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## GOLD-FACE HOLDINGS LIMITED

*(Incorporated in Bermuda with limited liability)*

### ANNOUNCEMENT

The Board announces that on 9 April 2003, the Company has received a statutory demand from Chun Wo demanding the repayment of HK\$69,023,271.47 together with interest, failing which Chun Wo shall have the right to commence further legal proceedings which may include the presentation of a winding-up petition against the Company. On 29 April 2003, the Company has taken out a High Court action (HCMP No.1835) to restrain Chun Wo from relying on the said statutory demand to petition for the winding-up of the Company on the ground that the arbitration award is not final.

The board (“**Board**”) of directors of Gold-Face Holdings Limited (the “**Company**”) refers to the announcement of the Company dated 16 April 2003 (the “**Announcement**”). Unless the context otherwise requires, terms used in this announcement shall have the respective meanings as defined in the Announcement.

The Board announces that on 9 April 2003, the Company has received a statutory demand from Chun Wo demanding the repayment of HK\$69,023,271.47 together with interest. The Company has not paid the said sum within the 21-day period as set out in the statutory demand. As such, Chun Wo shall have the right to commence further legal proceedings which may include the presentation of a winding-up petition against the Company. The statutory demand was made under (a) a purported deed of guarantee dated 10 November 1998 between the Company and Chun Wo in respect of a construction agreement made between Chun Wo and Lipson, a wholly-owned subsidiary of the Company, and (b) the arbitration award made in favour of Chun Wo in an arbitration concerning a dispute in construction work rendered in connection with the property development situated at Casa De Oro, Hung Shiu Kiu, New Territories. As set out in the Announcement, the arbitration is at present the subject matter of an application to the High Court to be reconsidered by the arbitrator and is also a subject matter of an application for leave of appeal. On 29 April 2003, the Company has also taken out a High Court action (HCMP No.1835) to restrain Chun Wo from relying on the said statutory demand to petition for the winding-up of the Company on the ground that the arbitration award is not final.

The Board will make further announcement regarding any material developments in respect of the said litigation proceedings and arbitration of the Company as and when appropriate.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board  
**Gold-Face Holdings Limited**  
**Tai Chi Wah**  
*Managing Director*

Hong Kong, 2 May 2003

Please also refer to the published version of this announcement in The Standard dated on 05-5-2003.