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eCyberChina Holdings Limited

光訊控股集團有限公司

(Incorporated in Hong Kong with limited liability)

ANNOUNCEMENT

POSTPONEMENT OF RELEASING THE AUDITED FINAL RESULTS

The publication of announcement of the audited final results of the Group for the year ended 30th June, 2002 is postponed to on or before 2nd January, 2003 and the annual report to the Company's shareholders is expected to be despatched on or before 7th January, 2003.

The Company is in breach of paragraph 8(1) of the Listing Agreement which requires despatch of the Annual Report to its shareholders within four months of the year end and paragraph 11(1) of the Listing Agreement which requires publication of press announcement of the Audited Final Results not later than four months after its financial year end respectively. The Stock Exchange has stated that it reserves the right to take action against the Company and the Directors in relation thereof.

The Directors announce the Unaudited Final Results of the Group for the year ended 30th June, 2002 which may be subject to changes upon the finalisation of the Audited Final Results.

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr Ha Kee Choy, Eugene resigned as an independent non-executive director of the Company with effect from 30th October, 2002. Subsequent to the resignation of Mr Ha, the Company currently has one independent non-executive director. The Company has applied to the Stock Exchange for a waiver from strict compliance with rule 3.10 of the Listing Rules.

SUSPENSION AND RESUMPTION IN THE TRADING OF THE SHARES OF THE COMPANY

Trading in the shares of the Company has been suspended since 10:47a.m., 31st July, 2002 at the request of the Company because of the Event. With the publication of the Other Announcement of the Company of even day disclosing the details of the Event, an application has been made to the Stock Exchange for resumption of trading in the shares of the Company with effect from 9:30 a.m. on 21st November, 2002.

Shareholders and investors are reminded to exercise caution when dealing in the shares of the Company.

POSTPONEMENT OF RELEASING THE AUDITED FINAL RESULTS

The publication of announcement of the audited final results of eCyberChina Holdings Limited (the “Company”) and its subsidiaries (the “Group”) for the year ended 30th June, 2002 is postponed to on or before 31st December, 2002 and the annual report to the Company’s shareholders is expected to be despatched on or before 7th January, 2003.

Reasons for delay in releasing the Audited Final Results

The delay in publication of audited final results of the Group for the year ended 30th June, 2002 (the “Audited Final Results”) and despatch of annual report for the year ended 30th June, 2002 (the “Annual Report”) is partly due to the substantial drop in the share price of the Company on 31st July, 2002 (“Event”). The management had devoted plenty of time and resources to participate in the investigation of the Event, which details and result are set out in another announcement of the Company of even day (the “Other Announcement”). Besides, the management was engaged into lengthy negotiation with the relevant creditor for rescheduling the repayment terms of the outstanding amount as disclosed in the Company’s announcement dated 12th September, 2002 (the “Announcement”) and the latest development of which are set out in the Other Announcement.

Furthermore, there is certain significant outstanding information to be obtained by the Company, in particular the position of the Company following the winding-up petition filed against the Company as disclosed in the Announcement and the possible implications, if any, on the Company, the outstanding financial information of several major subsidiaries and associated companies of the Company in the PRC including but not limited to their latest management accounts, development cost of a project of a major PRC subsidiary as at the financial year end date of 30th June, 2002 and the related PRC tax issues which led to the determination of appropriate accounting treatment of such entities in the Audited Final Results.

As aforementioned, the progress in the completion of the Audited Final Results was hindered tremendously. The directors of the Company (the “Directors”) expect that the outstanding matters may be resolved in the near future.

Breach of Listing Agreement

The Company is in breach of paragraph 8(1) of the Listing Agreement which requires despatch of the Annual Report to its shareholders within four months of the year end and paragraph 11(1) of the Listing Agreement which requires publication of press announcement of the Audited Final Results not later than four months after its financial year end respectively. The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) has stated that it reserves the right to take action against the Company and the Directors in relation thereof.

Expected date of release of the Audited Final Results

The board meeting of the Company is expected to be held on or before 31st December, 2002 to consider the Audited Final Results which are expected to be published on or before 2nd January, 2003. The Annual Report of the Company will be despatched to its shareholders on or before 7th January, 2003. Further announcement shall be made by the Company if there is any change in the publication date of the Audited Final Results and the despatch date of the Annual Report.

Directors' confirmation

The Directors confirm that they have not dealt in any of the shares of the Company during the past one month immediately preceding 30th October, 2002, being the date of Company's board meeting for the consideration of the Company's unaudited consolidated final results of the Group for the year ended 30th June, 2002 (the "Unaudited Final Results"). The Directors undertook would to the Stock Exchange that they shall not deal in the Company's shares before the publication of the Audited Final Results and other price sensitive information.

Unaudited Final Results

The board of directors ("Board") of the Company hereby announces the Unaudited Final Results of the Group for the year ended 30th June, 2002.

The Board received the resignation notice of an independent non-executive director of the Company on 30th October, 2002. As a result thereof, the audit committee meeting of the Company was not quorate and that the Unaudited Final Results have not been reviewed by the audit committee nor auditors of the Company. The Unaudited Final Results will be reviewed by the Audit Committee upon the appointment of an additional independent non-executive director and separate announcement would be made in the event that the audit committee had major findings after their review.

Since the Audited Final Results may differ from the Unaudited Final Results upon the finalisation of audit by the auditors of the Company, the Company's shareholders and investors are reminded to exercise caution in interpreting the Unaudited Final Results which may be subject to changes and differ from the Audited Final Results.

The Group's Unaudited Final Results with comparative figures for the previous corresponding year are as follows:

		(Unaudited) 2002 HK\$'000	(Audited) 2001 HK\$'000
	<i>Notes</i>		
Turnover		8,720	8,213
Direct costs		<u>(1,847)</u>	<u>(1,770)</u>
Gross profit		6,873	6,443
Other revenue		2,963	798
Administrative and other operating expenses		(33,272)	(45,287)
Deficit on revaluation of investment properties		(46,505)	(11,400)
Provision for bad and doubtful debts		–	(4,383)
Impairment loss recognised in respect of properties under development		<u>(10)</u>	<u>–</u>
Loss from operations	<i>1</i>	(69,951)	(53,829)
Finance costs		(9,090)	(11,087)
Impairment loss recognised in respect of deposit paid for acquisition of an associate		–	(9,000)

Impairment loss recognised in respect of goodwill arising on acquisition of associates		(132,888)	(6,700)
Amortisation on goodwill		(23,221)	(1,175)
Share of results of associates		(1,105)	(146)
Gain on disposal of an associate		–	562
Gain on disposal of a subsidiary		–	17
		<hr/>	<hr/>
Loss before taxation		(236,255)	(81,358)
Taxation	2	–	–
		<hr/>	<hr/>
Loss after taxation before minority interests		(236,255)	(81,358)
Minority interests		783	–
		<hr/>	<hr/>
Loss attributable to shareholders		<u>(235,472)</u>	<u>(81,358)</u>
Loss per share			
Basic	3	<u>(HK\$0.11)</u>	<u>(HK\$0.07)</u>

Notes:

1. Loss from operations

Included in loss from operations:

	2002 HK\$'000	2001 HK\$'000
Depreciation on plant and equipment		
Owned assets	650	148
Assets held under finance leases	477	402
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	<u>1,127</u>	<u>550</u>

2. Taxation

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group did not have any assessable profit for the year.

3. Loss per share

The calculation of the basic loss per share is based on the loss attributable to shareholders of approximately HK\$235,472,000 (2001: HK\$81,358,000) and on the weighted average of 2,115,247,945 (2001: 1,226,458,904) shares in issue throughout the year.

No diluted loss per share has been presented because the exercise of the Company's outstanding share options would have an anti-dilutive effect on loss per share for the year ended 30th June, 2002. There were no diluting events existed for the year ended 30th June, 2001.

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The Board announces that Mr Ha Kee Choy, Eugene resigned as an independent non-executive director of the Company with effect from 30th October, 2002. The Board takes this opportunity to thank Mr Ha

for his past valuable service to the Company. Subsequent to the resignation of Mr Ha, the Company currently has one independent non-executive director. The Company has applied to the Stock Exchange for a waiver from strict compliance with rule 3.10 of the Rules Governing the Listing of Securities on the Stock Exchange in respect of the requirement of having at least two independent non-executive directors. The Company would appoint an additional independent non-executive director in due course and further announcement would be made by the Company in this respect accordingly.

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Shareholders and investors are reminded to exercise caution when dealing in the shares of the Company.

By Order of the Board
eCyberChina Holdings Limited
TSANG Kar Tong
Director

Hong Kong, 20th November, 2002

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