KING PACIFIC INTERNATIONAL HOLDINGS LTD.

(Incorporated in Bermuda with limited liability)

2000/2001 FINAL RESULTS ANNOUNCEMENT

SUMMARY OF GROUP RESULTS

The board of directors of King Pacific International Holdings Limited (the "Company") announces the audited results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2001 together with the comparative figures for the previous year as follows:-

	Notes	**2001** *HK$*	**2000** *HK$*
TURNOVER	1	462,826,995	1,964,022,929
Cost of sales		(421,292,651)	(1,885,468,542)
Gross profit		41,534,344	78,554,387
Other revenue		3,643,042	6,899,040
Administrative expenses		(61,352,969)	(65,848,838)
Other operating expenses	2	(41,250,711)	(189,297,141)
LOSS FROM OPERATING ACTIVITIES	3	(57,426,294)	(169,692,552)
Finance costs		(11,724,309)	(19,221,352)
Share of loss of an associate		–	(3,052,672)
LOSS BEFORE TAX		(69,150,603)	(191,966,576)
Tax	4	408,632	–
LOSS BEFORE MINORITY INTERESTS		(68,741,971)	(191,966,576)
Minority interests		–	1,439,161
NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		(68,741,971)	(190,527,415)
LOSS PER SHARE (cents)	5		
Basic		(7.04)	(22.56)
Diluted		N/A	N/A

Notes:

1. **TURNOVER AND SEGMENTAL INFORMATION**

An analysis of the Group's turnover and loss from operating activities by principal activity and geographical area of operations for the year ended 31 March 2001 is as follows:

	Turnover		**Loss from operating activities**	
	2001 *HK$*	**2000** *HK$*	**2001** *HK$*	**2000** *HK$*
By principal activity:				
Building construction and maintenance	367,219,991	1,860,849,911	(14,136,322)	(8,293,662)
Property investment and development	–	–	(1,206,843)	(61,427,091)
Restaurant operations	92,507,124	91,194,100	(188,279)	(4,543,001)
Investment activities	3,099,880	11,978,918	(41,894,850)	(95,428,798)
	462,826,995	1,964,022,929	(57,426,294)	(169,692,552)
By geographical area:				
People's Republic of China:				
Hong Kong	459,906,435	1,958,094,929	(55,195,756)	(106,996,338)
Elsewhere	2,920,560	5,928,000	(1,947,269)	(62,361,430)
Singapore	–	–	(283,269)	(334,784)
	462,826,995	1,964,022,929	(57,426,294)	(169,692,522)

2. **OTHER OPERATING EXPENSES**

Other operating expenses include the following items:

	2001 *HK$*	**2000** *HK$*
Provision for a bank guarantee given to a related company	7,800,000	–
Provision for bad and doubtful debts	7,283,102	29,216,116
Provision for impairment in values of fixed assets	300,000	58,045,122
Provision against project under development	4,600,000	54,544,309
Provisions against interests in associates	2,000,146	4,600,000
Provisions for impairment in values of long term investments and non-recovery of related loans receivable	600,000	14,702,321

3. **LOSS FROM OPERATING ACTIVITIES**

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

	2001 *HK$*	**2000** *HK$*
Depreciation	2,172,307	6,835,168
Cost of stocks and stores	31,629,768	29,940,573
Loss on disposal of fixed assets	394,775	398,746
Net unrealised holding loss/(gain) on other investments	1,172,780	(710,889)
Loss/(gain) on disposal of other investments	131,180	(1,084,637)
Dividend income from listed investments	–	(4,578)
Profit on disposal of long term investments	(56,564)	–
Income from an unlisted investment	(2,920,560)	(5,928,000)
Interest income	(1,597,492)	(3,837,838)

4. **TAX**

Hong Kong profits tax has not been provided as the Group did not generate any assessable profits arising in Hong Kong during the year (2000: Nil).

	2001 *HK$*	**2000** *HK$*
Underprovision in prior years:		
Hong Kong	(128,710)	–
Deferred tax	537,342	–
Tax credit for the year	408,632	–

No provision for tax is required in respect of associates and a jointly controlled entity as no assessable profits were earned by the associates and jointly controlled entity during the year (2000: Nil).

5. **LOSS PER SHARE**

The calculation of basic loss per share is based on the net loss from ordinary activities attributable to shareholders of HK$68,741,971 (2000: HK$190,527,415) and the weighted average of 976,968,162 shares (2000: 844,448,479 shares) in issued during the year.

Diluted loss per share for the years ended 31 March 2001 and 2000 have not been presented as the effect of any dilution is anti-dilutive.

6. **FINAL DIVIDEND**

The directors do not recommend the payment of any dividend in respect of the year ended 31 March 2001 (2000: Nil).

SUMMARY OF AUDITORS' REPORT

The auditors of the Group disclaimed their report for the year ended 31 March 2001 because of the significant of each of (i) the possible effects of the scope limitations in evidence available; and (ii) the fundamental uncertainty relating to the going concern basis.

The following is a summary of the auditors' report:

1. **Scope limitation and disagreement over accounting treatment and disclosure - Interest in a jointly controlled entity**

Included in the consolidated balance sheet at 31 March 2001 is a 40% interest in a jointly controlled entity, Hubei Chang Zhou Power Development Co., Ltd. ("HCZP") in the amount of HK$168.3 million as at 31 March 2001. The Group's interest in HCZP is stated in the consolidated balance sheet at a 31 March 1999 carrying value of HK$168.3 million derived from HCZP's management accounts which were unaudited and prepared under the accounting principles generally accepted in the People's Republic of China (the "PRC"). The Group has not accounted for any changes in its interest in HCZP since 31 March 1999 using the equity method and no supplementary disclosures have been made in respect of the Group's interest therein in accordance with the provisions and disclosure requirements as set out in Statement of Standard Accounting Practice 2.121 "Accounting for Interests in Joint Ventures" issued by the Hong Kong Society of Accountants. The auditors have not been able to quantify the effect on the consolidated balance sheet and consolidated profit and loss account of failing to properly account for the Group's share of the net assets of HCZP as at 31 March 2001 and its results for the year then ended. Furthermore, due to the unavailability of the financial information of HCZP, the auditors have also not been able to perform the procedures they consider necessary to satisfy themselves as to whether any provision is required to be made against the carrying value of the Group's interest in HCZP as at 31 March 2001.

The auditors' report, dated 30 January 2001, on the financial statements for the year ended 31 March 2000 was also qualified in respect of the same matters.

2. **Scope limitation - Long term investment**

Included in the consolidated balance sheet at 31 March 2001 is a long term unlisted investment in Wuhan Ocean Essence Water Factory Company Limited ("Wuhan Ocean Essence") in the amount of HK$148.5 million as at 31 March 2001. The auditors were unable to obtain the necessary information and explanations as regards certain documents produced by two former directors of the Company which cast doubt on the validity of Ocean Essence Holdings Limited's ownership of its 90% interest in Wuhan Ocean Essence. Furthermore, as a result of the PRC joint venture partner's denial of the Group's access to the water supply factory and the books and records of Wuhan Ocean Essence, the Group has been unable to obtain any financial information and/or to commission an independent professional valuation of Wuhan Ocean Essence to assess the carrying value thereof. In addition, the revocation of the business licence of Wuhan Ocean Essence may have a potential impact on its operations and hence its profitability. Accordingly, the scope of the work of the auditors was limited in respect of the carrying value of the Group's interest in Wuhan Ocean Essence. As a result of the above scope limitations, the auditors have not been able to perform the procedures they consider necessary to satisfy themselves as to the Group's ownership of its investment in Wuhan Ocean Essence and whether any provision is required to be made against the carrying value of the Group's interest in Wuhan Ocean Essence as at 31 March 2001.

Any adjustment to this amount would have a consequential effect on the net asset position of the Group as at 31 March 2001 and the net loss from ordinary activities attributable to shareholders for the year then ended.

The auditors' report, dated 30 January 2001, on the financial statements for the year ended 31 March 2000 was also qualified in respect of the same matters.

3. **Scope limitation - Deposit paid for proposed investment**

Included in the consolidated balance sheet at 31 March 2001 is a deposit of HK$15 million (2000: HK$15 million) (the "Deposit") paid to the General Association of Xiamen (H.K.) Ltd. ("GAX") pursuant to the Group's proposed acquisition of a 15% equity interest in Xiamen Information Port Construction and Development Co., Ltd. ("XICPD") (the "Proposed Acquisition"). The Proposed Acquisition subsequently fell through and GAX agreed to refund the Deposit to the Company. A personal guarantee has been given by Mr. Cheung Kung Tai ("Mr. Cheung"), a former director of the Company, as security for the repayment of the Deposit by GAX to the Company. Subsequent to the balance sheet date, due to the non-repayment of the Deposit by GAX, Mr. Cheung and Mr. Cheng Chao Ming, Jenson ("Mr. Cheng"), another former director of the Company, agreed to undertake the repayment of the Deposit to the Company as to HK$13.5 million and HK$1.5 million, respectively. An aggregate amount of HK$8.5 million has been repaid by Mr. Cheung by reference to an original repayment schedule and a subsequent revised repayment schedule up to the date of this announcement. However, the auditors were unable to obtain sufficient information to assess the recoverability of the remaining deposit of HK$6.5 million from Mr. Cheung and Mr. Cheng and hence any provision is required against the carrying value thereof.

Any adjustment to the remaining deposit amount would have a consequential effect on the net asset position of the Group as at 31 March 2001 and the net loss from ordinary activities attributable to shareholders for the year then ended.

The auditors' report, dated 30 January 2001, on the financial statements for the year ended 31 March 2000 was qualified because the audited financial statements of GAX for the year ended 31 March 2000 had neither reflected the Deposit, nor GAX's investment in XIPCD. The auditors were unable to obtain from the directors satisfactory explanations with respect to such inconsistencies and, therefore, the transaction as a whole. In addition, the auditors' opinion was also qualified in respect of the recoverability of the Deposit.

4. **Scope limitation - Other receivable**

Included in the consolidated balance sheet at 31 March 2001 is an other receivable of HK$65.5 million from Beijing Trico Industry Company ("BTI") in relation to a proposed investment in a joint venture company in the PRC. The Group made aggregate payments of HK$65.5 million to BTI (HK$50.5 million in prior years; HK$15 million in the current year) which have been designated as a procurement fee for the transfer of technology, know-how and intellectual property rights, relating to the production of printing materials for identity related documents in the PRC, to the joint venture company. Of these payments, a total amount of HK$34.4 million was paid to BTI through certain companies beneficially owned by Mr. Cheng Chao Ming, Jenson, a former director of the Company, including an amount of HK$11.6 million which was paid in the current year. The auditors were unable to obtain from the directors satisfactory explanations concerning the reasons for the payment through these companies and they were unable to ascertain the commercial substance of the transaction. Furthermore, in the absence of an independent professional valuation or other basis to support the amount of the procurement fee, the auditors were unable to obtain sufficient evidence to assess as to whether any provision is required against the carrying value thereof.

Any adjustment to this amount would have a consequential effect on the net asset position of the Group as at 31 March 2001 and the net loss from ordinary activities attributable to shareholders for the year then ended. The auditors' report, dated 30 January 2001, on the financial statements for the year ended 31 March 2000 was also qualified in respect of the same matters.

5. **Scope limitation - Creditor confirmations and various claims against the Group**

Due to numerous claims against Yiu Wing Construction Company Limited ("YWCCL"), a 99.9% indirect subsidiary of the Company, since the year ended 31 March 2000, the auditors were not authorised by the directors of YWCCL to obtain direct confirmations from certain creditors of YWCCL as to the balances outstanding as at 31 March 2001. With respect to the circularised confirmations, the auditors have not received a sufficient number of replies from the creditors of YWCCL up to the date of their report. There were no other satisfactory procedures that the auditors could adopt to confirm that all liabilities as at the balance sheet date were properly recorded.

In the absence of satisfactory evidence relating to the foregoing, the auditors have not been able to satisfy themselves as to whether the accounts payable included in the consolidated balance sheet as at the balance sheet date and the consolidated profit and loss account for the year then ended are fairly stated. The auditors' report, dated 30 January 2001, on the financial statement for the year ended 31 March 2000 was also qualified in respect of the same matters.

In addition, there were various claims against YWCCL aggregating approximately HK$100 million (2000: HK$56 million) where the amount of such claims is specified, and numerous claims with unspecified amounts at 31 March 2001. In respect of the claims with specified amounts, a provision of approximately HK$43 million (2000: HK$36 million) has been provided for in the financial statements. No provision has been made for numerous claims with unspecified amounts. As the auditors have not received legal letters from the Group's legal advisors concerning the likelihood of the outcome of the claims with specified amounts aggregating HK$64 million and unspecified amounts, they are unable to assess whether the provision made by the Group is adequate, but not excessive and whether provision, if any, is required for numerous claims with unspecified amounts. Any adjustments found to be necessary in respect of these claims would have a consequential effect on the net asset position of the Group as at 31 March 2001 and the net loss from ordinary activities attributable to shareholders for the year then ended.

Fundamental uncertainty relating to going concern of the Group

In forming their opinion, the auditors have considered the adequacy of the disclosures made in note to the financial statements concerning the adoption of the going concern basis on which the financial statements have been prepared. The directors are currently undertaking various measures to relieve the Group from its current liquidity problems. The financial statements have been prepared on a going concern basis, the validity of which depends upon the successful outcome of the Group's funding plans, the successful negotiations with the Group's bankers and certain creditors to reschedule or restructure its outstanding indebtedness and the contemplated disposal of certain of the Group's assets and identified subsidiaries to meet its future working capital and financial requirements. The financial statements do not include any adjustments that would result from the failure of implementation of such measures. The auditors consider that appropriate disclosures have been made, but the fundamental uncertainty relating to whether the going concern basis is appropriate is so extreme that they have disclaimed their opinion.

Fundamental uncertainty relating to the eventual outcome of a claim against the Group

In forming their opinion, the auditors have considered the adequacy of the disclosures made in note to the financial statements concerning the outcome of a claim against YWCCL in the amount of HK$292 million (2000: HK$230 million). The claim is currently under arbitration proceedings. The directors consider that, given the nature of the claim and damages in dispute as well as the preliminary status of the proceedings, it is not possible to estimate the eventual outcome of the claim with reasonable certainty at this stage. The directors consider that the Group has valid defenses against the claim. Accordingly, they consider no provision therefor is required in the financial statements. The auditors consider that appropriate disclosures have been made and their opinion is not qualified in this respect.

BUSINESS REVIEW

The Group was plagued by internal strife, with two former chairmen of the Group juggling for board control of the Group and say over investments in China and Hong Kong. This was the crux of the problem facing the Group. This strife was made by both sides to last so long at the expense of public shareholders.

Certain ex-directors of the Group might have committed wrongs against the Group, and adjudication of their liabilities will be made by the court in due course. The Company will make prompt announcement to inform the public of the results of a number of legal actions involving the Company.

The Company now has a new Board, representing a diversity of business background and benefiting the Management with their many years of public company experience in Hong Kong as well as other jurisdictions.

The new Board has minimised the negative impact created by all the undesirable legal actions and questionable investments by:-

– divesting from all non-performing joint ventures
– focusing the strength of the new Board on Chang Zhou Power Plant
– cutting recurrent and administrative overhead by approximately HK$2 million per month since October 2001.

The new Board is proud to inform all shareholders that we have successfully taken over the operation and management control of Chang Zhou Power Plant on 15 November 2001. Chang Zhou Power Plant is one of the most valuable assets of the Group. We have replaced the legal representative and the management team of the power plant with our experts in the field. The power plant is in smooth operation and is expected to generate revenue for the Group in the forthcoming year.

The new Board has been negotiating with several investors in relation to certain financial arrangement that will improve the financial position of the Company. Some agreements have been signed, and pending the clearance from the Stock Exchange of Hong Kong, public announcements shall be made promptly.

COURT APPOINTED RECEIVERS

The Board announced on 11 January 2001 that the Company received in November 2000 the Writ issued by Mr. Cheung Yiu Wing as the plaintiff, on behalf of himself and all other shareholders of the Company claiming, among other things, HK$135 million in addition to damages against Mr. Cheng Chao Ming as the second defendant with the first defendant being the Company. This is a minority shareholder's action against Mr. Cheng Chao Ming on behalf of the Company.

A minority shareholder's action is one which is brought for the benefit of the Company and any damages recovered in the action will be paid to the Company and not to the claimant. In minority shareholder actions, the Company is joined in as a defendant for procedural reasons so that it is bound by the result.

The Company has filed in court an acknowledgement of service in the action. Mr. Cheng Chao Ming has engaged separate legal representatives to defend the action on his behalf.

On 24 February 2001, upon the application by Mr. Cheung Yiu Wing, the court ordered that Mr. David Richard Hague and Mr. Rainier Hok Chung Lam of PricewaterhouseCoopers be appointed the joint and several receivers until the trial of HCA 10063/2000 or further order of the court.

The new board of directors of the Company has decided to take over the conduct of this legal action and, a summons has been taken out to apply for an order to substitute Mr. Cheung Yiu Wing as the Plaintiff. The summons is to be heard on 17 December 2001. The receivers have indicated that they would maintain a neutral position in respect of this summons for substitution. However, Mr. Cheung Yiu Wing has indicated that he would oppose the said summons.

The Company has also taken out a summons to discharge the receivers which is also to be heard on 17 December 2001. Similarly, the receivers' position would be neutral and Mr. Cheung Yiu Wing would oppose this summons for discharge.

PROSPECTS

The Group is now on very firm footing, given:-

– a new Board which will provide policy guidance and supervision to the Management

– a streamlined management dedicated to the implementation of policy to achieve corporate objective, as in the successful result of Chang Zhou Power Plant

– administration of checks and balances through the establishment of an Asset Management Committee and a Risk Evaluation Committee.

It is already apparent, soon after the implementation of the restructuring plan, we now have a dedicated management team determined to learn from past mistakes. This includes reviewing all past investments of the Group to see whether or not there was negligence and mismanagement, and where legal responsibilities are due, the new Board will not hesitate to claim for damages against the wrong-doers, as in HCA No. 4646/2001 and HCA No. 4652/2001 against two former directors of the Company. The interest of all shareholders must be safe-guarded.

Our success in taking over Chang Zhou Power Plant has proven the ability of the new Board. From now on, the Company will strengthen its business in power plant operation and is intended to diversify its investments to shipping transportation and logistics businesses in China.

I would like to apologise to all shareholders for not having been able to receive dividends in the past couple of years. The new Board will use its best efforts to revive the Group, and once it is on a healthy footing again, reasonable revenue will hopefully be generated. There will be improved transparency to keep shareholders updated of events. This is a commitment I am willing to take up as Chairman of the Group.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2001, the total net assets and interest-bearing bank and other borrowings of the Group were HK$290,157,204 (2000: HK$338,692,932) and HK$61,336,444 (2000: HK$150,191,646), respectively.

Details of interest-bearing bank and other borrowings and their repayment terms as at 31 March 2001 are set out in note to the financial statements.

PLEDGE OF ASSETS

At 31 March 2001, the following assets of the Group were pledged in favour of banks for banking facilities granted to the Group:

	2001 *HK$*	**2000** *HK$*
Leasehold land and properties	6,326,058	24,452,572
Time deposits	3,231,264	63,546,315
	9,557,322	87,998,887

CONTINGENT LIABILITIES

The Group had the following contingent liabilities at the balance sheet date:

(a)

	2001 *HK$*	**2000** *HK$*
Guarantees for performance bonds in respect of construction contracts undertaken by the Group	88,580,126	97,292,126
Guarantee given for banking facility granted to and utilised by a related company	–	23,400,000
Long service payment obligations	9,934,018	8,971,641
	98,514,144	129,663,767

(b) Since 11 August 2000, YWCCL, a 99.9% indirect subsidiary of the Company, has received a claim of approximately HK$292 million (revised) (2000: HK$230 million) from a contract employer in respect of a construction contract for liquidated damages and the rectification of alleged detective work caused by the Company. The claim of HK$292 million is currently subject to arbitration proceedings. Pursuant to the Order for Directions issued by the arbitrator on 19 November 2001, the hearing of the arbitration will commence on 4 November 2002. Having taken advice from the Group's legal advisors, the directors are of the opinion that it is too early to give any opinion as to the prospects or likely awards. The directors also consider that, given the nature of the claim and damages in dispute as well as the preliminary status of the proceedings, it is not possible to estimate the eventual outcome of the claim with reasonable certainty at this stage. On the basis that the directors consider that the Group has valid defences against the claim, no provision for any potential liabilities has been made.

In connection with the above claim against YWCCL, on 8 November 2000, a writ was filed against the Company as first defendant and YWCCL as the second defendant (the "Defendants") to call for the Defendants to provide security to an insurer for potential performance related bond payments of HK$65.6 million under an indemnity provided by the Company and YWCCL. On 13 July 2001, a summary judgement was made by a court in Hong Kong against the Company and YWCCL in respect of the indemnity of HK$65.6 million. However, the Defendants have not paid the HK$65.6 million indemnity pending the outcome of the arbitration proceedings of the claim as further described above.

(c) In addition to the claim described in note (b) above, as at 31 March 2001, YWCCL had received numerous claims from various parties, including suppliers and subcontractors for the alleged non-payment for materials supplied and an amount of HK$17 million advanced to YWCCL as other loans. The aggregate amount of such claims was approximately HK$100 million where the amount of such claims is specified and numerous claims with unspecified amounts at 31 March 2000. Of the claims with specified amount totalling HK$100 million (2000: HK$56 million), a provision of approximately HK$43 million (2000: HK$36 million) has already been made by the Group in the financial statements. No provision has been made for numerous claims with unspecific amounts.

Counter-claims have been/will be commenced to obviate or limit the losses and damages suffered by the Group. The directors are of the view that the Group has valid defenses against the claims and believe that it is not probable that any material loss will be suffered by the Group and, accordingly, no further provision has been made therefor in the financial statements.

CODE OF BEST PRACTICE

In the opinion of the directors, the Company complied with the Code of Best Practice, as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange, throughout the accounting period covered by this report, except that the independent non-executive directors of the Company are not appointed for specific terms but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Company's bye-laws.

SUSPENSION OF TRADING

At the request of the Company, trading of the shares of the Company on the Stock Exchange was suspended with effect from 10:00 a.m. on 6 November 2000 and will continue to be suspended until further clarification has been made on the latest financial and operational positions of the Group.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31 March 2001, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

PUBLICATION OF ANNUAL RESULTS ON THE WEBSITE OF THE STOCK EXCHANGE OF HONG KONG LIMITED

All information required by paragraphs 45(1) to 45(3) of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited will be published on the Stock Exchange's website in due course.

By Order of the Board
He Jianguo
Chairman

Hong Kong, 7 December 2001

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of King Pacific International Holdings Limited will be held at Regent Garden Hotel, no. 473 Shajing Section, Guangshen Express, Shenzhen, China on Thursday, 3 January 2002 at 10:00 a.m. for the following purposes:–

1. To receive and consider the audited Financial Statements and the Reports of the Directors and Auditors for the year ended 31 March 2001.
2. To re-elect Directors and to fix the fees of the Directors.
3. To re-appoint Auditors and to authorize the Directors to fix the remuneration.

Notes:–

1. Any member of the Company entitled to attend and vote at the meeting and 2 or more shares is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. To be valid, a proxy form, together with the power of attorney (if any) or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the Head Office of the Company at 35th Floor, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the appointed time for holding the meeting.
3. The register of members of the Company will be closed from 28 December 2001 to 3 January 2002 (both days inclusive) during which no transfers of shares will be registered. In order to qualify for voting at the annual general meeting to be held on 3 January 2001, shareholders are reminded to ensure that all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch registrars in Hong Kong, Tengis Limited, 4th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong for registration not later than 4:00 p.m. on 27 December, 2001.
4. The Company will provide free transportation between Hong Kong and Regent Garden Hotel, Shenzhen for members of the Company and their proxies. Buses will pick up at 7:00 a.m. on 3 January 2002 at Southern Playground, Johnston Road, Wanchai, Hong Kong. If members of the Company and their proxies wish to use the transportation provided by the Company, they should contact the Company by phone (852) 25586666 or by fax (852) 25110339 for registration.

By Order of the Board
HE JIANGUO
Chairman

Hong Kong, 7 December 2001