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*This announcement, for which the directors of Riverhill Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Riverhill Holdings Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*



## **RIVERHILL HOLDINGS LIMITED**

**山河控股有限公司\***

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

### **FURTHER ANNOUNCEMENT ON THE PLEDGED DEPOSIT**

Reference is made to the Announcement.

Cyber World received a letter from the Bank on 12 March 2003 informing Cyber World that the Bank has exercised its right under the deed of charge on cash deposit entered into between the Bank and Cyber World on 29 January 2002 to set-off the Pledged Deposit against the Overdraft Facility.

WPIL has informed the Company that it is in the process of remitting the proceeds from a loan for RMB 5.5 million to Hong Kong and WPIL has agreed with the Company that subject to any outstanding interests and charges due to the Bank, the entire sum of the loan proceeds will be paid to the Company as partial compensation for the forfeiture of the Pledged Deposit by the Bank. Further announcement will be made by the Company when the Company receives further information from WPIL in relation to the remittance of the loan proceeds to Hong Kong. As at the date of this Announcement, the amount has not yet been received by the Company.

Terms used in the announcement (the “**Announcement**”) made by the Company on 4 March 2003 shall have the same meanings in this announcement unless the context otherwise required.

On 12 March 2003, Cyber World received a letter from The Bank of East Asia Limited (the “**Bank**”) informing Cyber World that the Bank has exercised its right under the deed of charge on cash deposit entered into between the Bank and Cyber World on 29 January 2002 to set-off the Pledged Deposit against the Overdraft Facility as partial settlement of the overdue amount under the Overdraft Facility.

Wang Yan, a major shareholder of WPIL has entered into a personal guarantee under seal with Cyber World on 29 January 2003 indemnifying Cyber World for all liabilities, losses damages, costs and expenses which may be suffered or incurred by Cyber World as a result of any failure by WPIL in performing its obligations to under the Overdraft Facility. The personal guarantee executed by Wang Yan is subject to Hong Kong laws and is legally enforceable in accordance with its terms.

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The Directors considered that the daily operations of the Group will not be affected by the forfeiture of the Pledged Deposit by the Bank. However, as disclosed in the Announcement, the Directors considered that the Group's proposed investment for the establishment of a joint venture for the provision of virtual reality and digital community management services and a joint venture for the supply and installation of GPS automatic vehicle locators as stated in the Prospectus may be delayed or the Group may have to fund its investments in these joint ventures from other sources.

**Investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Riverhill Holdings Limited**  
**Yick Chong San**  
*Director*

Hong Kong, 12 March, 2003

*This announcement will remain on the GEM website on the "Latest Company Announcements" page for 7 days from the day of its posting.*

\* *for identification purpose only*