

emphasis on market research and producing better quality products. The Company's investment in the Pacific Town Project is in a favorable position to enjoy the new conditions.

Spurred by the infrastructure investment in preparation for the 2008 Olympic Games and by China's accession to the WTO, Beijing's economy is experiencing rapid growth. As new investment projects and multinational companies continue to flow into the Beijing market, more expatriates are being relocated to Beijing for both short and long-term assignments. Local Chinese were also active in purchasing units for owner occupation purpose. This indicates a stable demand for high-end residential units in the short to mid-term.

It is the Group's strategy to make further investment in the Beijing property sector with a focus on high quality development projects. With years of experience and knowledge in the Beijing market, the Directors of the Company are confident with the prospects of the Group.

## **SHARE ISSUE OF THE COMPANY**

On 19 April 2004, the Company entered into an agreement with Sense Control International Limited in relation to the issue and allotment of 107,600,000 new shares in the Company at the cash price of HKD0.14 per share. As referred to in the Company's announcement on 20 July 2004, at the request of the subscriber, the Company has agreed to postpone the completion to October 2004.