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# **CIL HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

## **ANNOUNCEMENT OF UNAUDITED FINAL RESULTS FOR THE YEAR ENDED 30 JUNE 2003**

Further to the announcement of the Company dated 30 October 2003 and pursuant to paragraph 11(3)(i)(c) of the Listing Agreement, the unaudited final results of the Group for the year ended 30 June 2003 are set out below.

Shareholders and investors should note that the unaudited final results published in this announcement may differ materially from the audited final results for the financial year which are expected to be released on or before 31 January 2004 and in such event, full particulars of, and reasons for, the difference will be set out in the preliminary announcement of audited results for the financial year.

**Shareholders and investors are reminded to exercise caution in interpreting the unaudited final results of the Group, and when dealing in the shares of the Company.**

Further to the announcement of CIL Holdings Limited (“Company”) dated 30 October 2003 and pursuant to paragraph 11(3)(i)(c) of the Listing Agreement (“Listing Agreement”) made between the Company and The Stock Exchange of Hong Kong Limited (“The Stock Exchange”), the directors of the Company (“Directors”) announces the unaudited final results of the Company and its subsidiaries (“Group”) for the year ended 30 June 2003, having been reviewed

by the Company's audit committee without disagreement, together with the corresponding comparative figures of previous year as follows.

		Year ended 30 June	
		2003	2002
		Unaudited	Audited
	Note	HK\$'000	HK\$'000
Turnover		45,721	56,635
Cost of sales and services provided		(42,899)	(56,388)
Gross profit		2,822	247
Other revenue and other income		1,516	17,474
General and administrative expenses		(19,236)	(19,021)
Other operating expenses		(8,137)	(143,873)
Finance costs		(1,148)	(2,106)
Gain arising from winding up subsidiaries		–	2,539
Gain arising from scheme of creditors' arrangement	1	94,544	–
Profit/(loss) before taxation		70,361	(144,740)
Taxation	2	–	–
Profit/(loss) after taxation		70,361	(144,740)
Minority interests		–	–
Profit/(loss) attributable to shareholders		70,361	(144,740)
Earning/(loss) per share			
– Basic	3	8.69 cents	(26.04 cents)

*Notes:*

**1. Gain arising from scheme of creditors' arrangement**

A creditors' scheme of arrangement ("Scheme") under Section 166 of the Companies Ordinance of Hong Kong and under Section 99 of the Companies Act 1981 of Bermuda was completed on 16 May 2003 to restructure the Group's total indebtedness and proceeds of HK\$35 million were raised from subscription of new shares of the Company for this purpose. Based on the final assessment of the Scheme administrator on the claims of the creditors, contingent liabilities of approximately HK\$75 million had to be further taken up by the Company before a total admitted indebtedness of approximately HK\$206 million was arrived at. Out of this amount, approximately HK\$15 million was paid from the proceeds and approximately HK\$21 million was settled by issue of ordinary shares of the Company at HK\$0.01 each. Indebtedness of the remaining approximately HK\$170 million was waived.

## 2. Taxation

	<b>2003</b>	2002
	<b>Unaudited</b>	Audited
	<b>HK\$'000</b>	<b>HK\$'000</b>
Hong Kong profits tax	–	–
Overseas taxation	–	–
	<hr/>	<hr/>
	–	–
Share of taxation attributable to jointly controlled entities	–	–
	<hr/>	<hr/>
	–	–
Deferred taxation	–	–
	<hr/>	<hr/>
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No provision for Hong Kong profits tax and overseas income tax has been made since there is no estimated assessable profit derived from Hong Kong and overseas for the period.

## 3. Earning/(loss) per share

The calculation of unaudited basic earning per share for the year ended 30 June 2003 is based on the profit attributable to shareholders of approximately HK\$70,361,000 (2002: loss of HK\$144,740,000) and on the weighted average number of approximately 809,856,653 (2002: 555,788,348) ordinary shares in issue during the period.

No diluted earning/loss per share for the years ended 30 June 2003 and 2002 is shown as the effect of the potential ordinary shares outstanding during these two years would be anti-dilutive.

Shareholders and investors should note that the unaudited final results published in this announcement may differ materially from the audited final results for the financial year which are expected to be released on or before 31 January 2004 and in such event, full particulars of, and reasons for, the difference will be set out in the preliminary announcement of audited results for the financial year.

The Directors have not dealt in the shares of the Company since the date of one month prior to 30 June 2003 and they have undertaken to the Stock Exchange not to deal in the securities of the Company until the audited final results of the Group for the year ended 30 June 2003 are released and published.

**Shareholders and investors are reminded to exercise caution in interpreting the unaudited final results of the Group, and when dealing in the shares of the Company.**

**The Stock Exchange has indicated that if the Company fails to have the audited final results of the Group for the year ended 30 June 2003 released on or before 31 January 2004, the Stock Exchange will, in addition to taking appropriate action against the Company and/or its Directors for breaches of paragraphs 8(1) and 11(1) of the Listing Agreement, closely monitor the affairs of the Company and the trading in its shares, and**

**consider any action, as appropriate, for such further delay in publication of the final results. The Exchange has also indicated that it may, should circumstances warrant it, request that trading in the Company's shares be suspended for the purposes of maintaining a fair and orderly market and that trading in the Company's shares can be conducted on a full informed basis.**

**By Order of the Board  
CIL Holdings Limited  
Ke Jun Xiang  
*Chairman***

Hong Kong, 27 November 2003

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