CCT TELECOM HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 138)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE PERIOD ENDED 30 JUNE 2004

Financial Highlights

- Turnover rose by 32% to HK$1,880 million;
- Profit attributable to shareholder jumped 600% to HK$56 million;
- Earnings per share raised 600% to HK$0.133 per share;
- Special interim dividend of HK$0.10 per share was paid in June 2004; and
- Proposed interim dividend at HK$0.01 per share (30 June 2003: HK$0.015 per share).

CHAIRMAN'S LETTER

I am pleased to report that CCT Telecom Holdings Limited (the "Company") and its subsidiaries (together the "Group") recorded a turnover of approximately HK$1,880 million for the six months ended 30 June 2004, a 32% growth in comparing corresponding period last year.

Net profit attributable to shareholders for the period climbed 600% to HK$56 million. Earnings per share raised 600% to HK$0.133 per share reflected a sound improvement in return to shareholders.

INTERIM DIVIDEND

For the period ended 30 June 2004, a special interim dividend of HK$0.10 each, amounted to approximately HK$42 million, was declared and funded by the net sale proceeds of the disposal of convertible note. For details of the disposal of convertible note, please refer to the announcement dated 4 March 2004. The special interim dividend was approved in the board meeting of the Company held on 28 April 2004. The special interim dividend was paid on 18 June 2004.

The board of directors has further declared an interim dividend for 2004 of HK$0.01 per share (30 June 2003: HK$0.015 per share) to be payable from the Company's capital reserve. The special interim dividend of HK$0.1 per share paid in June 2004 together with the proposed interim dividend of HK$0.01 per share amounted to HK$0.11 per share in total. The interim dividend of HK$0.01 per share will be payable on 19 October 2004 to shareholders whose names appear on the register of members of the Company on 8 October 2004.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 6 October 2004 to 8 October 2004 (both dates inclusive), during which period no transfer of shares will be registered. In order to qualify for the interim dividend of HK$0.01 per share, all transfers, accompanied by the relevant share certificates, must be lodged with the branch share registrar and transfer office of the

Company in Hong Kong, Tengis Limited at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, for registration not later than 4:00 p.m. on 5 October 2004.

REVIEW OF OPERATIONS

Cordless Phone Manufacturing Business

Our cordless phone manufacturing business is operated through CCT Tech International Limited ("CCT Tech"), the Company's 35.4%-owned listed subsidiary. It continued to be our principal operation and accounted for over 90% of the Group's total turnover.

We are proud of our achievements made during the first half of 2004. Our sales figures in each of the months under the reporting period had well exceeded those of the corresponding months last year. Our outstanding performance resulted from a combination of factors, namely, our decision to diversify into new geographic regions, the development and launch of a new innovative product range (in particular, the 5.8 GHz cordless phones and a number of newly launched Digital Enhanced Cordless Telephone ("DECT") phone models). These factors were, in turn, boosted by our ability to benefit from the economies of scale in our materials procurement supply chain, thereby, further strengthening our competitive edge in the industry.

As one of the world's largest cordless phone manufacturers, we currently acts as an Original Design Manufacturer ("ODM") and Original Equipment Manufacturer ("OEM") partner for a number of leading internationally renowned brands such as GE, Alcatel and others. Recognising the need to reduce our dependence on the North American markets and to maintain our leading market position in the cordless phone industry, we have made significant in-roads into the European and Asia Pacific markets to achieve a more balanced geographic sales mix. Owing to the increase in sales to Europe and Asia Pacific, we have reduced our dependence on the North American market, with the sales contribution from the North American market dropping from 66% of total sales last period to 58% this period.

We remain committed to research and development and maintain a world class R&D team specialising in the development of high radio frequency products. We have a strong R&D team of over 500 engineers in our Hong Kong and Shenzhen offices. Capitalising on our research and development strengths, we launched our first 5.8 GHz digital cordless phone and a number of new models for DECT phones in 2004. In the first half of 2004, we launched over 90 new products models. These new products were all well-received by the markets, thereby pushing up our interim period sales to a new height.

To cater for the significant expansion in the Group's selling volume, we have invested heavily in production machinery and equipment during the first half of 2004 and restructured the set-up of our production and casing lines. The results so far have been encouraging with an increase in the total number of Surface Mount Technology ("SMT") since the beginning of this year which increase monthly production capacity by more than 50%. To further enhance our competitive edge and to meet the rapidly changing and stringent demands of our customers, we actively pursue ways to improve and upgrade our manufacturing facilities and manufacturing standards. In January 2004, our manufacturing complex in Huiyang was awarded ISO14001 certification in acknowledgement of our efforts in upholding environmental protection. This represents a significant step forward in meeting the expectations and requirements of our multi-national customers.

Components Business

The Group procures and consumes a large amount of different components for its cordless phone manufacturing business. The Group already manufactures a majority of electric and plastic components in-house and continues to further vertically integrate its operations by developing in-house upstream production.

(i) ***Electric component business***

The electric component business is carried out through CCT Tech, the Company's 35.4% listed subsidiary. It is engaged in, among other businesses, the manufacture of power supply components including linear and switching power supplies and transformers with our cordless phone manufacturing business being one of its main customers. With the ongoing improvement in its product quality, it provided a stable, high quality and continuous support to the cordless phone manufacturing business.

On 2 June 2004, the Company announced its decision to acquire the entire interest of the electric component business from CCT Tech. The Group believes that such group realignment will achieve a clearer corporate identity for the Company, would enable a clearer evaluation of its businesses. The transaction was approved by the shareholders in an extraordinary general meeting held on 8 September 2004. For further details of the transaction, please refer to the announcement dated 2 June 2004.

(ii) ***Plastic product business***

The plastic product business continues to contribute a stable revenue to the Group, which has seen a steady growth in line with the growth of the cordless phone manufacturing business as the majority of its products are supplied internally to our cordless phone business.

The recent worldwide unstable supply and rising demand of oil has placed pressure on the supply of the raw materials for our plastic product business. We have, however, managed to overcome such production and management difficulties by taking full advantage of our leverage arising from economies of scale, product quality, cost control and an enlarged product range. We believed that the plastic product business will continue to provide a satisfactory contribution to the Group.

Baby and Health Care Business

Our baby and health care business recorded HK$71 million in turnover during the period under review. Its operating results recorded HK$9 million for the period, over 29% growth in comparison with the corresponding period last year. North America was still its major market. During the period, new production orders were received from newly-introduced well-known customers based in North America and Europe. Many new products, such as child care metal gates with electronic sensors, soft toys and newly designed plastic furniture and stationery were launched during the period. These newly-launched products have been well-received by our customers and have provided satisfactory contribution to the Group.

During the period, we increased capital expenditure for such business which signifies our confidence towards the baby and health care business and its contribution to the Group as a whole.

Mobile Handset Business

The Group's mobile phone business, conducted in cooperation with Haier Group Corporation and its associates ("Haier Group") is operated through Haier-CCT Holdings Limited ("Haier-CCT"), the Company's listed associate. Haier is the largest white goods manufacturer in China.

Though the mobile handset market is subject to fierce competition, turnover of the mobile handset business during the period under review reached HK$1,660 million, representing a significant increase of 124% over the corresponding period for last year.

Although the operating environment in the mobile handset industry has been difficult in recent years, we have a positive view over the long-term prospects of the mobile handset business. We are of the view that Haier-CCT has accumulated significant experience over the years and believe that the mobile handset business has the potential to grow given that it has the expertise and capability to manufacture and sell mobile handsets in the PRC as well as in overseas markets.

On 5 March 2004, Haier-CCT entered into a conditional agreement with the Haier Group to acquire from the Haier Group its washing machine business. The acquisition, once completed, is expected to provide a major boost to the business of Haier-CCT in that it will broaden Haier-CCT's revenue and profit base and result in Haier-CCT's diversification into the white goods business. The acquisition is, however, subject to, among other things, the satisfactory completion of due diligence on their financial and business operation, the receipt of all applicable governmental, regulatory and shareholders' approvals in Hong Kong and the PRC.

As a major shareholder of Haier-CCT, we are very pleased and excited about the acquisition which, when completed, will enlarge the asset and revenue bases of Haier-CCT.

OUTLOOK

In the first half of 2004, we improved our competitiveness by realizing our planned marketing efforts, capitalizing on our strong R&D capabilities, improving productivity efficiency, leveraging on economies of scale and taking advantage of our paramount procurement volume. In the near future, the unstable supply and rising demand of the raw materials will incorporate pressure to our operation cost, we will work hard to tackle the challenges and maintain a healthy financial position. On a final note, I would like to take this opportunity to express my gratitude to the management team for their sound management, the staff for their hard work, and our business partners, bankers and associates for their continuing support.

Mak Shiu Tong, Clement
Chairman

Hong Kong, 10 September, 2004

UNAUDITED INTERIM RESULTS

The board of Directors of the Company (the "Board") is pleased to announce the unaudited results of the Group for the six months ended 30 June 2004 together with comparative figures for the corresponding period in 2003 are as follows:

Condensed Consolidated Profit and Loss Account

For the six months ended 30 June 2004

		Six months ended 30 June	
		2004	2003
HK$'million	*Notes*	***(Unaudited)***	*(Unaudited)*
TURNOVER		**1.880**	1,424
Cost of sales		**(1,626)**	(1,225)
Gross profit		**254**	199
Other revenue		**12**	14
Selling and distribution costs		**(24)**	(21)
Administrative expenses		**(129)**	(126)
Other operating expenses		**(9)**	(29)
PROFIT FROM OPERATING ACTIVITIES	2	**104**	37
Finance costs		**(3)**	(5)
Share of profits and losses of associates[#]		**—**	(25)
PROFIT BEFORE TAX		**101**	7
Tax	4	**(7)**	2
PROFIT BEFORE MINORITY INTERESTS		**94**	9
Minority interests		**(38)**	(1)
NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		**56**	8
INTERIM DIVIDEND	5		
— Paid special interim		**42**	—
— Proposed interim		**4**	6
		46	6
EARNINGS PER SHARE	6		
— Basic		**HK$0.133**	HK$0.019
— Diluted		**HK$0.128**	HK$0.019

HK$'million	Notes	Six months ended 30 June 2004 (Unaudited)	2003 (Unaudited)
INTERIM DIVIDEND PER SHARE	5		
— Paid special interim		**HK$0.100**	—
— Proposed interim		**HK$0.010**	HK$0.015
		HK$0.110	HK$0.015

[#] Including a realization of the relevant portion of the unrealised profits of approximately HK$7 million (last period: HK$12 million) arising from the deemed disposal of subsidiaries to an associate in 2002.

Notes:

1. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("Listing Rules") and with the Hong Kong Statement of Standard Accounting Practice ("SSAP") No. 25 "Interim Financial Reporting" and the presentation and accounting policies used are consistent with those used in the Group's annual financial statements for the year ended 31 December 2003.

2. SEGMENT INFORMATION

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services that they each provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other business segments. Summary details of the business segments are as follows:

(a) the telecom products segment engages in the manufacture and sale of telecom products and accessories and components;

(b) the baby and health care product segment manufactures and sells baby and health care products;

(c) the corporate and others segment comprises of corporate income and administrative and corporate expenses items and the publishing of magazines (which was disposed in 2003).

In determining the Group's geographical segments, revenues and results are attributed to the segments based on the location of the customers.

(a) ***Business segments***

The following tables present revenue and profit information regarding the Group's business segments for the period ended 30 June 2004 and 2003.

2004

HK$'million	**Telecom products** *(Unaudited)*	**Baby and health care products** *(Unaudited)*	**Corporate and others** *(Unaudited)*	**Consolidated** *(Unaudited)*
Segment revenue:				
Sales to external customers	**1,806**	**71**	**—**	**1,877**
Other revenue	**10**	**—**	**2**	**12**
Total revenue	**1,816**	**71**	**2**	**1,889**
Segment results	**127**	**9**	**(35)**	**101**
Interest income				**3**
Finance costs				**(3)**
Share of profits and losses of associates	**—**	**—**	**—**	**—**
Profit before tax				**101**
Tax				**(7)**
Profit before minority Interests				**94**
Minority interests				**(38)**
Net profit from ordinary activities attributable to shareholders				**56**

2003

HK$'million	Telecom products *(Unaudited)*	Baby and health care products *(Unaudited)*	Corporate and others *(Unaudited)*	Consolidated *(Unaudited)*
Segment revenue:				
Sales to external customers	1,318	71	31	1,420
Other revenue	12	—	2	14
Total revenue	1,330	71	33	1,434
Segment results	83	7	(57)	33
Interest income				4
Finance costs				(5)
Share of profits and losses of associates	—	—	(25)	(25)
Profit before tax				7
Tax				2
Profit before minority Interests				9
Minority interests				(1)
Net profit from ordinary activities attributable to shareholders				8

(b) ***Geographical segments***

The following table presents revenue and results regarding the Group's geographical segments for the period ended 30 June 2004 and 2003.

2004

HK$'million	**United States of America** ***(Unaudited)***	**PRC, including HK** ***(Unaudited)***	**Europe** ***(Unaudited)***	**Others** ***(Unaudited)***	**Consolidated** ***(Unaudited)***
Segment revenue:					
Sales to external customers	**1,097**	**376**	**88**	**316**	**1,877**
Other revenue	**—**	**—**	**—**	**12**	**12**
Total revenue	**1,097**	**376**	**88**	**328**	**1,889**

2003

HK$'million	United States of America *(Unaudited)*	PRC, including HK *(Unaudited)*	Europe *(Unaudited)*	Others *(Unaudited)*	Consolidated *(Unaudited)*
Segment revenue:					
Sales to external customers	932	274	64	150	1,420
Other revenue	—	—	—	14	14
Total revenue	932	274	64	164	1,434

3. DEPRECIATION AND AMORTISATION

During the period, depreciation of HK$61 million (six months ended 30 June 2003: HK$58 million) and amortisation of HK$14 million (six months ended 30 June 2003: HK$10 million) were charged in respect of the Group's fixed assets and intangible assets, respectively. Amortisation of goodwill of HK$1 million (six months ended 30 June 2003: HK$1 million) was charged during the period.

4. TAX

HK$'million	**For the six months ended 30 June** **2004** ***(Unaudited)***	2003 (Unaudited)
Current — Hong Kong:		
Charge for the period	**7**	6
Overprovision in prior years	**(2)**	—
Current — Elsewhere	**1**	—
Deferred	**1**	(7)
	7	(1)
Share of tax attributable to associates	**—**	(1)
Tax (credit)/charge for the period	**7**	(2)

The Company is exempted from tax in the Cayman Islands until 2010. Hong Kong profits tax has been provided at the rate of 17.5% (six months ended 30 June 2003: 17.5%) on the estimated assessable profits arising in Hong Kong during the period.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof. Certain PRC subsidiaries of the Group, which are categorised as wholly foreign owned enterprises, are entitled to preferential tax treatments including full exemption from the PRC income tax for two years starting from their first profit-making year following by a 50% reduction for the next three consecutive years.

5. DIVIDEND

For the period ended 30 June 2004, a special interim dividend of HK$0.10 each, amounted to approximately HK$42 million, was declared and funded by the net sale proceeds of the disposal of convertible note. For details of disposal of convertible note, please refer to the announcement dated 4 March 2004. The special interim dividend was approved in the board meeting of the Company held on 28 April 2004. The special interim dividend was paid on 18 June 2004.

The board of directors has further declared an interim dividend for 2004 of HK$0.01 per share (30 June 2003: HK$0.015 per share) to be payable from the Company's capital reserve. The interim dividend will be payable on 19 October 2004 to shareholders whose names appear on the register of members of the Company on 8 October 2004. The register of members of the Company will be closed from 6 October 2004 to 8 October 2004 (both days inclusive).

6. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

	Six months ended 30 June	
	2004	2003
HK$'million	***(Unaudited)***	*(Unaudited)*
Profit for the purposes of basic and diluted earnings per share	**56**	8
	Number of shares	
Weighted average number of ordinary shares for the purpose of basic earnings per share	**422,105,230**	422,105,230
Effect of dilutive share options	**16,299,836**	1,573,539
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**438,405,066**	423,678,769

FINANCIAL REVIEW

Results Summary

The Group recorded a turnover of approximately HK$1,880 million, an increase of approximately 32% due to the robust growth in our telecom product manufacturing business. Gross profit also showed an encouraging improvement amounted to HK$254 million, a 28% growth over the corresponding period in last year. Net profit attributable to shareholders raised from HK$8 million in last period to HK$56 million in this period.

Analysis by Business Segment

The manufacturing and sale of telecom products remains the principal business of the Group. This business segment accounted for 96% (last period: 93%) of the Group's turnover for the current period. The baby and health care products business segment contributed to the remaining 4% of the turnover.

The telecom products business continued to perform well in the current period, recording an operating profit of HK$127 million (last period: profit of HK$83 million), up 53% from the last period. Our major success in the telecom product segment was primarily due to the outstanding performance of our cordless phone products, our strong research and development capability together with effective cost control.

Analysis by Geographical Segment

North America continued to be the major market for the Group accounting for 58% (last period: 66%) of the total turnover. PRC (including Hong Kong) and Europe continued to be the second and third business market, respectively, of the Group which accounted for 20% (last period: 19%) and 5% (last period: 5%), respectively, of the Group's total turnover.

Capital Structure and Gearing Ratio

The financial position of the group remains strong, with a low gearing ratio (total borrowings over total capital employed) of only 12% at 30 June 2004 (31 December 2003: 11%), reflecting a healthy financial position and the prudent financial policy of the Group.

As at 30 June 2004, total borrowings (including bank borrowings, finance lease payable and convertible notes) of the Group was approximately HK$312 million (31 December 2003: HK$273 million).

Outstanding bank loans at the period end date amounted to HK$250 million (31 December 2003: HK$253 million). 59% of these bank loans were arranged on a short-term basis for ordinary business and were repayable within one year and the remaining were of a long-term nature, which principally comprised of mortgage loans on properties used by the Group.

Certain assets of the Group were financed by way of finance leases and the total outstanding finance lease payables at the period end date amounted to HK$5 million (31 December 2003: HK$2 million).

During the period, the Company entered into a sale and purchase agreement with a company controlled by Mr. Mak Shiu Tong, Clement, the Chairman of the Company, and his associates to dispose of the HK$45 million zero coupon convertible notes that were issued to the Company by CCT Tech for a cash consideration of HK$45 million. The transaction was approved by the independent shareholders of the Company on 15 April 2004.

At period end, the total outstanding convertible notes issued by the Company's listed subsidiary, CCT Tech, amounted to HK$57 million which comprised of:

(i) HK$8 million at 5% per annum convertible notes due 2004 with a conversion price of HK$0.01 per CCT Tech's shares;

(ii) HK$4 million at 2% per annum convertible notes due 2005 with a conversion price of HK$0.01 per CCT Tech's shares; and

(iii) HK$45 million at zero coupon rate convertible note due 2005 with a conversion price of HK$0.01 per CCT Tech's shares.

At the period end date, the maturity profile of the bank loans and other borrowings and convertible debt falling within one year, in the second to the fifth year and in the sixth to the tenth year amounted to HK$205 million, HK$61 million and HK$46 million, respectively (31 December 2003: HK$138 million, HK$73 million and HK$62 million, respectively). There was no material effect of seasonality on the Group's borrowings requirements.

Liquidity and Financial Resources

Current ratio (a ratio of current assets over current liabilities) as at 30 June 2004 was 154% (31 December 2003: 156%). Our strong liquid position demonstrates our concrete financial position based on strong cash flow from our operations and our prudent investment strategy and effective financial management.

At 30 June 2004, the Group maintained a cash balance of HK$1,007 million (31 December 2003: HK$973 million). Among the total cash balance of HK$1,007 million, approximately HK$100 million (31 December 2003: HK$100 million) was pledged for general banking facilities.

At 30 June 2004, the Group had banking facilities of HK$512 million (31 December 2003: HK$584 million), of which HK$265 million (31 December 2003: HK$327 million) had been utilized.

Capital Commitments

The Group had authorised and contracted capital commitments of approximately HK$42 million (31 December 2003: HK$62 million) at the period end date. These commitments mainly relate to capital expenditure for the manufacturing operation of the Group and will be funded by internal resources.

In addition, the Group's share of the associates' own authorised and contracted capital commitments was approximately HK$5 million (31 December 2003: HK$8 million) at the period end date. These commitments mainly relate to capital expenditure for the manufacturing operation of Haier-CCT and will be funded by internal sources by Haier-CCT.

Treasury Management

The Group employs a conservative approach to cash management and risk control. To achieve better risk control and efficient fund management, the Group's treasury activities are centralised. During the period, the Group's receipts were mainly denominated in United States dollars, with a small portion of the receipts denominated in Hong Kong dollars and Euros. Payments were mainly made in Hong Kong dollars and United States dollars, with some in Renminbi and Euros. Cash was generally placed in short-term deposits denominated in Hong Kong dollars and United States dollars. Other than the fixed or zero rate convertible notes of HK$57 million in principal amount, the Group's borrowings were principally made on a floating rate basis.

The Group does not have any significant interest rate risk as the interest rate is stable and remains at low level. The Group does not foresee any substantial risk or exposure from having the majority of its receipts and payments in United States dollars. The Group's exposure to foreign exchange risk is not substantial and forward exchange contracts will be entered into to minimize such risks when necessary and appropriate.

Other Information

Employees and Remuneration Policy

The total number of employees in the Group at 30 June 2004 was approximately 22,362. Remuneration packages are normally reviewed on an annual basis. Apart from salary payments, other staff benefits include provident fund, medical insurance and performance related bonuses. Share options may also be granted to eligible employees of the Group. At the period end date, there were approximately 42 million share options outstanding.

Significant Investment

There was no significant investment unrelated to our core ODM and OEM manufacturing business during the period. The Group continues to focus on the ODM and OEM manufacturing business of cordless telecom products and its related products. During the period, approximately HK$105 million was used for capital expenditure, mainly related to the Group's core manufacturing business.

Acquisition and Disposal of Material Subsidiaries and Associates

During the period, the Group did not have any significant acquisition and disposal of material subsidiaries and associates.

Pledge of Assets

At 30 June 2004, certain of the Group's assets with net book value of HK$165 million (31 December 2003: HK$255 million) and time deposits of HK$100 million (31 December 2003: HK$100 million) were pledged to secure general banking facilities granted to the Group.

Contingent Liabilities

Apart from guarantee in lieu of property rental of HK$45 million (31 December 2003: HK$45 million) and possible future long service payments to employees under the Hong Kong Employment Ordinance, with a maximum possible amount of HK$9 million (31 December 2003: HK$8 million), the Group did not have any other significant contingent liabilities at 30 June 2004.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SHARES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed shares (whether on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") or otherwise) of the Company during the six months ended 30 June 2004.

AUDIT COMMITTEE

The Company has established an audit committee comprising three independent non-executive directors of the Company. A set of written terms of reference which describes the authorities and duties of the audit committee, was adopted by the Board.

The audit committee had reviewed with the management the accounting principles and practices adopted by the Group and discussed financial and accounting matters including the review of the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2004.

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 June 2004, in compliance with the Code of Best Practice (the "Code") as set out in Appendix 14 to the Listing Rules except that the independent non-executive directors of the Company are not appointed for any specific terms as required by paragraph 7 of the Code, but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company.

PUBLICATION OF DETAILED UNAUDITED CONSOLIDATED INTERIM RESULTS ON THE WEBSITE OF THE STOCK EXCHANGE

The detailed unaudited consolidated interim results containing all the information required by paragraphs 46(1) to 46(6) of Appendix 16 to the Listing Rules in force prior to 31 March 2004, which remain applicable to this results announcement under transitional arrangements, will be published on the website of the Stock Exchange in due course.

By Order of the Board
Mak Shiu Tong, Clement
Chairman

Hong Kong, 10 September 2004

As at the date of this announcement, the executive directors of the Company are Mr. Mak Shiu Tong, Clement, Ms. Cheng Yuk Ching, Flora, Mr. Tam Ngai Hung, Terry, Mr. William Donald Putt and the independent non-executive directors of the Company are Mr. Samuel Olenick, Mr. Tam King Ching, Kenny and Mr. Lau Ho Man, Edward.

Please also refer to the published version of this announcement in the ***(The Standard)***