ORIENT INDUSTRIES HOLDINGS LIMITED

東方工業控股有限公司*

(formerly known as Jackley Holdings Limited)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 353)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2004

RESULTS

The board of directors (the "Board") of Orient Industries Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2004 together with the comparative figures for the previous year as follows:

	Note	**2004** *HK$'000*	2003 *HK$'000*
TURNOVER	2	**19,560**	127,338
Cost of sales		**(23,100)**	(91,252)
Gross (loss)/profit		**(3,540)**	36,086
Other revenue and gains		**177**	1,179
Selling and distribution expenses		**(800)**	(6,450)
Administrative expenses		**(21,156)**	(24,119)
Other operating expenses		**(49,184)**	(50,272)
LOSS FROM OPERATING ACTIVITIES	4	**(74,503)**	(43,576)
Finance costs	5	**(3,290)**	(2,168)
LOSS BEFORE TAXATION		**(77,793)**	(45,744)
Taxation credit/(charge)	6	**84**	(3,500)
LOSS BEFORE MINORITY INTERESTS		**(77,709)**	(49,244)
Minority interests		**223**	17,391
NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		**(77,486)**	(31,853)
LOSS PER SHARE	7		
– Basic		**(HK6.2 cents)**	(HK2.6 cents)
– Diluted		**(HK3.9 cents)**	(HK1.6 cents)

1. PRINCIPAL ACCOUTING POLICIES

Basis of preparation

The financial statements 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. They have been prepared under the historical cost convention, except for the periodic remeasurement of certain fixed assets.

The Hong Kong Institute of Certified Public Accountants ("HKICPA") has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards ("new HKFRSs") which are effective for accounting periods beginning on or after 1 January 2005.

The Group has not early adopted those new HKFRSs in the financial statements for the year ended 31 December 2004. The Group has already commenced an assessment of the impact of those new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

Basis of presentation of the financial statements

At 31 December 2004, the Group had net current liabilities of approximately HK$20,209,000 which included current bank obligations of approximately HK$10,049,000. In addition, one of the Company's wholly-owned subsidiary was brought into litigation by Fordpointer Shipping Company Limited in respect of the investment property of the said wholly-owned subsidiary. Further details have been disclosed in the prospectus issued by the Company on 29 March 2005.

Having regard to this background and in order to improve the Group's financial position, cash flows, profitability and operations, the directors have adopted the following measures:

a) the directors have taken action to tighten cost controls over the staff costs, overheads and various general and administrative expenses;

b) in January 2005, the Company issued 50,000,000 shares at HK$0.30 per share to Shenzhen Hao Sheng He Industrial Company Limited to complete the balance of the consideration of the conditional share acquisition agreement ("Agreement") entered into on 15 September 2003. The issuance share has reduced the net current liabilities of the Group as at 31 December 2004 by HK$15,000,000.

c) subsequent to the balance sheet date, the Group entered into an underwriting agreement to raise approximately HK$13.9 million before expenses, by issuing 69,500,000 offer shares at the price of HK$0.20 per offer share by way of an open offer, payable in full application on the basis of one offer share for every two new shares held on 10 March 2005. The shares was fully subscribed by the shareholders and underwriter in April 2005 and the funds are used to pay down the outstanding bank borrowings. Further details of the open offer are set out in the prospectus issued by the Company on 29 March 2005.

d) the Company entered into a subscription agreement for the issue of convertible note ("Subscription Agreement") in an aggregate principal of HK$33 million to a subscriber. The subscriber will have the right to convert the whole integral multiple of HK$1 million of the principal amount of the convertible note into shares at any time before the maturity date falling on the second anniversary from the date of issue of the convertible note at the initial conversion price of HK$0.12 per share. Completion of the said Subscription Agreement is conditional upon fulfillment of the conditions including, (i) The Stock Exchange of Hong Kong Limited ("Stock Exchange") granting approval for the listing of, and permission to deal in, the conversion shares (ii) the granting of the whitewash waiver by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong (the "Executive"); and (iii) the passing of the relevant resolutions at the extraordinary general meeting to approve the subscription, issue of the convertible note and whitewash waiver. Further details of the subscription are set out in announcement issued by the Company on 15 April 2005.

The directors are confident that following the pay down of outstanding bank borrowings, the Group will continue to receive support from its bankers, and related parties.

In the opinion of the directors, in the light of the measures taken to-date and on the basis of the continued support from the bankers and related parties, the Group will have sufficient working capital to meet its current and future requirement. Accordingly, the directors are satisfied that the Group will be able to continue as a going concern and that it is appropriate to prepare the financial statements on a going concern basis, notwithstanding the Group's position and tight cash flow position as at 31 December 2004 and at the date of approval of these financial statements.

2. TURNOVER

Turnover represents the net invoiced value of goods, after allowances for returns and trade discounts during year.

	2004 *HK$'000*	2003 *HK$'000*
Sales of goods	**19,560**	127,338

3. SEGMENT INFORMATION

(a) Business segments

The following tables present revenue, results and expenditure information for the Group's business segments.

	Manufacturing of carpets		**Trading of carpets**		**Consolidated**	
	2004 *HK$'000*	2003 *HK$'000*	**2004** *HK$'000*	2003 *HK$'000*	**2004** *HK$'000*	2003 *HK$'000*
Segment revenue:						
Sales to external customers	**8,587**	87,334	**10,973**	40,004	**19,560**	127,338
Segment results	**(13,292)**	(7,447)	**(11,913)**	(4,884)	**(25,205)**	(12,331)
Unallocated revenue					**135**	3,382
Provision for impairment losses of goodwill					**(35,750)**	–
Provision for compensation expenses					**(4,656)**	–
Other unallocated expenses					**(9,027)**	(34,627)
Loss from operating activities					**(74,503)**	(43,576)
Finance costs					**(3,290)**	(2,168)
Loss before taxation					**(77,793)**	(45,744)
Taxation credit/(charge)					**84**	(3,500)
Loss before minority interests					**(77,709)**	(49,244)
Minority interests					**223**	17,391
Net loss from ordinary activities attributable to shareholders					**(77,486)**	(31,853)

(b) Geographical segments

The following table presents revenue information for the Group's geographical segments.

	Hong Kong		**Macau**		**Mainland China**		**South East Asia**		**Overseas**		**Consolidated**	
	2004 *HK$'000*	2003 *HK$'000*	**2004** *HK$'000*	2003 *HK$'000*	**2004** *HK$'000*	2003 *HK$'000*	**2004** *HK$'000*	2003 *HK$'000*	**2004** *HK$'000*	2003 *HK$'000*	**2004** *HK$'000*	2003 *HK$'000*
Segment revenue: Sales to external customers	**7,076**	19,650	**657**	-	**10,586**	59,490	**225**	25	**1,016**	48,173	**19,560**	127,338

4. LOSS FROM OPERATING ACTIVITIES

The Group's loss from operating activities is arrived at after charging and crediting the following:

	2004 *HK$'000*	2003 *HK$'000*
Charging:		
Cost of inventories sold	**15,280**	73,015
Depreciation		
– owned fixed assets	**6,831**	11,261
– leased fixed assets	**49**	85
	6,880	11,346
Amortisation of long term lease rights*	–	1,700
Minimum lease payments under operating leases on		
– leasehold land and buildings	**655**	2,797
– office equipment	–	148
Staff costs (excluding directors' remuneration)		
– wages and salaries	**6,631**	6,576
– retirement benefits scheme contributions	**253**	338
	6,884	6,914
Auditors' remuneration	**695**	800
Net exchange losses	–	470
Loss on disposals of fixed assets, net**	–	2,274
Net unrealised loss on short term investment**	–	3,335
Provision for an amount due from an associate**	–	1,782
Fixed assets written off**	**994**	3,710
Realised loss on short term investment **	**88**	–
Provision for slow-moving and net realisable value of inventories**	**829**	279
Provision for impairment losses of goodwill**	**35,750**	–
Provision for compensation expenses**	**4,656**	–
Written off of amount due from an ex-minority shareholder	**4,350**	–
Provision for loans receivable**	–	1,200
Deposits paid written off**	–	9,161
Bad debts written off**	**207**	4,272
Provision for bad and doubtful debts**	**5,327**	12,479
Long term lease rights written off**	–	7,524
Revaluation deficit on fixed assets**	–	6,332
Crediting:		
Gross rental and sub-leasing rental income	**177**	54
Less : outgoings	**(32)**	(353)
	145	(299)
Gain on disposals of fixed assets, net**	**4,713**	–
Gain on disposal of subsidiaries**	**1,222**	–
Provision for salary provision written back**	**1,333**	–
Provision for loans receivable written back**	**900**	–
Provision for deposits paid written back**	**1,000**	–

* *Included in "Cost of sales" on the face of the consolidated profit and loss account.*

** *Included in "Other operating expenses" on the face of consolidated profit and loss account.*

5. FINANCE COSTS

	2004 *HK$'000*	2003 *HK$'000*
Interest on bank loans and overdrafts:		
– wholly repayable within five years	**1,711**	1,685
– repayable beyond five years	–	419
Interest on finance leases	**35**	21
Other interests	**1,544**	43
	3,290	2,168

6. TAXATION CREDIT/(CHARGE)

(a) The amount of taxation credited/(charged) to the consolidated profit and loss account represents:

	2004 *HK$'000*	2003 *HK$'000*
Hong Kong profits tax		
– over-provision in previous year	**84**	–
Overseas taxation		
– current	–	(3,500)
Taxation credit / (charge) for the year	**84**	(3,500)

No provision for Hong Kong profits tax is required since the Group has no estimated assessable profit for the year.

Taxes on profits assessable overseas have been calculated at the applicable rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

One of the Company's subsidiaries operating in Mainland China is exempted from the income tax of Mainland China for two years starting from the first profitable year of its operations, and is entitled to a 50% relief from the income tax of Mainland China for the following three years under the Income Tax Law of Mainland China. Upon expiry of the tax relief period, the subsidiary will be subject to the full income tax rate of 33%. This subsidiary has not commenced to generate any assessable profits arising in Mainland China since the date of its establishment.

7. LOSS PER SHARE

(a) The calculation of basic loss per share is based on the net loss attributable to shareholders for the year of approximately HK$77,486,000 (2003: HK$31,853,000), and the weighted average of 1,259,054,795 ordinary shares in issue during the year (2003: 1,245,000,000).

(b) The calculation of diluted loss per share is based on the net loss attributable to shareholders for the year of approximately HK$77,486,000 (2003: HK$31,853,000). The weighted average number of ordinary shares used in the calculation is the 50,000,000 ordinary shares deemed issue for acquisition of further equity interest in a subsidiary and the deemed ordinary shares issued under the open offer after the capital reorganisation on the basis of one offer share for every two new shares held on 10 March 2005 was effective from 1 January 2003 and the weighted average of 1,976,383,562 ordinary shares is used in the diluted loss per share calculation.

(c) Reconciliation

	2004 *Number of shares*	2003 *Number of shares*
Weighted average number of ordinary shares used in calculating basic loss per share	**1,259,054,795**	1,245,000,000
Deemed issue of ordinary shares for no consideration	**22,328,767**	–
Deemed issue of ordinary shares under open offer	**695,000,000**	695,000,000
Weighted average number of ordinary shares used in calculating diluted loss per share	**1,976,383,562**	1,940,000,000

8. **DIVIDENDS**

No dividends have been paid or declared by the Company for the year ended 31 December 2004 (2003: HK$Nil).

9. **COMPARATIVE FIGURES**

For the consolidated profit and loss account for the year ended 31 December 2004, certain non-cash income and non-cash expenses in total of approximately HK$2,203,000 and HK$40,969,000 respectively have been reclassified to other operating expenses to conform to the current year's presentation.

SUMMARY OF AUDITORS' REPORT

(a) During the year the Group acquired 49% additional equity interest in a subsidiary. The goodwill on consolidation generated from the said acquisition was based on the subsidiary's unaudited management accounts. In the current year, the Group has written off 50% of the goodwill arising therefrom. The auditors were unable to carry out any audit procedures to ascertain the fair value of the identifiable assets and liabilities of this subsidiary. In addition, the auditors have not been provided with sufficient information regarding the future operation of the subsidiary to justify the carrying value of the abovementioned goodwill. Accordingly the auditors were unable to determine whether the goodwill arising from the above mentioned acquisition is fairly stated and whether any impairment losses should be made against the goodwill. Any adjustment to the goodwill would have a consequential effect on the loss for the year and the value of goodwill being capitalised.

(b) The Group's plant and machinery utilised for the production of carpets with a carrying value of approximately HK$54,100,000 as at 31 December 2004 have not been operating on a normal capacity basis during the year. No provision for impairment in respect of the plant and machinery has been made. The auditors were unable to carry out any audit procedures to ascertain the fair value of the plant and machinery as at 31 December 2004. Any impairment would have a consequential effect on the loss for the year and the carrying value of the plant and machinery as at 31 December 2004.

(c) Included in the trade and bills receivables was an amount of HK$47,950,000 due from a debtor which has been overdue for over one year as at 31 December 2004. The auditors were unable to carry out the procedures they consider necessary to satisfy themselves that this amount can be recoverable in full. Any adjustments to the amount would have a significant effect on the net assets of the Group as at 31 December 2004 and the results of the Group for the year ended 31 December 2004.

In forming the auditor's opinion they also evaluated the overall adequacy of the presentation of information in the financial statements. They believe that their audit provides a reasonable basis for their opinion.

Fundamental uncertainty relating to going concern basis

In forming the auditor's opinion, they have considered the adequacy of the disclosure made in the financial statements concerning the basis of preparation of financial statements made by the directors. As explained in note 2 to the financial statements, the Group had net current liabilities of HK$20,209,000 as at 31 December 2004 and subsequent to the balance sheet date, the Company has issued new shares totaling HK$28,900,000 and entered into a subscription agreement for HK$33,000,000. The directors have given consideration to the future operations and financing of the Group. The financial statements have been prepared on a going concern basis, the validity of which is subject to the successful outcome of the measures to be implemented by the Company and the Group. The auditors consider that the fundamental uncertainty has been adequately disclosed in the financial statements and their opinion is not qualified in this respect.

Qualified opinion: Disclaimer on view given by financial statements

Because of the significance of the matters as set out in the basis of opinion abovementioned, They were 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 the Group as at 31 December 2004 or of the loss and cash flows of the Group for the year then ended. In all other respects, in the auditors' opinion the financial statements have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

During the year, carpet manufacturing and distribution were the core business. However due to the keen competition in the whole carpet industry in the People's Republic of China ("PRC"), the Group recorded a significant decrease in the profits margin and the turnover. Therefore, sales and marketing offices in Beijing, Guangzhou, Fuzhou and branch office in Shanghai were closed.

The Hong Kong construction and property markets have sloped down for several years and thus the demand of carpets has subsequently dropped significantly. However, a strong growth and recovery in the property market this year and hotel hospitality upgrade programs led to the increase in demand of carpets in local Hong Kong market.

Sales to United States of America were stable, but the profit margin decreased due to the price increase of raw materials which could not be wholly absorbed by the customers. In response to the current competitive environment, the sales and marketing network has been expanded by linking up additional distributors and dealers with the sales efforts into other markets and developing an OEM arrangement with leading rug retailers.

CARPET MANUFACTURING ACQUISITION

On 22 July 2004 the Company, through its indirectly wholly-owned subsidiary, has acquired the remaining 49% minority equity interest in Hui Zhou Orient Carpet Manufacturing Co., Ltd ("HZOCM"), (formerly known as Hui Yang Xie Kai Cheng Carpet Company Limited) from Shenzhen Hao Sheng He Industrial Company Limited for a total consideration of HK$62 million. HK$47 million was already settled last year in the forms of inventory and trade receivables of the Group. The balance of the consideration of HK$15 million was settled by issuance of 50 million of shares of the Company at the price of HK$0.30 per share on 18 January 2005.

DNTC ACQUISITION

On 10 September 2004 Orient Carpet Trading Limited, an indirectly wholly-owned subsidiary, entered into the sale and purchase agreement with Mr. Choi Hok Ya and Mr. Ng Yau Wah to purchase 1,020,000 shares of DNTC Investment Limited (now known as International Carpet Co., Limited ("ICC")), a company incorporated in Hong Kong with the entire issued share capital beneficially owned by Mr. Choi Hok Ya and Mr. Ng Yau Wah, representing 51% of the issued share capital of ICC for a consideration of HK$9,500,000. The consideration of HK$9,500,000 was arrived at arm's length negotiation between the parties.

The directors believe that the value of ICC lies in its comprehensive range of products and services as well as its experienced marketing team. It specialises in the supply, design, installation, trading and contracting of carpet products. ICC distributes a range of international branded carpet products such as hand-tufted carpets, woven axminster and carpets of Brintons Carpet. Having considered the current operating environment which is highly competitive in terms of pricing and the services and the merits of ICC as described above, the directors consider that ICC's established sales network and marketing team will assist in boosting the sales of broadloom carpets and carpet tiles manufactured and traded by the Group respectively and strengthening the Group's marketing position in Hong Kong and the PRC.

CAPITAL REORGANISATION

Pursuant to the special resolution passed at the extraordinary general meeting held on 31 December 2004 that the issued share capital of the Company be reduced by canceling paid-up capital to the extent of HK$0.099 on each existing share of HK$0.10 of the Company in issue as at the effective date of the capital reduction on 10 March 2005, so that each such share shall be treated as one fully paid up share of HK$0.001 each.

Subject to and forthwith upon the capital reduction subdivision taking effect for, every ten (10) reduced shares be consolidated into one new share with effective on 11 March 2005.

OPEN OFFER

In view of the financial needs of the Company for repaying certain outstanding indebtedness due to certain bankers and independent third parties. The Board proposes to raise funds by issuing 69,500,000 offer shares at the price of HK0.20 per offer share by the way of an open offer on the basis of one offer share for every two new shares held on 10 March 2005.

The estimated net proceeds from the open offer will be approximately HK$13 million, of which approximately HK$9.1 million will be applied to repay the outstanding indebtedness and the remaining balance of approximately HK$3.9 million will be used as general working capital of the Group. The open offer was completed on 14 April 2005.

PROPOSED ISSUE OF CONVERTIBLE NOTE

The Directors are pleased to announce that the Company entered into a subscription agreement with the subscriber on 15 April 2005, pursuant to which the Company conditionally agreed to issue the convertible note in an aggregate principal amount of HK$33,000,000 to the subscriber. The subscriber will have the right to convert the whole integral multiple of HK$1,000,000 of the principal amount of the convertible note into shares at any time before the maturity date falling on the second anniversary of the date of issue of the convertible note at the initial conversion price of HK$0.12 per share (subject to adjustments).

Completion of the subscription agreement is conditional upon the fulfillment of the conditions including, among other things, (i) the Stock Exchange of Hong Kong Limited granting approval for the listing of, and permission to deal in, the conversion shares; (ii) the granting of the whitewash waiver by the Executive; and (iii) the passing of the relevant resolutions at the extraordinary general meeting to approve the subscription, issue of the convertible note and the whitewash waiver.

FUTURE PLAN AND PROSPECTS

Looking forward, the market demand for carpet products will have stable growth due to the recovery of the property market. However the impact of continuous and frequent increase in raw material cost such as polypropylene and nylon due to unstable oil prices would substantially lower the profit margin. To help offset the effect of margin pressure, a higher sales turnover would have to be achieved.

The group will continue to adhere to the strategy of maintaining balanced exposure to both the core carpet business and the new business. The Board will seek any possible ways to raise funds to improve the current tight financial position and to seek new investment. With the new management team embracing experience and knowledge of manufacturing, trading and financing, we strongly believe that we have the necessary skills and expertise to enable us to explore potential investment opportunities that would offer higher returns to shareholders and enhance the growth for the Group.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 31 December 2004, the Group had interest-bearing bank borrowings of approximately HK$10 million (2003: HK$40 million) which are repayable within one year, are interest bearing at the prevailing interest rates and denominated in Hong Kong dollars. The Group's bank borrowings were secured by (i) corporate guarantees given by the Company and certain subsidiaries of the Group, (ii) pledge of HK$4.3 million fixed deposits of related parties, and HK$1 million fixed deposits of a subsidiary, (iii) personal guarantees executed by a related party and two shareholders of the Company, who are also directors of a subsidiary of the Company.

As a significant portion of the Group's sales and purchases were denominated in Hong Kong dollars and Renminbi, the directors considered the Group has no significant exposure to foreign exchange fluctuations in view of the stability of the exchange rates of Hong Kong dollars and Renminbi. The directors also consider that there will be sufficient cash resources denominated in Hong Kong dollars for the repayment of its bank borrowings. During the year under review, the Group did not use any hedging instrument.

Current and Gearing Ratio

As at 31 December 2004, the Group has total assets of approximately HK$175 million (2003: HK$221 million), total liabilities of HK$95 million (2003: HK$76 million), indicating a gearing ratio 0.54 (2003: 0.34) on the basis of total liabilities over total assets. The current ratio of the Group for the year was 0.74 (2003: 0.78).

Acquisition and Disposal of Subsidiaries

The management of the Group has rearranged the Group's internal resources during the year and this has resulted in the disposal of four subsidiaries and an associate to an independent third party.

During the year, a subsidiary of the Company acquired 51% equity interest in ICC at a consideration of HK$9.5 million by issuing 95,000,000 ordinary shares of HK$0.10 each of the Company. Further details of the acquisition are set out in the circular issued by the Company on 26 October 2004. In addition, the Company completed the acquisition of the remaining 49% minority equity interest in HZCOM. Further details of the acquisition are set out in the circular issued by the Company on 9 October 2003 and the annual report for the year ended 31 December 2003.

Contingent liabilities

As at 31 December 2004, the Group did not have any significant contingent liabilities except as described below:–

1. A wholly-owned subsidiary of the Company, HZOCM has been made defendant of proceeding in the PRC. The proceedings brought by 深圳華興建設有限公司 against HZOCM at the People's Court of the Hui Yang District, Hui Zhou City, Guangdong Province in respect of installation cost due and interest payable. The amount claimed under this set of proceedings were HK$1,420,560 (RMB1,520,000) and interest payable HK$2,077,456 (RMB2,222,878). Freezing orders have been obtained by the plaintiff for this set of proceedings and are in place against certain plant and machinery of HZOCM. The proceedings were adjourned for hearing on a day to be fixed in due course.

2. The Company had provided corporate guarantees to banks for banking facilities provided to certain subsidiaries of approximately HK$20,133,000 (2003: HK$59,710,000). These banking facilities had been utilised to the extent of approximately HK$8,930,000 (2003: HK$39,264,000) as at the balance sheet date.

Staff and remuneration policy

The Group had a total of approximately 136 employees in Hong Kong and the PRC as at 31 December 2004. The Group paid remuneration to its staff at competitive levels and in line with industry practice. In addition, the Company has adopted a share option scheme of which the Board may, at its discretion, grant options to employees of the Group. The Company has granted no share options during the year.

PURCHASE, REDEMPTION OF SALE OF LISTED SECURITIES OF THE COMPANY

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

CODE OF BEST PRACTICE

In the opinion of the directors of the Company, the Company has complied with the Code of Best Practice (the "Code") as set out in Appendix 14 of the Listing Rules of the Stock Exchange, throughout the accounting period covered by the annual report.

AUDIT COMMITTEE

The Company has an audit committee which was established in accordance with the requirements of the Code, for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises two independent non-executive directors of the Company. The committee reviewed the Group's 2004 final results before they were tabled for the Board's review and approval.

FULL DETAILS OF FINANCIAL INFORMATION

The annual report of the Company including the information required by paragraphs 45(1) to 45(8) of appendix 16 of the Listing Rules, which was in force prior to 31 March 2004 and remain applicable to results announcements in respect of accounting periods commencing before 1 July 2004 under the transitional arrangement, will be published on the website of the Stock Exchange in due course.

APPRECIATION

On behalf of the Board, I would take this opportunity to express my sincere thanks to all shareholders for continuing support, and all the directors and staff of the Group for their loyalty, commitment and diligence in the past year.

ON BEHALF OF THE BOARD
Lam Shu Chung
Chairman

Hong Kong
28 April 2005

As at the date of this announcement, the Executive Directors are Mr. Lam Shu Chung and Mr. Law Fei Shing; and the independent non-executive Directors are Mr. Liu Ngai Wing, Mr. Lee Siu Leung, Mr. Yu Tak Shing, Eric and Mr. So Chi Keung.