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GOLD-FACE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 396)

FURTHER DELAY IN THE PUBLICATION OF ANNUAL RESULTS AND DESPATCH OF ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2003 AND THE PUBLICATION OF INTERIM RESULTS AND DESPATCH OF INTERIM REPORT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2003, PROGRESS OF WINDING-UP PETITIONS FILED BY CREDITORS, APPOINTMENT OF RECEIVERS AND NEW WRIT FILED AGAINST THE COMPANY

Reference is made to the Company's announcements dated 30 July 2003 and 28 October 2003 regarding the delay in annual results announcement and despatch of the annual report, and the Company's announcement dated 24 December 2003 regarding, among others, the delay in interim results announcement and the Petitions filed against the Company and a wholly-owned subsidiary of the Company.

The Directors announce that there shall be a further delay in the publication of the Annual Results Announcement and Interim Results Announcement and the despatch of the Annual Report and Interim Report. Further announcement will be made by the Company when the timetable in respect of the publication of the Annual Results Announcement and Interim Results Announcement and the despatch of the Annual Report and Interim Report can be ascertained.

The Directors acknowledge that the delay shall constitute a breach of Rules 13.46(2)(a), 13.46(2)(b), 13.48(1), 13.49(1), 13.49(3)(i)(c) and 13.49(6) of the Listing Rules and that the Stock Exchange reserves its rights to take appropriate actions against the Company and/or its directors in respect of the breach.

At the hearing of the Petitions held on 13 April 2004, the High Court of the Hong Kong Special Administrative Region ordered that leave be granted to the Petitioners to set the Petitions down for trial within 42 days from 13 April 2004. The date of the trial is yet to be fixed.

The Receivers were appointed over the Properties held by Gold-Face Enterprises Limited and Chun Po Investment Company Limited.

A writ was filed against the Company on 3 April 2004.

At the request of the Company, trading in the Company's shares was suspended from 9:30 a.m. on 19 May 2003 and will remain suspended until further notice.

Reference is made to the announcements of Gold-Face Holdings Limited ("Company") dated 30 July 2003 and 28 October 2003 regarding the delay in annual results announcement and despatch of the annual report, and the Company's announcement dated 24 December 2003 regarding, among others, the delay in interim results announcement and the Petitions (as defined below) filed against the Company and a wholly-owned subsidiary of the Company.

DELAY IN THE PUBLICATION OF ANNUAL AND INTERIM RESULTS AND DESPATCH OF ANNUAL AND INTERIM REPORTS

Pursuant to Rules 13.46(2)(a), 13.48(1), 13.49(1) and 13.49(6) of the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange"), an issuer is required to publish in newspapers its annual results and despatch its annual report to its shareholders not later than four months after the date upon which the financial period ended and to publish in newspapers its interim results and despatch its interim report for the first six months of the financial year to its shareholders not later than three months after the end of that six-month period. Accordingly, the announcement of the audited results of the Company and its subsidiaries ("Group") for the year ended 31 March 2003 ("Annual Results Announcement") and the annual report of the Company for the year ended 31 March 2003 ("Annual Report") are required to be published and despatched on or before 31 July 2003, and the announcement of the results of the Group for the six months ended 30 September 2003 ("Interim Results Announcement") and the interim report of the Company for the six months ended 30 September 2003 ("Interim Report") are required to be published and despatched on or before 31 December 2003. As announced by the Company on 28 October 2003, the Annual Results Announcement is expected to be published on or before 5 March 2004 and the Annual Report is expected to be despatched on or before 9 March 2004. As announced by the Company on 24 December 2003, the publication of the Interim Results Announcement will be delayed to on or before 30 June 2004. The directors of the Company ("Directors") announce that there shall be a further delay in the publication of the Annual Results Announcement and Interim Results Announcement and the despatch of the Annual Report and Interim Report. The auditors of the Company are currently reviewing the financial data of the Group and the documents obtained by the Company from Commercial Crime Bureau ("CCB"). More time is required before the auditors can form an opinion on the financial data of the Group and the date of completion of the audit cannot be determined at the date of this announcement. Further announcement will be made by the Company when the timetable in respect of the publication of the Annual Results Announcement and Interim Results Announcement and the despatch of the Annual Report and Interim Report can be ascertained.

The Directors acknowledge that the delay in publishing the Annual Results Announcement and the Interim Results Announcement and the despatch of the Annual Report and the Interim Report shall constitute a breach of Rules 13.46(2)(a), 13.46(2)(b), 13.48(1), 13.49(1), 13.49(3)(i)(c) and 13.49(6) of the Listing Rules and that the Stock Exchange reserves its rights to take appropriate actions against the Company and/or its directors in respect of the breach. The delay in holding the 2003 annual general meeting of the Company contravenes the bye-laws of the Company and the Companies Act 1981 of Bermuda. The Registrar of Companies in Bermuda has granted a sanction to the Company on 29 March 2004 for the late holding of an annual general meeting for the calendar year 2003.

Each Director is aware of and will comply with Rule A3 of Appendix 10 to the Listing Rules.

The Directors have respectively confirmed that they have not dealt in the shares of the Company since 19 May 2003 and have also undertaken not to deal in the shares of the Company until the publication of the Interim Results Announcement.

WINDING UP PETITIONS

As referred to in the Company's announcement dated 24 December 2003, on 17 December 2003, two winding-up petitions ("Petitions") were filed against the Company and a wholly-owned subsidiary of the Company, True Gold Investment Limited ("True Gold"), respectively, by Wing Tung Yick Investment Company Limited and Crestsale Limited ("Petitioners") in connection with the disputes relating to (i) a joint venture agreement dated 18 May 1998 entered into between the Petitioners and True Gold and (ii) a guarantee given by the Company to the Petitioners to guarantee the performance of True Gold under the aforesaid joint venture

agreement. It was alleged in the Petitions that True Gold was indebted to the Petitioners for a sum of HK\$27,871,098 plus interest under the joint venture agreement in relation to the co-investment and profit-sharing arrangement in Villa Pinada (茵翠豪庭) and the Company was indebted to the Petitioners for the same amount pursuant to the guarantee. At the hearing of the Petitions held on 13 April 2004, the High Court of the Hong Kong Special Administrative Region ordered that leave be granted to the Petitioners to set the Petitions down for trial within 42 days from 13 April 2004. The date of the trial is yet to be fixed. Further announcement will be made if there is any development in relation to the Petitions.

APPOINTMENT OF THE RECEIVERS

The board of Directors ("Board") announces that Cosimo Borrelli and Stephen Briscoe ("Receivers") were appointed on 8 March 2004 as the receivers over (i) office nos. 1, 2 and 3 on 5/F, Yuen Long Commercial Centre, Nos. 18-24 Kau Yuk Road, Yuen Long, New Territories, held by Gold-Face Enterprises Limited as investment properties; and (ii) office nos. 3 and 4 on 10/F, Yuen Long Commercial Centre, Nos. 18-24 Kau Yuk Road, Yuen Long, New Territories ((i) and (ii), together "Properties"), held by Chun Po Investment Company Limited as investment properties. Gold-Face Enterprises Limited and Chun Po Investment Company Limited are indirect wholly-owned subsidiaries of the Company. The appointment of the Receivers was made by Umbrella Finance Company Limited for breach of the terms of the relevant loan documents regarding loans, together with estimated accrued interests payable to Umbrella Finance Company Limited, in the aggregate amount of approximately HK\$108 million.

NEW WRIT FILED AGAINST THE COMPANY

On 3 April 2004, a writ was filed against the Company by Mr. Chan Wing Sun ("Plaintiff"), who is independent of and not connected with any of the directors, chief executives or substantial shareholders of the Company or any of its subsidiaries or an associate of any of them, to recover an aggregate amount of approximately HK\$1.6 million paid by the Plaintiff to The Bank of East Asia ("Bank") as a result of the failure of the Company to repay the Bank and pursuant to a guarantee provided by the Plaintiff to the Bank on 11 October 2002 for all moneys due and owing from the Company to the Bank in relation to certain bank facilities granted to the Company by the Bank. The Company is seeking legal advice from its legal advisor on these proceedings.

GENERAL

The Board also announces that:-

1. as referred to in the Company's announcement dated 21 May 2003, receivers were appointed on 16 May 2003 over the assets of the Aegean project and the Villa Pinada project ("Projects"). As advised by the Directors, as at the date of this announcement, the Projects are still under receivership of the receivers;
2. an independent accounting firm ("Firm") has been appointed on 17 December 2003 to conduct a preliminary review of documents available in respect of the sources and applications of funds of True Gold (which holds the Villa Pinada project) and Profit Nation Development Limited (which holds the Aegean project) from their respective dates of commencement of business to the latest practicable dates. The Company, through its lawyers, has made photocopies of the Group's documents and records retained by CCB. The photocopies obtained from CCB to-date have been made available to the Firm, who has commenced their independent review on the use of proceeds in respect of the Projects on the basis of documents provided to them. The Firm has requested a further retainer fee due to the large volume of documents involved before they are in a position to continue with their work and the Company is considering such request. As at the date of this announcement, the time for the conclusion of their report cannot be ascertained; and
3. save as disclosed in this announcement, as far as the Company is aware, no new writ or winding up petition against the Company has been issued since 24 December 2003.

The Company is yet to demonstrate its compliance of Rule 13.24 of the Listing Rules that requires the Company to carry out a sufficient level of operations or have tangible assets of sufficient value and/or intangible assets for which a sufficient potential value can be demonstrated to warrant the continued listing of the shares of the Company.

At the request of the Company, trading in the Company's shares was suspended from 9:30 a.m. on 19 May 2003 and will remain suspended until further notice.

The Board comprises:

Executive Directors

Ms. Tai Seow Yoke Peng

Mr. Ng Yat Cheung

Non-executive Directors

Mr. Wan Tai Min, Tommy

Mr. Leung Shu Yin, William

By Order of the Board of
GOLD-FACE HOLDINGS LIMITED
Tai Seow Yoke Peng
Director

Hong Kong, 17 May 2004

Please also refer to the published version of this announcement in China Daily dated 18 May 2004.