



eSun Holdings Limited

(Incorporated in Bermuda with limited liability)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2002

RESULTS

The Directors of eSun Holdings Limited (the “Company”) announce that the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31st December, 2002 are as follows:

	<i>Notes</i>	2002 <i>HK\$'000</i>	2001 <i>HK\$'000</i>
TURNOVER	(2)	176,278	84,376
Cost of sales		(204,121)	(104,468)
Gross loss		(27,843)	(20,092)
Other revenue	(3)	82,792	86,577
Marketing expenses		(11,357)	(4,516)
Administrative expenses		(88,283)	(94,175)
Other operating gains/(expenses), net		16,865	(35,046)
Gain on disposal of interests in associates		532	3,855
Loss on disposal of short term investments		(285)	(65,853)
LOSS FROM OPERATING ACTIVITIES	(2), (4)	(27,579)	(129,250)
Finance costs	(5)	(1,708)	(4,141)
Impairment of an investment in an associate		—	(3,168)
Provision for an amount due from a jointly-controlled entity		(6,530)	—
Impairment of goodwill arising on acquisition of associates and a jointly-controlled entity		—	(32,990)
Share of profits and losses of:			
— Associates		(31,530)	(7,216)
— Jointly-controlled entities		(2,113)	(2,658)
LOSS BEFORE TAX		(69,460)	(179,423)
Tax	(6)	985	(2,130)
LOSS BEFORE MINORITY INTERESTS		(68,475)	(181,553)
Minority interests		(324)	(135)
NET LOSS ATTRIBUTABLE TO SHAREHOLDERS		(68,799)	(181,688)
LOSS PER SHARE — BASIC	(7)	12.04 cents	32.36 cents

CONSOLIDATED BALANCE SHEET

31st December, 2002

	<i>Note</i>	2002 HK\$'000	2001 <i>HK\$'000</i>
NON-CURRENT ASSETS			
Fixed assets		154,000	141,975
Long term investments		—	9,682
Interests in jointly-controlled entities		779	6,006
Interests in associates		48,903	85,983
Due from Furama Hotel Enterprises Limited		1,500,040	1,500,040
Deferred tax assets		—	661
Film rights		113,109	—
		1,816,831	1,744,347
CURRENT ASSETS			
Short term investments		135	1,170
Due from a related company		—	6,905
Self-produced and purchased programmes		5,373	39,895
Loan receivable		2,548	39,134
Debtors and deposits		60,346	76,546
Cash held in trust		—	2,276
Cash and cash equivalents		18,726	53,865
		87,128	219,791
CURRENT LIABILITIES			
Creditors and accruals		34,095	29,961
Tax payable		14,495	17,397
Finance lease payables		31	27
Interest-bearing bank loan		25,000	25,000
Loan from a director		8,049	—
		81,670	72,385
NET CURRENT ASSETS		5,458	147,406
TOTAL ASSETS LESS CURRENT LIABILITIES		1,822,289	1,891,753
NON-CURRENT LIABILITIES			
Finance lease payables		(77)	(107)
MINORITY INTERESTS		(206)	(319)
		1,822,006	1,891,327
CAPITAL AND RESERVES			
Issued capital		285,592	285,592
Reserves	(8)	1,536,414	1,605,735
		1,822,006	1,891,327

Notes to the Financial Statements

1 Impact of New and Revised Statements of Standard Accounting Practice (“SSAPs”)

The following new and revised SSAPs are effective for the first time for the current year’s financial statements:

- SSAP 1 (Revised): “Presentation of financial statements”
- SSAP 11 (Revised): “Foreign currency translation”
- SSAP 15 (Revised): “Cash flow statements”
- SSAP 34: “Employee benefits”

2 Segment Information

(a) Business segments:

An analysis of the Group’s turnover and contribution to loss from operating activities by principal activity of operations for the year ended 31st December, 2002 is as follows:

	Hotel management		Media and entertainment		Satellite television		Advertising agency		Corporate and other		Consolidated	
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
	HK\$’000	HK\$’000	HK\$’000	HK\$’000	HK\$’000	HK\$’000	HK\$’000	HK\$’000	HK\$’000	HK\$’000	HK\$’000	HK\$’000
Segment revenue:												
Sales to external customers	7,426	4,955	113,908	—	793	—	54,151	79,421	—	—	176,278	84,376
Other revenue	1,081	—	2,006	715	15	—	259	—	75,896	77,930	79,257	78,645
Total	<u>8,507</u>	<u>4,955</u>	<u>115,914</u>	<u>715</u>	<u>808</u>	<u>—</u>	<u>54,410</u>	<u>79,421</u>	<u>75,896</u>	<u>77,930</u>	<u>255,535</u>	<u>163,021</u>
Segment results	<u>7,870</u>	<u>2,316</u>	<u>(25,545)</u>	<u>(14,338)</u>	<u>(60,660)</u>	<u>(49,425)</u>	<u>(284)</u>	<u>1,873</u>	<u>52,731</u>	<u>14,261</u>	<u>(25,888)</u>	<u>(45,313)</u>
Dividend income and unallocated interest and other gains											3,535	7,932
Gain on disposal of interests in associates			532	3,855							532	3,855
Loss on disposal of short term investments									(285)	(65,853)	(285)	(65,853)
Unrealised holding loss on short term investments									(291)		(291)	—
Loss on disposal of a long term investment									(501)		(501)	—
Impairment of a long term investment			(4,681)	(29,871)							(4,681)	(29,871)
Loss from operating activities											(27,579)	(129,250)
Finance costs											(1,708)	(4,141)
Impairment of an investment in an associate				(3,168)							—	(3,168)
Provision for an amount due from a jointly-controlled entity			(6,530)								(6,530)	—
Impairment of goodwill arising on acquisition of associates and a jointly-controlled entity				(32,990)							—	(32,990)
Share of profits and losses of:												
Associates			(31,530)	(7,216)							(31,530)	(7,216)
Jointly-controlled entities			(2,113)	(2,658)							(2,113)	(2,658)
Loss before tax											(69,460)	(179,423)
Tax											985	(2,130)
Loss before minority interests											(68,475)	(181,553)
Minority interests											(324)	(135)
Net loss attributable to shareholders											<u>(68,799)</u>	<u>(181,688)</u>

(b) *Geographical segments:*

An analysis of the Group's turnover by geographical area of operations for the year ended 31st December, 2002 is as follows:

	Hong Kong		PRC-Mainland (including Macau)		Other areas		Consolidated	
	2002 HK\$'000	2001 HK\$'000	2002 HK\$'000	2001 HK\$'000	2002 HK\$'000	2001 HK\$'000	2002 HK\$'000	2001 HK\$'000
Segment revenue:								
Sales to external customers	<u>127,171</u>	<u>22,800</u>	<u>41,681</u>	<u>56,621</u>	<u>7,426</u>	<u>4,955</u>	<u>176,278</u>	<u>84,376</u>

3 Other Revenue

	2002 HK\$'000	2001 HK\$'000
Interest income	78,536	82,784
Others	<u>4,256</u>	<u>3,793</u>
	<u>82,792</u>	<u>86,577</u>

4 Loss from Operating Activities

This is arrived at after charging:

	2002 HK\$'000	2001 HK\$'000
Depreciation	13,828	8,224
Impairment of a long term investment	4,681	29,871
Loss on disposal of a long term investment	501	—
Impairment loss of self-produced and purchased programmes	6,661	—
Amortisation of self-produced and purchased programmes	5,934	—
Amortisation of goodwill on acquisition of associates and a jointly-controlled entity	—	1,763
Provision for an amount due from an associate	2,702	—
Unrealised holding loss on short term investments	291	—
Provision for bad and doubtful debts	1,549	1,119
Write-off of deposits paid	—	3,412
Loss on disposal of fixed assets	<u>224</u>	<u>792</u>

5 Finance Costs

	2002 <i>HK\$'000</i>	2001 <i>HK\$'000</i>
Interest on bank loans, overdrafts and other borrowings wholly repayable within five years	968	1,947
Interest on loan from a director	349	—
Interest on finance leases	16	17
Bank charges	<u>375</u>	<u>2,177</u>
	<u>1,708</u>	<u>4,141</u>

6 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 year. 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.

	2002 <i>HK\$'000</i>	2001 <i>HK\$'000</i>
Provision for tax for the year:		
Hong Kong	4,723	3,195
Elsewhere	162	393
Deferred	<u>661</u>	<u>699</u>
	<u>5,546</u>	<u>4,287</u>
Prior years' overprovisions:		
Hong Kong	(6,892)	(3,000)
Elsewhere	<u>(662)</u>	<u>(942)</u>
	<u>(7,554)</u>	<u>(3,942)</u>
Associates:		
Hong Kong	1,023	1,785
Elsewhere	<u>—</u>	<u>—</u>
	<u>1,023</u>	<u>1,785</u>
Tax charge/(credit) for the year	<u>(985)</u>	<u>2,130</u>

7 Loss per Share

The calculation of basic loss per share is based on the net loss attributable to shareholders for the year of HK\$68,799,000 (2001: HK\$181,688,000), and the weighted average of 571,184,927 (2001: 561,493,823) ordinary shares in issue throughout the year.

Diluted loss per share amounts for the years ended 31st December, 2002 and 2001 have not been shown because the options outstanding during these years had no dilutive effect on the basic loss per share for these years.

8 Reserves

	Share premium account <i>HK\$'000</i>	Contributed surplus <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1st January, 2001	2,822,477	891,289	(1,991,143)	1,722,623
Issue of rights shares	65,985	—	—	65,985
Shares issued as partial consideration for acquisition of a jointly-controlled entity	2,800	—	—	2,800
Share issue expenses	(2,629)	—	—	(2,629)
Exchange realignments	—	—	(1,356)	(1,356)
Loss for the year	—	—	(181,688)	(181,688)
At 31st December, 2001	2,888,633	891,289	(2,174,187)	1,605,735
Exchange realignments	—	—	(522)	(522)
Loss for the year	—	—	(68,799)	(68,799)
At 31st December, 2002	<u>2,888,633</u>	<u>891,289</u>	<u>(2,243,508)</u>	<u>1,536,414</u>

9 Comparative Amounts

Due to the adoption of certain new and revised SSAPs in the Group's audited financial statements during the 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 the current year's presentation.

During the year, the directors considered it a fairer presentation to include in the cost of sales, certain costs incurred directly for television programme production and the operation of a satellite television channel, which in the previous years were classified as administrative expenses. Consequently, approximately HK\$9,824,000 representing the aforesaid direct costs of operations, were reclassified from the administrative expenses to the cost of sales for the year ended 31st December, 2001.

SUMMARY OF AUDITORS' REPORT

Scope limitations

(a) *Due from Furama Hotel Enterprises Limited*

Included in the consolidated balance sheet of the Group as at 31st December, 2002 is an amount of HK\$1,500,040,000 (the "Debt") owed to Golden Pool Enterprise Limited ("GPEL"), an indirect wholly-owned subsidiary of the Company, by Furama Hotel Enterprises Limited ("FHEL"), a wholly-owned subsidiary of Lai Sun Development Company Limited ("LSD"), which is a substantial shareholder of the Company. The repayment of the Debt is guaranteed by LSD.

The Debt was interest-bearing at 5% per annum and was repayable on or before 31st December, 2002. The Directors have discussed the repayment of the Debt with the management of FHEL and LSD and obtained an understanding that LSD is currently working closely with its legal and financial advisors to formulate a plan for the settlement and/or repayment of the Debt due to the Group, the amounts due to Exchangeable Bondholders and the Convertible Bondholders, and the other borrowings. Pending the outcome of the LSD debt restructuring programme, the Group is uncertain as to the extent of the recovery of the Debt. However, although the Directors of the Company consider that the recoverable amount of the Debt is currently uncertain, in the absence of any reliable information, the Directors are unable to estimate the amount of any specific provision against such balance at the current time.

The auditors have been unable either to obtain sufficient reliable information, or to carry out alternative auditing procedures to satisfy themselves as to the recoverability of the Debt as included in the consolidated balance sheet of the Group. Included in the Company's balance sheet as at 31st December, 2002 is an amount of HK\$1,500,040,000 due from Glynhill International Limited, a wholly-owned subsidiary of the Company, which in turn advanced the same amount to GPEL and they have also been unable either to obtain sufficient reliable information, or to carry out alternative auditing procedures to satisfy themselves as to the recoverability of such amount due from the subsidiary as included in the Company's balance sheet.

(b) *Film rights*

Included in the consolidated balance sheet of the Group as at 31st December, 2002 are film rights with a carrying amount of HK\$113,109,000. The Directors engaged an independent third party (the "Valuer") to perform a valuation of the Group's all rights, titles and interests to 96 films (the "96 Film Rights") as at 31st December, 2002 in order to provide them with a reference to assess if there is any impairment in value of the Group's film rights as at that date. Having regard to the valuation performed by the Valuer and the current market conditions, the Directors are of the opinion that there is no impairment in the value of the Group's film rights, which include the 96 Film Rights and the television rights for a period of 10.5 year to another 20 films (the "20 Film Rights") amounting to HK\$93,606,000 and HK\$19,503,000, respectively, as at 31st December, 2002. The auditors have been unable to obtain sufficient reliable information to carry out the auditing procedures required by the Statement of Auditing Standards 520 "Using the Work of an Expert" ("SAS 520"), issued by the Hong Kong Society of Accountants, to satisfy themselves as to (i) the competence and objectivity of the Valuer; and (ii) the adequacy of the scope of the Valuer's work, as to the 96 Film Rights. The auditors have also been unable to obtain sufficient reliable information, or to carry out alternative auditing procedures to satisfy themselves as to the Directors' assessment in connection with the

carrying amount of the 20 Film Rights. Accordingly, they have been unable to carry out adequate auditing procedures as concerns the carrying amount of the Group's film rights as at 31st December, 2002.

Any adjustments that might have been found necessary in respect of each of (a) and (b) above would have a consequential impact on the net assets of the Group and the Company as at 31st December, 2002 and the net loss attributable to the shareholders for the year then ended.

In forming their opinion the auditors also evaluated the overall adequacy of the presentation of information in the financial statements. The auditors believe that their audit provides a reasonable basis for their opinion.

Disclaimer of opinion

Because of the significance of the possible effects of the scope limitation in the evidence available to them as set out under (a) above, the auditors are unable to form an opinion as to whether the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st December, 2002 and of the loss and cash flows of the Group for the year then ended and as to whether the financial statements have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Had there been no limitation in the evidence available to them as set out under (a) above the auditors would have reported that except for any adjustments that might have been found to be necessary had they been able to obtain sufficient evidence relating to the matters discussed in (b) above, in their opinion the financial statements give a true and fair view of the state of the affairs of the Company and of the Group as at 31st December, 2002 and of the loss and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

In respect alone of the limitations on their work as set out above, the auditors have not obtained all the information and explanations that they considered necessary for the purpose of their audit.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Overview of Results

For the year ended 31st December, 2002, the Group reported an audited consolidated net loss attributable to shareholders of HK\$68.8 million, which had been significantly reduced from HK\$181.7 million reported for the previous year.

A turnover of HK\$176.3 million and other revenue of HK\$82.8 million, totalling HK\$259.1 million, for the year under review have been recorded. This represents an increase of over 51% over the corresponding total figure for the previous year.

Turnover reported by the advertising agency business fell by around 32% to HK\$54.2 million from HK\$79.4 million for the previous year due to difficult market conditions. This shortfall was compensated for by increases in revenue recorded for entertainment event income, distribution fee income and hotel

management fee income. Interest income fell by around 5.1% due to a decrease in bank deposits although interest income on the loan due from Furama Hotel Enterprises Limited for the year, at HK\$75 million, remained steady compared to the previous year.

Due to increased activities in entertainment event production, marketing expenses showed an increase of HK\$6.8 million (equivalent to about 151%) over the previous year. Through tight cost control, administrative expenses had been cut by around 6.3%. A net other operating gain of HK\$16.9 million had also been reported for the year, which was mainly attributable to a write-back of provisions relating to the hotel operations of the Group. These improvements contributed positively to the consolidated results of the Group. Consequently, the loss from operating activities had been reduced to HK\$27.6 million in the year under review, a significant reduction from the loss of HK\$129.3 million reported for the previous year.

The above improvement has, however, been affected by the share of losses of associates of HK\$31.5 million and impairment loss in amount due from a jointly-controlled entity of HK\$6.5 million.

The Group disposed of its entire interest in HKATV.com Limited in November 2002 to Lai Sun Development Company Limited (“LSD”), the controlling shareholder of the Company, for a cash consideration of HK\$46 million. Completion of the disposal is scheduled for end of April 2003.

Shareholders will note from the report of the auditors their opinion on the recoverability of the debt of approximately HK\$1.5 billion due from Furama Hotel Enterprises Limited to a wholly-owned subsidiary of the Company. The auditors also commented on the competence and objectivity and the adequacy of the scope of the work of the independent third party engaged by the Company to carry out the valuation of the carrying value of the rights, titles and interest to 96 films of the Group.

The aforesaid valuation of the film rights was carried out by an independent third party who has extensive relevant experience in the production, marketing and purchasing of films in Hong Kong.

Proposed Privatisation of the Company

On 29th January, 2003, LSD requested the Directors of the Company to put forward a proposal to the shareholders of the Company other than members of the LSD group regarding a proposed privatisation of the Company by way of a scheme of arrangement under Section 99 of the Companies Act 1981 of Bermuda at a price of HK\$0.28 per share of the Company (the “Proposal”). The Proposal is subject to the approval of the independent shareholders at a meeting convened at the direction of the Supreme Court of Bermuda, and a special general meeting of all shareholders of the Company. Both meetings will be held on 30th April, 2003. The independent financial adviser appointed by the Company to advise the independent board committee has advised the independent board committee to recommend to the independent shareholders of the Company to vote against the Proposal at the above meetings.

Satellite Television Operation

An operating loss of HK\$60.7 million had been reported by East Asia satellite television operations (“EAST”) for the year under review, compared to the loss of HK\$49.4 million recorded for the 7-month period in the year before. This result was not unexpected as the operation was consolidating its position during this start-up stage. As reported in the interim report for the year, improving the quality and marketability of its programmes has been one of the important targets set by this operation. Stringent cost-benefit control continued to be implemented and this discipline will be maintained in future. Efforts

to market programmes produced by EAST at its production centre in Hong Kong to other potential markets in South East Asia, initiated during the second half of the year under review, are continuing.

The EAST Television City in Macau Special Administrative Region is under construction and completion of the project is scheduled for the last quarter of 2004.

Film Production and Distribution

The operating results of the Group's 35%-owned associate, Media Asia Holdings Limited ("MAH"), for the year under review had been adversely affected by the noticeable decline in local cinema box-office takings. Despite the difficult market conditions, MAH still succeeded in producing a number of films of respectable standard and quality.

One of the film productions of MAH, "Infernal Affairs", was shown to wide acclaim in early 2003. The film received favourable reviews and achieved record box-office takings of over HK\$50 million in Hong Kong alone.

Entertainment

East Asia Entertainment Limited ("EAE"), a wholly-owned subsidiary of the Company, had produced either individually or by way of joint-ventures a total of 13 pop concerts and entertainment shows during the year under review. A number of events, notably the pop concerts of Miriam Yeung, F4 and Jay Chou, had been well received. With the exception of a few events for which losses were recorded, the operating results for all other concerts or shows were satisfactory.

To expand its source of revenue, EAE had been actively developing the sale of distribution rights for DVD recordings of its entertainment shows. Results achieved so far were on target.

Internet-related Operations

Following an evaluation of the potential for future development of these operations in the light of the strategic direction of the Group, it was decided to further trim down all Internet-related operations during the year. It is anticipated that any additional resources to be allocated to these operations will be insignificant.

Prospects

EAST is awaiting approval for a satellite television downlink licence from the relevant authorities in the Mainland. Meanwhile, this operation will continue to focus on improving the marketability of its television programmes in Greater China and South East Asia. The content of the daily broadcast on the EAST "Life Channel" will also be enhanced to appeal to a wider audience.

The development of the local film industry will inevitably be influenced to a certain degree by the direction of the local economy. It is anticipated that unfavourable market conditions will continue to affect the film industry in the short-term but this should not inhibit investments in projects with good potential. MAH is actively evaluating a number of film projects for production in this financial year. The Group is confident that MAH, with its experience and keen perception of market trends, will be able to pick out other winners like "Infernal Affairs" from potential projects under consideration.

Having established a foothold in the local entertainment industry, EAE will continue to concentrate on the production of pop concerts and entertainment shows. At the same time, the sale of distribution rights for DVD recordings of such events will be further developed to generate additional income. The Group believes the events planned by EAE will provide welcome alternatives to other entertainment events available in Hong Kong to the local populace and overseas visitors alike.

Liquidity, Financial Resources, Charge on Assets, Gearing and Capital Commitments

As at 31st December, 2002, the Group had cash and cash equivalents of HK\$18,726,000, of which over 85% were denominated in Hong Kong dollar currency.

As at 31st December, 2002, the bank borrowings of HK\$25,000,000 due within one year is secured by the Group's land and buildings with an aggregate net book value of HK\$72,097,000 and is interest-bearing at 2% above HIBOR per annum. In addition, the Group has finance lease payables of HK\$31,000 and HK\$77,000 which fall due within one year and for a period of over one year to five years, respectively, as at 31st December, 2002.

The Group's gearing is considered low, as the debt to equity ratio was only 1%, expressed as a percentage of total bank borrowings to total net assets. As at 31st December, 2002, the Group did not have any financial instruments for hedging purpose, or foreign currency net investment hedged by currency borrowings or other hedging instruments.

Future capital expenditures will mainly consist of the land and construction cost for the EAST-TV City in COTAI City in Macau. As at 31st December, 2002, the capital commitments contracted for in respect of this project amounted to HK\$42,441,000 (2001: HK\$32,859,000).

The Group believes that its cash holding, liquid asset value, future revenue and available banking facilities will be sufficient to fund its capital expenditure and working capital requirements.

Employees and Remuneration Policies

The Group employed a total of approximately 137 employees as at 31st December, 2002. The total staff costs including net pension contributions for the year was approximately HK\$41,361,000 (excluding directors' remuneration). Pay rates for employees are maintained at competitive level, salary and bonuses are rewarded on a performance related basis. Other staff benefits include free hospitalisation insurance plan, subsidised medical care and subsidies for external educational and training programmes. The Company adopted a share option scheme for its directors and employees on 25th November, 1996.

Contingent Liabilities

Contingent liabilities not provided for in the Group's financial statements at the balance sheet date were as follows:

	2002 <i>HK\$'000</i>	2001 <i>HK\$'000</i>
Guarantee given to LSD in connection with the disposal of an associate to LSD	<u>25,000</u>	<u>25,000</u>

In connection with the Reorganisation Agreement entered on 1st June, 2000, the Group disposed of its 45% interest in Guangzhou International Golf Club Ltd. ("GIGC") to LSD. GIGC owns and operates a golf club in Xiancun, Zhencheng, Guangdong Province, the People's Republic of China.

GIGC has not obtained valid land use rights for a total area of 1,430 mu (approximately 953,340 square metres) of the land ("the Land") on which the golf club is situated, which would show unencumbered ownership over such Land upon completion of the transaction. As a result, the Group entered into a Deed of Undertaking and Indemnity with LSD on 30th June, 2000.

The Group has undertaken to indemnify LSD or any of its subsidiaries against all losses and charges suffered or sustained, directly or indirectly, in connection with GIGC not having obtained the land use rights certificates, and all other relevant documents of the Land on which the golf club is situated or not showing unencumbered ownership over the Land. The aggregate liability of the Group under the indemnity created is limited to a maximum of HK\$25,000,000.

FINAL DIVIDEND

The Directors do not recommend the payment of a final dividend in respect of the year ended 31st December, 2002 (2001: Nil) at the forthcoming Annual General Meeting. No interim dividend was paid or declared in 2002 (2001: Nil).

ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held on 28th May, 2003.

Notice of the Annual General Meeting together with the Company's Annual Report for 2002 will be dispatched to shareholders on or before 30th April, 2003.

PUBLICATION OF INFORMATION ON STOCK EXCHANGE WEBSITE

The Annual Report of the Company, which will contain all the information required by paragraphs 45(1) to 45(3) inclusive of Appendix 16 to the Stock Exchange Listing Rules, will be published on the website of the Stock Exchange on or before 30th April, 2003.

By Order of the Board
Lien Jown Jing, Vincent
Chairman

Hong Kong, 17th April, 2003