

STARBOW HOLDINGS LIMITED

星虹控股有限公司*

(Incorporated in Bermuda with limited liability)

INTERIM REPORT 2003

* For identification purpose only

CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Huang Hong

Mr. Chan Shun

Mr. Chi Chi Hung, Kenneth

Mr. Hui Sze Yin, Clarence

Independent Non-executive Directors

Mr. Lee Kin Chung, Simon

Mr. So Hon Cheung, Stephen

Mr. Lau Man Tak

Ms. Xia Ling Yun

COMPANY SECRETARY

Mr. Chi Chi Hung, Kenneth

AUDIT COMMITTEE

Mr. Lee Kin Chung, Simon

Mr. So Hon Cheung, Stephen

AUDITORS

HLB Hodgson Impey Cheng

Chartered Accountants

Certified Public Accountants

6th Floor, Wheelock House

20 Pedder Street, Central

Hong Kong

REGISTERED OFFICE

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 3004-3006

30/F Shui On Centre

6-8 Harbour Road, Wanchai

Hong Kong

PRINCIPAL BANKERS

Wing Hang Bank, Ltd.

The Hongkong and Shanghai Banking

Corporation Limited

Standard Chartered Bank

PRINCIPAL REGISTRAR AND TRANSFER OFFICE

Butterfield Fund Services (Bermuda) Limited

Rosebank Centre

11 Bermudiana Road

Pembroke

Bermuda

HONG KONG BRANCH REGISTRAR AND TRANSFER OFFICE

Tengis Limited

Ground Floor

Bank of East Asia Harbour View Centre

56 Gloucester Road, Wanchai

Hong Kong

MANAGEMENT COMMENTARY

The Board of Directors of Starbow Holdings Limited ("the Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, "the Group") for the six months ended 30 September 2003.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The unaudited net loss of the Group for the six months ended 30 September 2003 amounted to approximately HK\$3,680,000 which was HK\$13,965,000 less than that of the corresponding period of last year. The improved operating result was largely due to the Group's continuous effort in controlling its operating costs.

During the interim period, there is no material change in major business of the Group. The Group is still engaged in the design, development, sale of consumer electronic product and software for leisure and entertainment and investment holding. Given the prevailing economic conditions and the SARS outbreak in Hong Kong and Mainland China during the period from April to June, the Group's turnover and business activities were slowed down during the period under review.

Future Business Prospects and Plans

The various business projects undertaken by the Group over the previous years have not performed up to expectations, resulting in heavy losses and deteriorating cash flows to the Group. For the time being, the Board is critically reviewing all the existing business operations, analyzing their respective potential and prospects, rationalizing or disposing of some of these operations in order to reduce loss. In view of continuous loss suffered by the HI-CL pollution free foamed business, the Group has disposed Quality First Development Limited and Ecopro Hi-Tech Product Company Limited.

In June 2003, the Group entered into a conditional agreement for the acquisition of Shanghai Kaixiang Fashion Co., Ltd ("Shanghai Kaixiang")("上海凯祥服飾有限公司") for a consideration of HK\$20 million. Shanghai Kaixiang is a wholly foreign owned enterprise established in the People's Republic of China ("PRC") engaging in manufacturing and sales of knitted and woven garment in the PRC. The transaction was completed in November 2003. The Board expected that the investment provides an opportunity for the Group to diversify into the garment manufacturing industry in the PRC. The global garment trading will further liberate the market potential of the domestic garment industry following its entry of World Trade Organization ("WTO") and the signing of Mainland-Hong Kong

Closer Economic Partnership Arrangement ("CEPA"). The Board believes that the investment will generate a positive return and will improve the liquidity position of the Group. The Board will grasp the opportunities arisen from the industry consolidation and review the possibilities for acquisition of businesses related to garment industry to solidify the Group's competitiveness.

Furthermore, the Board is looking for other new business that will generate good return to the Group, such as property development and investment in the PRC. The Group will identify real property in major cities in the PRC as its development direction. Although local property market in some particular regions is overheated, the overall development is still healthy, especially property market in major cities, such as Shanghai and Beijing, is booming. Following PRC's accession to the WTO and Shanghai's bid to host the International Fair in 2010, global capital may be invested in the PRC through various channels. Playing a pivotal role in the Chinese economy, multinational companies continue to relocate regional and national headquarters of their business in Shanghai. This is likely to stimulate an increase in demand for high-end residential and commercial buildings. The Group will keep on identifying new opportunities for investments, such as studying the feasibility of construction of residential apartments or commercial buildings in Shanghai to capture the advantages from WTO and CEPA.

Under the rapid macroeconomic growth in the PRC, the reorganization of the Group is optimistic. The management will continue to strengthen the management of the Group and increase its operating efficiency. It is believed that the annual result will be improved.

Liquidity, Financial Resources and Funding

As at 30 September 2003, shareholders' fund and net current assets of the Group amounted to HK\$11,018,000 and HK\$8,159,000 respectively. On the same date, the Group had cash and bank balance of HK\$482,000. The Group's gearing ratio, calculated on the basis of the Group's total liabilities over total shareholders' funds as at 30 September 2003 is 1.41.

Owing to the continuous losses incurred by the Group, the Group experienced shortage of working capital to run its operation. During the period under review, the Group disposed of other investments of 4 million shares in Kanstar Environmental Technology Holdings Limited for a proceed of approximately HK\$4.7 million to repay creditors.

To alleviate the tight liquidity position faced by the Group, in November 2003, the Company raised approximately HK\$8.6 million through private placement. The proceeds of the placement would be used for working capital of the Group.

Significant Investments and Material acquisition/Disposals

As mentioned above, in view of continuous loss suffered by the HI-CL pollution free foamed business, the Group has disposed Quality First Development Limited and Ecopro Hi-Tech Product Company Limited.

The Group also disposed of other investments in listed securities for a proceed of approximately HK\$4.7 million to repay creditors. Other than these, no material acquisition and disposals has been made during the period under review.

EMPLOYEES

The Group employed approximately 40 staff in Hong Kong and approximately 18 staff in the PRC at the interim reporting date.

Total staff cost (excluding directors' emoluments) amounted to approximately HK\$1,416,000 for the period under review. The Group's remuneration packages are generally structured by reference to market terms and individual merits. Salaries are normally reviewed on annual basis based on performance appraisals and other relevant factors.

ADDITIONAL INFORMATION REQUIRED BY THE LISTING RULES

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SECURITIES

(I) Interest and short positions in shares and underlying shares of the Company

At 30 September 2003, none of the directors or chief executives, nor their respective associates had any interest or short position in any shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO") as recorded in the register required to be kept under section 352 of the SFO).

(II) Share options

- (a) The Company adopted a share option scheme on 21 September 1993 (the "1993 Scheme"), for the primary purpose of providing incentives to directors and eligible employees. Under the 1993 Scheme, the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

No share options were granted, exercised, cancelled or lapsed under the 1993 scheme during the six months ended 30 September 2003.

- (b) The Company terminated the 1993 Scheme and adopted a new share option scheme on 17 November 2003 (the "2003 Scheme"). No further options may be granted under the 1993 Scheme subsequent to its termination.

No share options have been granted under the 2003 Scheme since its adoption.

DIRECTORS' RIGHT TO ACQUIRE SHARES AND DEBENTURES

Save as disclosed under the section of "Share options" above, at no time during the period was the Company or any of its associated corporations a party to any arrangement to enable the directors or chief executives of the Company (including their spouse and children under 18 years of age) to acquire benefits by means of the acquisition of shares in, or underlying shares in, or debentures of, the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS

As at 30 September 2003, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO shows that, the following shareholders had notified the Company of relevant interests and short positions in the issued share capital of the Company:

Shareholders	Capacity	Number of ordinary shares held	Percentage of the issued share capital of the Company
Elect Investments Limited ("Elect") (<i>Note 1</i>)	Beneficial owner	903,060,000 Shares	20.17%
Pacific Challenge Incorporated ("PCI") (<i>Note 2</i>)	Held by controlled corporation	903,060,000 Shares	20.17%
New Times Group Holdings Limited (formerly known as Pacific Challenge Holdings Limited ("NTGHL"))	Held by controlled corporation	903,060,000 Shares	20.17%
Great Sense Limited	Beneficial owner	874,600,000 Shares	19.53%
Chung Fook Kwong	Beneficial owner	241,380,000 Shares	5.39%

Notes:

1. Elect is a wholly owned subsidiary of PCI and PCI is accordingly taken to have an interest in the 903,060,000 Shares in which Elect is interested under the SFO.
2. PCI is a wholly owned subsidiary of NTGHL and NTGHL is accordingly taken to have an interest in the 903,060,000 Shares in which PCI is interested under the SFO.

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 30 September 2003.

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the six months ended 30 September 2003 (2002: Nil).

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

During the six months ended 30 September 2003, neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

COMPLIANCE WITH THE CODE OF BEST PRACTICE

None of the directors of the Company is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30 September 2003, in compliance with the Code of Best Practice as set out in Appendix 14 of the Rules Governing The Listing of Securities on The Stock Exchange of Hong Kong Limited.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the appropriateness and consistent application of significant accounting principles and policies adopted by the Group, and discussed judgemental issues, accounting estimates, adequacy of disclosures and internal consistency of the interim financial report for the six months ended 30 September 2003.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2003

		Six months ended 30 September	
		2003	2002
		(unaudited)	(unaudited)
		HK\$'000	HK\$'000
	Notes		
Turnover	2	19,137	13,986
Cost of sales		(16,539)	(10,766)
Gross profit		2,598	3,220
Other operating income		2,371	285
Unrealised holding loss on other investments		(4,500)	–
Amortization of intangible assets		–	(6,744)
Distribution costs		–	(83)
Administrative and operating expenses		(4,120)	(14,267)
Loss from operations	3	(3,651)	(17,589)
Finance costs		(16)	(24)
Loss before minority interests		(3,667)	(17,613)
Minority interests		(13)	(32)
Net loss for the period		(3,680)	(17,645)
Loss per share			
Basic	6	(0.08) cents	(4.73) cents

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 September 2003

		30 September 2003 (unaudited) HK\$'000	31 March 2003 (audited) HK\$'000
	Notes		
Non-current asset			
Tangible fixed assets	7	3,146	3,205
Current assets			
Inventories		926	793
Trade and other receivables	8	2,394	1,757
Other investments		19,700	26,680
Cash and cash equivalents		482	2,210
		23,502	31,440
Less: Current liabilities			
Obligation under hire-purchase contracts		86	86
Trade and other payables	9	11,845	17,586
Unsecured loans		1,980	1,980
Amount due to directors	10	1,432	34
		15,343	19,686
Net current assets		8,159	11,754
Total assets less current liabilities		11,305	14,959
Less: Non-current liabilities			
Obligation under hire-purchase contracts		243	229
Less: Minority interest		44	32
Net assets		11,018	14,698
Capital and reserves			
Share capital	11	44,780	44,780
Reserves		(33,762)	(30,082)
Shareholders' funds		11,018	14,698

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2003

	Share capital HK\$'000	Share premium HK\$'000	Capital redemption reserve HK\$'000	Contributed surplus HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 April 2002	74,639	270,845	861	110,578	(361,723)	95,200
Capital reduction	(70,907)	–	–	–	70,907	–
Net loss for the period	–	–	–	–	(17,645)	(17,645)
At 30 September 2002	3,732	270,845	861	110,578	(308,461)	77,555
Issue of shares	41,048	373	–	–	–	41,421
Net loss for the period	–	–	–	–	(104,278)	(104,278)
At 31 March 2003	44,780	271,218	861	110,578	(412,739)	14,698
Net loss for the period	–	–	–	–	(3,680)	(3,680)
At 30 September 2003	44,780	271,218	861	110,578	(416,419)	11,018

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 September 2003

	Six months ended 30 September	
	2003	2002
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Net cash used in operating activities	(4,294)	(6,893)
Net cash from investing activities	1,154	1,003
Net cash from financing	1,412	4,828
Net decrease in cash and cash equivalents	(1,728)	(1,062)
Cash and cash equivalents at 1 April	2,210	1,404
Cash and cash equivalents at 30 September representing bank balances and cash	482	342

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the six months ended 30 September 2003

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The condensed financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with Statement of Standard Accounting Practice ("SSAP") 25 "Interim financial reporting" issued by the Hong Kong Society of Accountants ("HKSA").

In the current period, the Group has adopted, for the first time, the Statement of Standard Accounting Practice No. 12 (Revised) "Income taxes" ("SSAP 12 (Revised)") issued by the HKSA. The principal effect of the implementation of SSAP 12 (Revised) is in relation to deferred tax.

In previous years, partial provision was made for deferred tax using the income statement liability method, i.e. a liability was recognised in respect of timing differences arising, except where those timing differences were not expected to reverse in the foreseeable future. SSAP 12 (Revised) requires the adoption of a balance sheet liability method, whereby deferred tax is recognised in respect of all temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, with limited exceptions. The adoption of SSAP 12 (Revised) has had no significant effect on the results for the current or prior accounting period.

The condensed financial statements have been prepared under historical cost convention.

Other than as described above, the accounting policies adopted in the preparation of the condensed financial statements are consistent with those followed in the preparation of the Group's annual audited financial statements for the year ended 31 March 2003.

2. SEGMENT INFORMATION

Business Segments

	Turnover		Segment result	
	Six months ended		Six months ended	
	30 September		30 September	
	2003	2002	2003	2002
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
By Principal Activities:				
Trading of computers and related accessories	14,417	10,485	(291)	(1,733)
Securities investment	4,720	–	(2,260)	–
Sub-contracting services	–	3,224	–	(3,338)
Audio and visual products and components	–	277	–	(2,184)
	<u>19,137</u>	<u>13,986</u>	<u>(2,551)</u>	<u>(7,255)</u>
Unallocated corporate expenses			<u>(1,100)</u>	<u>(10,334)</u>
Loss from operations			<u>(3,651)</u>	<u>(17,589)</u>

Geographical Segments

Hong Kong and Mainland China	<u>19,137</u>	<u>13,986</u>	<u>(3,651)</u>	<u>(17,589)</u>
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3. LOSS FROM OPERATIONS

Loss from operations is stated after charging:

	Six months ended	
	30 September	
	2003	2002
	HK\$'000	HK\$'000
Depreciation of owned tangible fixed assets	117	2,432
Depreciation of tangible fixed assets held under hire-purchase contracts	–	98
Amortization of intangible assets	–	6,744
and after crediting:		
Gain on disposal of tangible fixed assets	<u>1,211</u>	<u>–</u>

4. TAXATION

No provision for Hong Kong profits tax or overseas taxation has been made as the Company and its subsidiaries incurred taxation losses for the period (30 September 2002: Nil).

A deferred tax asset has not been recognised in respect of tax losses available to offset future profits as it is not certain that the tax losses will be utilised in the foreseeable future.

5. INTERIM DIVIDEND

The Board of Directors does not recommend the payment of an interim dividend for the six months ended 30 September 2003 (30 September 2002: Nil).

6. LOSS PER SHARE

The calculation of the basic loss per share is based on the net loss for the period of approximately HK\$3,680,000 (30 September 2002: HK\$17,645,000) and on the weighted average of 4,477,968,530 (30 September 2002: 373,196,853) shares in issue during the period.

7. MOVEMENTS IN TANGIBLE FIXED ASSETS

During the period, the Group disposed of plant, machinery, equipment and moulds with nil carrying amount for a proceeds of HK\$1.2 million, resulting in a profit on disposal of tangible fixed assets of HK\$1.2 million.

8. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade debtors and their ageing analysis as at 30 September 2003 is as follows:–

	30 September 2003 HK\$'000	31 March 2003 HK\$'000
0 – 60 days	15	134
61 – 90 days	–	11
> 90 days	971	25
	986	170

Credit is offered to customers following financial assessment and based on established payment record. Credit limits are set for individual customers and these are exceeded only with the approval of senior officials of the Group. Senior staff of the Group monitor trade debts and follow up collections periodically. General credit terms are payment by the end of the month following the month in which sales took place.

9. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade creditors and their ageing analysis as at 30 September 2003 is as follows:–

	30 September 2003 HK\$'000	31 March 2003 HK\$'000
0 – 60 days	2,213	1,946
61 – 90 days	–	3
> 90 days	525	263
	2,738	2,212

10. AMOUNTS DUE TO DIRECTORS

The amounts due are unsecured, interest-free and repayable on demand.

11. SHARE CAPITAL

	Number of shares		Total value	
	30 September	31 March	30 September	31 March
	2003	2003	2003	2003
	('000)	('000)	(HK'000)	(HK'000)
Authorised:				
Ordinary shares of HK\$0.01 each				
At beginning of period/year	30,000,000	30,000,000	300,000	300,000
Capital Reduction (<i>Note a (i)</i>)	—	—	—	(285,000)
Share Consolidation (<i>Note a (ii)</i>)	—	(28,500,000)	—	—
Capital Reorganization (<i>Note a (iii)</i>)	—	28,500,000	—	285,000
At end of period/year	30,000,000	30,000,000	300,000	300,000
Issued and fully paid:				
Ordinary shares of HK\$0.01 each				
At beginning of period/year	4,477,969	7,463,937	44,780	74,639
Capital Reduction (<i>Note a (i)</i>)	—	—	—	(70,907)
Share Consolidation (<i>Note a (ii)</i>)	—	(7,090,740)	—	—
New issue of shares by way of private placement (<i>Note b</i>)	—	74,600	—	746
New issue of shares by way of open offer (<i>Note c</i>)	—	4,030,172	—	40,302
At end of period/year	4,477,969	4,477,969	44,780	44,780

Changes in share capital

Notes:

- (a) Pursuant to the resolutions passed by the shareholders of the Company at a special general meeting held on 14 August 2002, it was resolved that:
- (i) the nominal value of all the then issued shares of the Company was reduced from HK\$0.01 each to HK\$0.0005 each by cancelling HK\$0.0095 paid up capital on each then issued share ("Capital Reduction"). The amount cancelled arising from the Capital Reduction was credited to the contributed surplus account of the Company and was applied to set off against part of the accumulated losses of the Company as permitted by the laws of Bermuda and the Bye-laws of the Company;

- (ii) every 20 issued shares of HK\$0.0005 each of the Company (after the Capital Reduction became effective) were consolidated into 1 consolidated share ("Share Consolidation"); and
 - (iii) immediately upon completion of the Capital Reduction and the Share Consolidation, the authorised share capital of the Company was restored back to HK\$300,000,000 (collectively, "Capital Reorganisation").
- (b) On 31 October 2002, the Company announced that it had entered into a subscription agreement with Great Sense Limited, an independent third party which was independent of and not connected with the directors, chief executives or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited). Pursuant to the subscription agreement, the Company issued and allotted 74,600,000 new shares of HK\$0.01 each at a subscription price of HK\$0.015 per subscription share. The subscription shares were issued under the general mandate granted to the directors of the Company at the annual general meeting held on 28 August 2002. The subscription price represented (i) a discount of approximately 40% to the closing price of HK\$0.025 per share as quoted on The Stock Exchange of Hong Kong Limited on the last trading day immediately before the date of the announcement; and (ii) a discount of approximately 15% to the average closing price of approximately HK\$0.0176 per share as quoted on The Stock Exchange of Hong Kong Limited for the last ten trading days immediately before the date of the announcement. The proceeds received by the Company amounted to approximately HK\$1,119,000 and were used to repay the Group's outstanding liabilities and remuneration of employees of the Group. The excess of the consideration received over the nominal value of the shares issued in the amount of HK\$373,000 was credited to the share premium account of the Company.
- (c) On 8 January 2003, the Company announced an open offer to the then qualifying shareholders of 4,030,171,677 offer shares of HK\$0.01 each ("Open Offer"), on the basis of nine offer shares for every then existing ordinary share held at a subscription price of HK\$0.01 per offer share. The Open Offer became unconditional on 24 January 2003. The proceeds received by the Company of approximately HK\$40.3 million were used as to approximately HK\$2 million as expenses related to the Open Offer, as to approximately HK\$20 million for the repayment of the Group's debts, as to approximately HK\$15 million for investment in Hong Kong listed equity securities and as to approximately HK\$2 million as general expenses for the operations of the Group and the remaining balance of approximately 1.3 million remained unused as working capital of the Group.

12. CONTINGENT LIABILITY

The Company was a defendant in a law suit brought by a supplier during the year ended 31 March 1998 claiming approximately HK\$1,962,000 together with interest and costs relating to a guarantee in respect of a credit facility granted to RCR Electronics Manufacturing Limited, a former subsidiary of the Company. The Company filed a defence in March 1999 in response to the claim and since then, the supplier has taken no further action against the Company. Since the outcome of the litigation could not be determined with reasonable certainty at this stage, no provision has been made in the financial statements.

13. CAPITAL COMMITMENTS

At 30 September 2003, the Group had the following commitments:–

	30 September 2003 HK\$'000	31 March 2003 HK\$'000
Capital commitments contracted for but not provided in the financial statements:		
For acquisition of a subsidiary	20,000	20,000
For acquisition of tangible fixed assets	495	–
	20,495	20,000

14. POST BALANCE SHEET EVENTS

The following events occurred subsequent to the interim report date:

- (a) On 26 June 2003, Rollstone Limited, a wholly owned subsidiary of the Company, entered into an agreement with certain independent third parties to acquire the entire registered share capital of Shanghai Kaixiang Fashion Co., Ltd (“Shanghai Kaixiang”) (“上海凱祥服飾有限公司”) for a consideration of HK\$20 million. Shanghai Kaixiang is a wholly foreign owned enterprise established in the PRC engaging in manufacturing and sales of knitted and woven garment in the PRC. The transaction was completed in November 2003. Further details of the transaction are set out in the circular dated 17 July 2003 of the Company.
- (b) On 30 October 2003, a placing agreement was entered into between the Company and certain independent investors to subscribe for 880,000,000 new shares of HK\$0.01 each in the Company at a price of HK\$0.01 per share, representing a discount of 9.1% to the closing price of the Company’s shares as quoted on the Stock Exchange on 30 October 2003. The net proceed of HK\$8.6 million would be used as general working capital of the Group.

15. APPROVAL OF INTERIM FINANCIAL REPORT

The interim financial report was approved by the Board of Directors on 22 December 2003.

By Order of the Board

Huang Hong

Chairman

Hong Kong, 22 December 2003