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## **NEW CITY (BEIJING) DEVELOPMENT LIMITED** **新城市（北京）建設有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

### **DELAY IN RELEASE AND PUBLICATION OF FINAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2002 AND DELAY IN DISPATCH OF ANNUAL REPORT**

The release and publication of the Company's final result for the year ended 31st December, 2002 and the dispatch of the annual report will be delayed. It is expected that the final results will be released and published on or before 21st May, 2003 and the annual report will be dispatched to shareholders of the Company as soon as practicable after the final results of the Company is published.

The Directors acknowledge that the delay in release and publication of the Company's final results and the delay in dispatch of the annual report constitute a breach of paragraphs 11(1) and 8(1) of Part B of Appendix 7 to the Listing Rules. The Stock Exchange reserves the right to take appropriate action against the Company and/or the Directors.

The unaudited consolidated results of the Group for the year ended 31st December, 2002 are set out in this announcement. Such unaudited consolidated results have been reviewed by the Company's audit committee.

Shareholders and investors should note that there may be significant difference between the loss attributable to shareholders in the unaudited consolidated results set out in this announcement and those in the audited final results that are expected to be released on or before 21st May, 2003. In the event that the audited final results differ materially from the unaudited consolidated results set out in this announcement, full particulars of, and the reasons for, the difference will be set out in the announcement of the audited final results.

**Shareholders and prospective investors should exercise extreme caution when dealing in shares of the Company.**

The directors (the "Directors") of New City (Beijing) Development Limited (the "Company") announce that the release and publication of the Company's final results for the year ended 31st December, 2002 and the dispatch of the annual report will be delayed. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") require the Company to release and publish its final results and dispatch the annual report within four months after the date upon which the Company's financial year ended.

The Directors also announce that certain new executive directors who were appointed in March, 2003 have, since their appointment, been conducting due diligence review on certain financial matters and/or transactions entered into by certain previous Directors of the Company. These financial matters and/or transactions will be relevant for the purpose of preparing the financial statement of the Company for the year ended 31st December, 2002. Accordingly, the Directors require more time to conclude the stated matters before the financial statements of the Company for the year ended 31st December, 2002. On the other hand, the Directors will have to review any necessary disclosure requirement which may arise as a result of the conclusions of such due diligence.

For the reasons stated above, the Company is therefore unable to release and publish its final results for the year ended 31st December, 2002 and to dispatch the annual report on or before 30th April, 2003.

It is expected that the final results will be released and published on or before 21st May, 2003 and the annual report will be dispatched to shareholders of the Company as soon as practicable after the final results of the Company is published.

Pursuant to paragraph 11(3)(i)(c) of Part B of Appendix 7 to the Listing Rules, the Directors announce that the unaudited final results of the Group for the year ended 31st December, 2002, which have been reviewed by the Company's audit committee, are as follow:—

#### UNAUDITED CONSOLIDATED INCOME STATEMENT

For the year ended 31st December 2002

	Unaudited for the year ended 31st December, 2002 <i>HK\$'000</i>	Audited for the year ended 31st December, 2001 <i>HK\$'000</i>
Turnover	2,658	37,227
Cost of sales	<u>0</u>	<u>(49,509)</u>
Gross profit/(loss)	2,658	(12,282)
Other operating income	2,274	47
Selling expenses	0	(1,068)
General and administrative expenses	(78,319)	(43,654)
Loss on other investment written off	<u>0</u>	<u>(1,774)</u>
Loss from operations	(73,387)	(58,731)
Finance costs	<u>(26,739)</u>	<u>(16,433)</u>
Loss before taxation	(100,126)	(75,164)
Minority interests	<u>358</u>	<u>575</u>
Net loss for the year	<u><b>(99,768)</b></u>	<u><b>(74,589)</b></u>

Shareholders and investors should note that there may be significant difference between the loss attributable to shareholders in the unaudited consolidated results set out in this announcement and those in the audited final results that are expected to be released on or before 21st May, 2003. In the event that the audited final results differ materially from the unaudited consolidated results set out in this announcement, full particulars of, and the reasons for, the difference will be set out in the announcement of the audited final results.

The Directors acknowledge that the delay in release and publication of the Company's final results and the delay in dispatch of the annual report constitute a breach of paragraphs 11(1) and 8(1) of Part B of Appendix 7 to the Listing Rules. The Stock Exchange reserves the right to take appropriate action against the Company and/or the Directors.

The Directors have given their undertakings to the Stock Exchange that they have not dealt in the shares of the Company since 1st April, 2003 and will not deal in the shares of the Company until the Company's audited final results for the year ended 31st December, 2002 are released and published.

**Shareholders of the Company and investors should exercise caution when dealing in the shares of the Company.**

By order of the board of Directors

**Han Junran**

*Chairman*

Hong Kong, 29th April, 2003

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