GLOBAL CHINA GROUP HOLDINGS LIMITED
泛 華 集 團 控 股 有 限 公 司 *

(Incorporated in Bermuda with limited liability)
(Stock Code: 1105)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2003

HIGHLIGHTS OF THE FINANCIAL RESULTS OF THE GROUP

	2003	2002 (Restated)
Turnover (continuing operations) (HK$'000)	**1,181,558**	992,956
Profit/(loss) after tax (continuing operations) (HK$'000)	**9,701**	(31,338)
Profit attributable to shareholders (HK$'000)	**12,368**	154,768
Basic earnings per share (HK cents)	**0.68**	9.94
Bank balances and cash (net of bank loan) (HK$'000)	**545,344**	777,722

FINAL RESULTS

The directors of Global China Group Holdings Limited (the "Company") are pleased to announce that the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2003 together with the comparative figures for the previous year are as follows:

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year ended 31 December 2003

	Notes	2003 HK$'000	2002 HK$'000 (Restated)
TURNOVER	4		
Continuing operations		**1,181,558**	992,956
Discontinued operations		**—**	101,177
		1,181,558	1,094,133
Cost of sales		**(757,351)**	(665,173)
Gross profit		**424,207**	428,960
Other revenue and gains	5	**86,424**	39,605
Distribution costs		**(182,750)**	(157,920)
Administrative expenses		**(306,543)**	(333,225)
Other operating expenses, net		**(16,994)**	(62,202)
Gain on disposal of discontinued operations		**—**	207,312
Gain on disposal of subsidiaries		**—**	93,352
Write-back of provision for a contingent liability		**—**	27,447
PROFIT FROM OPERATING ACTIVITIES	6	**4,344**	243,329
Finance costs		**(643)**	(1,220)
Reversal of provision for impairment of interest in a jointly-controlled entity		**17,196**	—
Reversal of provision for an amount due from a jointly-controlled entity		**37,400**	—
Provisions for amounts due from jointly-controlled entities		**(11,388)**	(10,759)
Loss on disposal of an associate		**(2,980)**	—
Share of profits and losses of:			
Jointly-controlled entities		**2,689**	(13,301)
Associates		**(6,206)**	168
Amortisation and impairment of goodwill on acquisition of jointly-controlled entities		**(3,890)**	(14,667)
PROFIT/(LOSS) BEFORE TAX			
Continuing operations		**36,522**	(7,622)
Discontinued operations		**—**	211,172
		36,522	203,550
Tax			
Continuing operations		**(26,821)**	(23,716)
Discontinued operations		**—**	(496)
	7	**(26,821)**	(24,212)
PROFIT BEFORE MINORITY INTERESTS		**9,701**	179,338
Minority interests		**2,667**	(24,570)
NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		**12,368**	154,768
DISTRIBUTION	8	**18,181**	—
Earnings per share — (HK cents)	9		
Basic		**0.68**	9.94
Diluted		**0.67**	5.94

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation

The financial statements of the Group have been prepared in accordance with Hong Kong Statements of Standard Accounting Practice, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance.

2. Impact of a revised Statement of Standard Accounting Practice ("SSAP")

SSAP 12 (Revised): "Income taxes" ("SSAP 12") is effective for the first time for the current year's financial statements and has had a significant impact thereon. SSAP 12 prescribes the accounting for income taxes payable or recoverable, arising from the taxable profit or loss for the current period (current tax); and income taxes payable or recoverable in future periods, principally arising from taxable and deductible temporary differences and the carry forward of unused tax losses (deferred tax).

The principal impact of the revision of this SSAP on the financial statements is described below:

Measurement and recognition:

- deferred tax assets and liabilities relating to the differences between capital allowances for tax purposes and depreciation for financial reporting purposes and other taxable and deductible temporary differences are generally fully provided for, whereas previously the deferred tax was recognised for timing differences only to the extent that it was probable that the deferred tax asset or liability would crystallise in the foreseeable future; and

- a deferred tax asset has been recognised for tax losses arising in the current/prior periods to the extent that it is probable that there will be sufficient future taxable profits against which such losses can be utilised.

This change in accounting policy has resulted in an increase in the Group's consolidated net profits attributable to shareholders for the years ended 31 December 2003 and 2002 by HK$1,115,000 and a decrease by HK$569,000, respectively. The consolidated accumulated losses at 1 January 2003 and 2002 have been increased by HK$138,000 and decreased by HK$7,305,000, respectively.

3. Segment Information — business segments

	Media		Human capital management		Trading		Commercial printing (Discontinued operations)		Corporate and others		Eliminations		Consolidated	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
	HK$'000	*HK$'000* (Restated)	*HK$'000*	*HK$'000* (Restated)	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000* (Restated)	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000* (Restated)
Segment revenue:														
Sales to external customers	978,460	841,030	32,582	31,217	166,564	109,006	–	101,177	3,952	11,703	–	–	1,181,558	1,094,133
Intersegment sales	2,570	3,099	97	164	236	–	–	124	53,251	3,461	(56,154)	(6,848)	–	–
Other revenue and gains	7,532	18,220	31	5	4,594	5,743	–	207,312	48,343	31,906	–	–	60,500	263,186
Intersegment other revenue	4,707	–	34	–	–	383	–	–	14,511	3,115	(19,252)	(3,498)	–	–
Total	993,269	862,349	32,744	31,386	171,394	115,132	–	308,613	120,057	50,185	(75,406)	(10,346)	1,242,058	1,357,319
Segment results	13,400	6,321	(11,623)	(2,521)	1,733	4,268	–	212,147*	(25,090)	(65,459)			(21,580)	154,756
Interest and dividend income													17,189	10,169
Gain on disposal of subsidiaries													–	93,352
Unallocated gains													8,735	1,009
Unallocated expenses, net													–	(15,957)
Profit from operating activities													4,344	243,329
Finance costs													(643)	(1,220)
Reversal of provision for impairment of interest in a jointly-controlled entity	–	–	–	–	–	–	–	–	17,196	–			17,196	–
Reversal of provision for an amount due from a jointly-controlled entity	–	–	–	–	–	–	–	–	37,400	–			37,400	–
Provisions for amounts due from jointly-controlled entities	(6,075)	(8,541)	–	–	–	–	–	–	(5,313)	(2,218)			(11,388)	(10,759)
Loss on disposal of an associate	–	–	–	–	–	–	–	–	(2,980)	–			(2,980)	–
Share of profits and losses of:														
Jointly-controlled entities	10,141	12,104	(110)	(1,560)	–	–	–	–	(7,342)	(23,845)			2,689	(13,301)
Associates	–	–			(27)	(13)	–	–	(6,179)	181			(6,206)	168
Amortisation and impairment of goodwill on acquisition of jointly controlled entities	–	–	–	–	–	–	–	–	(3,890)	(14,667)			(3,890)	(14,667)
Profit before tax													36,522	203,550
Tax													(26,821)	(24,212)
Profit before minority interests													9,701	179,338
Minority interests													2,667	(24,570)
Net profit from ordinary activities attributable to shareholders													12,368	154,768

* Including gain on disposal of discontinued operations of approximately HK$207,312,000.

4. Turnover

	2003	2002
	HK$'000	*HK$'000*
Turnover		
Advertising income	**699,465**	625,559
Circulation income	**246,556**	193,652
Radio broadcasting advertising income	**23,992**	21,553
Sales of photographic products	**165,773**	107,984
Gross rental income	**6,645**	6,848
Rendering of printing services (discontinued)	**—**	101,177
Others	**39,127**	37,360
	1,181,558	1,094,133

5. Other revenue and gains

	2003	2002
	HK$'000	*HK$'000*
		(Restated)
Other revenue		
Interest income	**15,210**	9,123
Investment income	**10,753**	—
Dividend income from an unlisted investment	**1,316**	—
Dividend income from listed investments	**663**	1,046
Declaration subsidy income	**7,011**	5,251
Recognition of deferred income	**3,766**	3,441
Others	**3,562**	2,272
	42,281	21,133
Gains		
Gain on early termination of a lease agreement	**14,866**	—
Negative goodwill recognised as income during the year	**7,094**	17,345
Gain on disposal of short term investments, net	**2,157**	1,009
Unrealised gain on changes in fair values of short-term investments, net	**6,578**	—
Gain on disposal of land and buildings	**7,965**	—
Gain on disposal of investment properties	**4,713**	—
Gain on disposal of other fixed assets	**119**	—
Exchange gains, net	**651**	118
Other revenue and gains	**86,424**	39,605

6. Profit from operating activities

The Group's profit from operating activities is arrived at after charging/(crediting):

	2003	2002
	HK$'000	*HK$'000*
		(Restated)
Cost of inventories sold	**258,304**	260,080
Depreciation	**38,864**	39,157
Revaluation deficit/(surplus) on land and buildings	**(5,586)**	14,927
Revaluation deficit on investment properties	**2,100**	737
Intangible assets:		
Amortisation for the year	**680**	1,150
Impairment arising during the year	**—**	6,704
	680	7,854
Goodwill:		
Amortisation for the year	**4,113**	1,050
Impairment arising during the year	**—**	7,242
	4,113	8,292
Negative goodwill recognised as income during the year	**(7,094)**	(17,345)
Auditors' remuneration:		
Current year	**2,700**	2,799
Underprovision in prior year	**212**	—
	2,912	2,799
Minimum leases payments under operating leases:		
Land and buildings	**12,309**	10,511
Other equipment	**70**	226
	12,379	10,737
Staff costs (including directors' remuneration):		
Wages and salaries	**422,747**	424,725
Retirement benefits scheme contributions	**16,712**	23,171
Less: Forfeited contributions	**(2,022)**	(5,372)
Net retirement benefits schemes contributions	**14,690**	17,799
Total staff costs	**437,437**	442,524
Loss on strike-off of a subsidiary	**4,348**	2,277
Impairment of long term investments	**2,537**	2,631
Impairment of other investments	**5**	—
Loss on disposal of other investments	**283**	—
Unrealised loss/(gain) on changes in fair values of short term investments, net	**(6,578)**	15,957
Provisions for bad and doubtful debts	**7,331**	166
Provision for long service payments, net	**1,558**	2,163
Gross rental income	**(6,645)**	(6,848)
Less: outgoings	**3,125**	1,762
Net rental income	**(3,520)**	(5,086)

7. Tax

Hong Kong profits tax has been provided at the rate of 17.5% (2002: 16%) on the estimated assessable profits arising in Hong Kong during the year. The increased Hong Kong profits tax rate became effective from the year of assessment 2003/2004, and so is applicable to the assessable profits arising in Hong Kong for the whole of the year ended 31 December 2003. 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.

	2003	2002
	HK$'000	*HK$'000*
		(Restated)
Group:		
Current		
The People's Republic of China:		
Hong Kong	**5,584**	1,265
Elsewhere	**120**	123
Elsewhere	**24,431**	18,201
Under/(over) provision in prior years	**(6,604)**	10
Deferred	**(1,893)**	605
	21,638	20,204
Share of tax attributable to:		
Jointly-controlled entities	**5,183**	4,008
Total tax charge for the year	**26,821**	24,212

8. Distribution

	2003	2002
	HK$'000	*HK$'000*
Distribution of HK1 cent (2002: Nil) per ordinary share	**18,181**	—

On 24 April 2003, the directors proposed a distribution of HK$0.01 per share (the "Distribution") to the shareholders of the Company subject to the passing of a special resolution (the "Resolution"). The Distribution was declared to the shareholders of the Company whose names appeared on the register of members of the Company on 24 June 2003 upon the passing of the Resolution.

9. Earnings per share

The calculation of basic earnings per share is based on the net profit from ordinary activities attributable to shareholders for the year of HK$12,368,000 (2002 (restated): HK$154,768,000) and the weighted average of 1,827,265,463 (2002: 1,556,243,668) ordinary shares in issue during the year.

The calculation of diluted earnings per share for the year ended 31 December 2003 is based on the net profit attributable to shareholders for the year of HK$12,368,000.

The calculation of diluted earnings per share for the year ended 31 December 2002 is based on the net profit attributable to shareholders for the year of HK$154,768,000 (restated), adjusted by additional interest income of HK$6,459,000 assuming partly paid-up preference shares had been fully paid up at the beginning of the prior year before converted into ordinary shares, and the proceeds of which were placed on 12-month Hong Kong dollar fixed deposits earning interest of 1% per annum.

The weighted average number of ordinary shares used in the calculation of diluted earnings per share is the 1,827,265,463 (2002: 1,556,243,668) ordinary shares in issue during the year, as used in the basic earnings per share calculation; the weighted average of 3,272,948 (2002: 88,900) ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options during the year and the weighted average 6,156,093 (2002: 1,159,289,648) ordinary shares assumed to have been issued on the deemed conversion of all preference shares at the beginning of the year.

10. Comparative amounts

As further explained in note 2 above, due to the adoption of a revised SSAP during the current year, the accounting treatment and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain comparative amounts have been reclassified to conform with current year's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

The consolidated turnover of the Group on the continuing operations for the year amounted to HK$1,182 million as compared with HK$993 million last year. The Group recorded an exceptional gain on reversal of provisions in a jointly-controlled entity for approximately HK$54.6 million, which was realised upon the disposal of a hotel in Canada held by a jointly-controlled entity. Profit after tax for continuing operations amounted to HK$9.7 million as compared to the loss of HK$31.3 million last year.

Financial Review

Liquidity and financial resources, gearing ratio, charges on Group's assets

The Group maintained a strong financial position with a net cash position throughout the year under review. During the year, the Group has realised approximately HK$75 million on the disposal of a hotel in Canada after repaying the mortgage loan and related expenses and has invested approximately HK$94 million in a jointly controlled entity in the People's Republic of China ("PRC"). As at 31st December 2003, the Group had a net cash balance of HK$545 million.

The gearing ratio defined as long-term borrowings to equity as at 31st December 2003 was zero (2002: zero). The Group has pledged time deposits of approximately HK$58 million (2002: HK$28 million) to secure the banking facilities to the Group.

Capital structure, exposure to fluctuations in exchange rates

The Group has a treasury department to monitor and enhance the return on the cash on hand and to minimize the impact on the Group as a result of fluctuation in foreign currencies. Last year, the Group benefited from the appreciation of the Canadian dollar as our interests in the hotel in Canada was disposed of during the year. However, the appreciation of the Japanese Yen has hurt the profit margin of the Trading Unit. The Group has used different hedging methods with a view to mitigating the impact on the Group's margin resulting from the Yen fluctuations during the year.

Contingent liabilities

Save as the corporate guarantee given to banks to secure the general banking facilities, as at 31st December 2003, the Group did not have any contingent liability or claim which the directors considered to be material.

BUSINESS REVIEW

2003 was a challenging year for the Group. We continued to build our media-related business and were able to achieve satisfactory results for both the Media Ownership Unit as well as the Media Services Unit. We were especially pleased with the performance of our core newspaper, Sing Tao Daily, which posted encouraging growth in both advertising revenue and circulation worldwide in an eventful year highlighted by the SARS outbreak and Iraqi War. During the year, the Group had also disposed of several remaining non-core assets at favorable prices and contributed to our already healthy cash position.

MEDIA OWNERSHIP UNIT

1. Newspaper Group — Sing Tao Newspaper Group Limited ("Sing Tao")

As a result of constructive restructuring and stringent cost control, the Newspaper Group recorded growth in both revenue and operating profit in 2003. For Sing Tao Daily, focusing on middle class and professional sectors was a proven success. The paper was well received by both readers and advertisers and we expect continued support from both ends. Growth was particularly evidenced on the weekend editions where we added more celebrity interviews and infotainment features.

In line with the re-positioning in 2002 as an English-language newspaper focusing on the Greater China region, The Standard continued to develop its coverage of business and financial markets in the region. Operating results were satisfactory as advertising from the paper's core financial market remained strong. In January 2004, a new and very experienced management team was installed reflecting the Group's commitment to allocate increased resources on its English-language publication.

Through a series of exercises such as repackaging the paper, enhancing and broadening of content, as well as implementing vigorous marketing campaigns, Sing Tao's overseas operations recorded a significant growth in both circulation and advertising revenue. We further extended our leading edge toward our competitors in most markets. Efficient support was provided by our production department in Shenzhen, as well as utilising a worldwide editorial force — enabled us to further improve the quality of our papers. This is a great step forward to strengthen our position as the leading Chinese newspaper in the world.

2. Magazine Group — China Touch Media Solutions & Services Limited ("China Touch")

China Touch went through a controlled growth period in 2003 where we published some new titles as well as consolidated and repackaged the existing titles. The new East Week magazine, consisting of three individual books, was launched in September 2003 and was able to successfully capture a respectable market share in a very competitive market. East Touch continues to be a must-read for readers aiming to catch up with the latest trends in all sorts of consumer products. This title will go through periodic face-lifts in order to give readers a lively, fun, healthy perspective and will always position itself as a front-runner in trends. PC Market remained as the leading title among similar type computer magazines in the market. More innovative and educational content will be injected into this magazine to further solidify its position. The other magazine titles such as Caz Buyer and JET were also well received by readers and advertisers, and have successfully established their names in the market. China Touch underwent a restructuring in early 2004 where a new management team from Sing Tao was transferred to operate all magazine titles. With their years of editorial experience at Sing Tao, it will help the Magazine Group to move to the next level and further strengthen its already rich content base. Moreover, these magazine content can also be used in all publications within the Group as well. For instance, Sing Tao's overseas editions have already started to insert a separate weekly version of the East Week magazine which have immediate positive impact on both advertising and circulation revenue.

3. Book Publication Group — World Link Publishing Group Limited ("World Link")

Established in December 2002, World Link has since published more than 100 titles leveraging on the growing content pool of the whole Group, and successfully established its presence in the local publishing market under the name of Sing Tao Publishing. The travel, parenting and educational titles were especially well received. We also participated in worldwide book fairs in places like Frankfurt and Beijing, as well as having a very strong presence in the Hong Kong Book Fair in the summer of 2003. Satisfactory sales revenue was achieved in the year and we expect more of the same in 2004 where a further 100 plus titles will be published in addition to reprints of popular existing titles. Discussions are also underway with some PRC and world-renowned publishers for cooperation opportunities.

4. Non-Print Publication

The Group's multimedia joint ventures with Xinhua News Agency, underwent some restructuring in 2003. Performance of the 55% owned Xinhua Online Info-tech Company Limited (北京新華在線信息技術有限公司) was in line with management's expectation especially with the successful strategic alliances with Dow Jones Industrial Group to provide exclusive contents in the PRC, which was given a high rating within the industry.

MEDIA SERVICES UNIT

1. Print Media Distribution

Greater China Media Services Limited ("GCMS") (大華媒體服務有限責任公司) is the Group's jointly-controlled entity in the PRC engaged in distribution of print media products including newspaper, magazines and books. The outbreak of SARS in the PRC in the second quarter of 2003 has delayed the development of this business, but significant progress was made up in the second half of the year. GCMS rolled out its magazine distribution business partnering with a well-known PRC publisher and established a majority owned joint venture, Da Hua Hong Jin Magazine Distribution Company ("DHHJ") (北京大華弘景期刊發行有限責任公司), which has secured long term national distribution rights for the renowned "Rui-Li" (瑞麗) series of fashion/lifestyle magazines. Starting with 15 magazines, DHHJ has now extended its distribution rights to over 50 magazine titles. In October 2003, our distribution business further established a foothold in Southern China where DHHJ acquired a majority stake in a leading publication distributor in Guangdong Province handling over 900 titles. Going forward, GCMS will continue to develop its nation-wide network, in a controlled manner, through acquisitions as well as strategic alliances.

2. Content Sales and Distribution

Initiated by the Group's "Centralized Media Kitchen" concept, efforts have been made to provide fast, comprehensive and cost effective content to third party media operations by establishing a one-stop sales platform. The business will benefit greatly from the likes of the "Individual Visit Scheme" and the fast growing value added businesses from telecommunication operations within the region where demand for abundant content provision becomes inevitable. In light of this, the Group has specially appointed a team headed by a media veteran, who has worked for a well-known PRC publication and possesses an extensive network in the PRC, to coordinate the overall content sales business.

HUMAN CAPITAL MANAGEMENT GROUP

The Human Capital Management Group comprises two main businesses: 1) publishing of recruitment and continuing education type publications in both Hong Kong and the PRC; and 2) the provision of classroom and e-learning corporate training courses through a joint venture with a well-known PRC business university. Our local recruitment publication, Job Market, continued to face keen competition in 2003. This was not helped by the SARS outbreak, which halted a significant amount of the local recruitment activities. However, a welcomed turnaround was witnessed in the second half of the year with HKSAR government announcing of the "CEPA" and the "Independence Tourist Scheme", which boosted the overall market in Hong Kong. The publication was able to achieve a respectable result and even pick up momentum in the first quarter of 2004. A new monthly publication called "Education Plus" was launched in 2003. This new title is uniquely positioned and captured the self-enhancement need of most working class individuals. This title quickly became the clear market leader. The corporate training and e-learning business in the PRC performed well during and after the SARS outbreak as the standstill in traditional classroom courses was more than compensated for by the surge in demand for "distance learning". E-learning became the preferred channel for education. Subsequently, the number of students grew rapidly to over 10,000 in the new academic year in September 2003 attending various courses covering Business English, Economics, Finance and International Trading.

BROADBAND CONTENT & DISTRIBUTION

During the year, the Group's broadband business reported operating profit through its jointly-controlled entity, Beelink Information Science and Technology Company Limited ("Beelink") (百靈信息科技有限公司) based in Jinan, Shandong Province. Beelink continued to maintain market leadership by claiming over 59% of the broadband access market in Jinan with over 68,000 customers, representing more than 50% growth as compared to Year 2002. Riding on its dominance of broadband access market, Beelink has successfully developed a wide array of software applications to serve the needs of its customers. We expect a similar growth in customer number in 2004. Beelink is also now one of China's leading service providers of electronic government related services.

TRADING

The Trading division again contributed healthily to the Group recording a sales growth of 53% and an operating profit of HK$1.7 million for the year. However, as seen in the second half of 2003, the sales focus has shifted rapidly from traditional cameras to digital cameras, which has a relatively lower margin. We will continue to face keen competition, which further reduces margin. The strengthening of Japanese Yen will also affect the margin and we have already negotiated with the supplier, Nikon Japan, to settle invoices in US dollar instead to eliminate the currency risk. We will also attempt to extend the product range to include photographic related products, as well as other suitable products to leverage on our strong distribution platform established through years of effort laid in various major cities in the PRC.

PROSPECTS

2003 was somewhat a roller-coaster year where the Group saw some bright lights towards the last quarter of the year. Continued effort will be implemented on all areas of business to ride on the worldwide economic recovery. The Group will reinforce its focus on becoming the leading multimedia content and service provider for global Chinese communities. Further resources will be allocated to expand and strengthen our overseas operations. The recovery of real estate and financial markets paved a positive sign to both our local Chinese and English newspapers. Our recent reorganization of the Magazine Group should present an even more focused effort to build on our strength in lifestyle and infotainment content. On a more cautious note, there could be quite a significant drawback to the above positive signs as we had witnessed a sharp increase in newsprint prices in the last two quarters of 2003, and it is expected to further increase in 2004. Management has made certain strategic decisions to tackle this issue with a view to minimizing the impact on the Group's profitability in 2004.

EMPLOYEES

As at 31 December 2003, the Group had a total of approximately 2,000 employees.

The Group adopts a prudent human resources policy to ensure that while managing an efficient cost base, it will be able to attract and retain quality staff. Apart from basic salaries, the Group provides its staff with various fringe benefits such as medical insurance, discretionary bonus, share options and contribution to mandatory provident fund.

DIVIDENDS

The directors do not recommend the payment of a final dividend for the year ended 31 December 2003 (2002: Nil).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 24 May 2004 to Friday, 28 May 2004, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the forthcoming annual general meeting of the Company, all share transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tengis Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4 p.m. on Friday, 21 May 2004.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

CODE OF BEST PRACTICE

In the opinion of the directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the accounting period covered by the annual 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 annual general meeting in accordance with the Company's bye-laws.

BOARD OF DIRECTORS

As at the date of this announcement, the Board comprises Mr. Ho Tsu Kwok, Charles, Mr. Jia Hong Ping, Mr. Jim Sui Hing, Mr. Lai Ting Yiu, Mr. Lo Wing Hung, Mrs. Sy Wong Chor Fong, Mr. Wong Wai Ming and Mr. Yang Yiu Chong, Ronald Jeffrey as executive directors, Mr. Leung Chun Ying as non-executive director and Ms. Ho Chiu King, Pansy, Mr. Timothy David Dattels, Dr. Tong Yuk Lun, Paul and Mr. Tung Chee Chen as independent non-executive directors.

PUBLICATION OF DETAILED RESULTS ANNOUNCEMENT ON THE STOCK EXCHANGE'S WEBSITE

A detailed results announcement containing all the information required by paragraphs 45(1) to 45(3) of Appendix 16 of the Listing Rules will be published on the website of the Stock Exchange in due course.

By Order of the Board
Charles HO Tsu Kwok
Chairman

Hong Kong, 20 April 2004

* *For identification purpose only*

Please also refer to the published version of this announcement in The Standard.