resources for the Group to further its objective of becoming a leading multimedia content provider and aggregator serving global Chinese communities.

Non-Print Media

The Group's non-print media operations comprised two joint ventures with Xinhua News Agency. Xinhua Online Info-tech Company Limited ("Xinhuaonline") is a 55%-owned premium subscription-based business and economic information services provider with a focus on the financial and media industries. Performance of Xinhuaonline during the Period was satisfactory with encouraging growth in its customer base. The successful launch of its various products and the media consultancy services helped establish Xinhuaonline's niche position within the market. The second joint venture, Beijing Xinhua TV Broadcasting Limited, is a 49%-owned television program production consultancy company with a focus on financial-related programs for distribution via the platform of Xinhua News Agency.

Media Services

GCT InfoHub Limited was established in November 2001 as an 81:19 joint venture with The Founder Group to develop a knowledge management solution that aggregates, syndicates and delivers electronic content focusing on business and industrial news and intelligence in Greater China. Since its establishment, the joint venture had launched its Chinese-language electronic content targeting corporate and financial institutions in Hong Kong and Taiwan. Plans are underway to extend the product offering to cater for the value-added services to be provided by 3G operators in Hong Kong.

Human Capital Management

The Education and Corporate Training activities of the Group have been reorganized under the Human Capital Management business, with an objective to become the leading human capital management network in Greater China offering integrated services in recruitment, training and human resources management services. This business will leverage on the success of Job Market, the Group's recruitment advertising publication, in Hong Kong and take advantage of the increasing needs for human resources services in the PRC.

Solid progress has been made with the establishment of Beijing Jing Hua Human Capital Management Company Limited（北京經華智業教育科技有限公司）in July 2002. The 70%-owned joint venture with the University of International Business and Economics, a leading university in Beijing, is primarily engaged in the provision of on-line and off-line corporate and vocational training and related services with a view to leveraging on the increasing demand for continuing education in the PRC. Negotiations are underway to strike more strategic alliances to extend the course offerings and services.

Broadband Content & Distribution

During the Period, satisfactory progress has been made by Beelink Information Science and Technology Co., Limited ("Beelink") in its development of advanced broadband technology and multimedia content services. The 40%-owned joint venture in Shantong is currently the dominant broadband service provider in Jinan, the capital of Shantong Province. With improvement in network quality and reliability, Beelink saw encouraging growth in its subscriber base. The number of subscribers increased by 86% to reach approximately 28,000 subscribers by the end of June 2002. The joint venture also continued to explore other sources of revenue through the sale of premium content and the provision of e-commerce services, system integration and software development services.

Trading

Revenue derived from the distribution of photographic products amounted to HK$54.1 million during the Period as compared with HK$71.8 million during the Previous Period. Nonetheless, tight cost control as well as the depreciation of the Japanese yen managed to lift the operating margin of the Trading Division. Operating profit for the Period amounted to HK$3.1 million as compared with HK$1.8 million in the Previous Period.

Prospects

The first half of 2002 presented the Group with both continuing challenges in the local market environment and new opportunities in the PRC market. With a view to increasing focus on our core competencies and establishing a more efficient structure, the Group has undertaken a series of restructuring exercises since July 2002. The businesses of Sing Tao have been reorganized resulting in the Media operations being merged into the Group's Media Ownership & Services Unit while the remaining assets, principally consisting of investment properties in Hong Kong and overseas, were sold to an independent third party to maximize value for shareholders. As part of the restructuring, new shares of the Company were issued to the shareholders of Sing Tao (now known as Shanghai Ming Yuan Holdings Limited) in exchange for their interests in the Media operations. In addition, 124,500,000 news shares of the Company were placed to independent shareholders at HK$0.6388 each to further widen the shareholder base and enhance the Group's financial position.

After the restructuring, the Group is well-positioned to take advantage of any recovery in the local market, as well as new business opportunities in Greater China and overseas. The Group will continue to actively look for expansion opportunities in order to extend its product reach and strengthen its market position in pursuit of its business vision and objectives.

As part of this strategic initiative, the Media Services Division was organized to enable the Group to diversify its revenue source, capture the significant market potential particularly in the PRC whilst establishing a foothold in the PRC media industry, which is still substantially closed to foreign participation. Greater China Media Services Limited（大華媒體服務有限責任公司）is the Group's key investment within this Division. On 30th August 2002, the Group announced this 49:51 joint venture with People's Daily Press, the most influential publishing group in the PRC, to engage in the distribution of print media products and the provision of other related value-added services in the PRC on a nation-wide basis. With this unprecedented franchise, the Group became the first foreign party to participate in this RMB60 billion market for the distribution of newspapers, magazines and books.

Over the past months, the Group has undertaken various measures to strengthen its market position via cost control, diversification, and product improvement. Coupled with its healthy financial position, the Board is confident that the Group is on track to achieving its vision of becoming a leading multimedia content provider and aggregator serving global Chinese communities.

Employees

At 30 June 2002, the Group (excluding Sing Tao) had a total of 72 employees (30th September 2001: 75), of whom 47 were based in Hong Kong, 25 in China. The Group has provided its staff with competitive remuneration packages updated on a periodic basis, the Mandatory Provident Fund scheme and various fringe benefits.

Interim Dividend

The Board have resolved that no interim dividend be declared in respect of the Period (Previous Period: Nil).

LIQUIDITY AND FINANCING

The Group adopts a prudent approach in managing its liquidity and treasury functions and sets out guidelines over the Group's debt profile, financing horizon and currency exposure as well as interest rate risks management.

The Group's bank borrowings were denominated in US dollars and Hong Kong dollars for the Period. The annual interest rate of the borrowings for the six-month period ended 30th June 2002 was about 3.15%.

The Group's gearing ratio as at 30th June 2002 was 0.022 (31st December 2001: 0.041), based on bank borrowings of HK$21.2 million (31st December 2001: HK$36.5million) and shareholder's funds of HK$953.3 million (31st December 2001: HK$898.2 million).

The cash and bank balances increased significantly from HK$332.0 million as at 31st December 2001 to HK$653.5 million as at 30th June 2002 including bank deposits pledged in favour of the banks as at the respective dates. Bank borrowings in total of HK$21.2 million were outstanding which were in part secured by pledged time deposits with a carrying value of HK$30.0 million.

Upon completion of the restructuring mentioned above in "Prospects", the Group's cash position will be further improved.

The Group has very limited exposure to movements in exchange rates. The majority of purchases were denominated in Hong Kong dollars and US dollars.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period.

CODE OF BEST PRACTICE

In the opinion of the Board, the Company had complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules throughout the accounting period covered by the Interim Report, except that the independent non-executive directors of the Company are not appointed for specific terms as they are subject to retirement by rotation at the Annual General Meeting in accordance with the Company's bye-laws.

REVIEW OF INTERIM FINANCIAL STATEMENTS

The audit committee has reviewed with the management of the Company the accounting principles and accounting standards, and discussed matters relating to auditing, internal controls and financial reporting, including unaudited condensed consolidated financial statements for the six months ended 30th June 2002.

DETAILED RESULTS ANNOUNCEMENT ON THE STOCK EXCHANGE'S WEBSITE

The results announcement containing all the information required by Paragraphs 46(1) to 46(6) of Appendix 16 of the Listing Rules will be made available on the Stock Exchange's website in due course.

On behalf of the Board
HO Tsu Kwok, Charles
Chairman

Hong Kong, 27th September 2002