

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SMART TOWN HOLDINGS LIMITED

(Incorporated in the British Virgin Islands with limited liability)

TEEM FOUNDATION GROUP LTD.

(浩基集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 628)

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Reference is made to the Joint Announcement dated 14 April 2004.

The Board announces the appointment of Shenyin Wanguo Capital (H.K.) Limited as the independent financial adviser to the Independent Board Committee of the Company in respect of the Offer.

Reference is made to the press announcement (the "Joint Announcement") jointly issued by the Offeror and the Company dated 14 April 2004 regarding the (i) acquisition of Shares in the Company by the Offeror; and (ii) mandatory unconditional cash offer by Kingston Securities Limited on behalf of the Offeror for all the issued Shares in the Company (other than those already owned by the Offeror and parties acting in concert with it). Unless otherwise defined, terms used herein shall have the same meaning as those used in the Joint Announcement.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Board announces the appointment of Shenyin Wanguo Capital (H.K.) Limited as the independent financial adviser to the Independent Board Committee of the Company in respect of the mandatory unconditional cash offer by Kingston Securities Limited on behalf of the Offeror for all the issued Shares in the Company (other than those already owned by the Offeror and parties acting in concert with it).

By order of the board
Smart Town Holdings Limited
Lum Chor Wah, Richard
Director

By order of the board
Teem Foundation Group Ltd.
Pun Yuen Sang
Director

Hong Kong, 27 April 2004

* For identification purpose only

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than that relating to the Group, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement, other than those relating to the Group, have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than that relating to the Offeror, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement, other than that relating to the Offeror, have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.