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COSMOPOLITAN INTERNATIONAL HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

The Board was informed by Gold Capital on 11 November 2003 that Gold Capital and Ping An Securities entered into the Placing Agreement on 11 November 2003, whereby the Gold Capital has agreed to appoint Ping An Securities as the placing agent and Ping An Securities has agreed to place not more than 115,000,000 Shares of HK\$0.10 each beneficially owned by Gold Capital in the capital of the Company at a price of HK\$0.20 per Share to not less than six independent private and/or institutional investors on a best effort basis.

The Sale Shares represent approximately 21.6% of the Company's existing issued share capital.

Upon completion of the Placing, the shareholding of Gold Capital will be decreased from approximately 50.02% to approximately 28.4% of the existing issued share capital of the Company. Gold Capital will continue to be the single largest shareholder of the Company upon completion of the Placing.

This announcement was made voluntarily by the Company under paragraph 2 of the Listing Agreement. Trading in the shares of the Company was suspended at the request of the Company with effect from 9:30 a.m. on 11 November 2003 pending the release of this announcement. The Company has applied for resumption of trading in the shares of the Company with effect from 9:30 a.m. on 12 November 2003.

PLACING AGREEMENT DATED 11 NOVEMBER 2003

Vendor:

Gold Capital

Placing agent:

Ping An Securities, the placing agent of the Placing, is independent of and not connected with any of the directors, chief executive or substantial shareholders of the Company or its subsidiaries and their respective associates.

PLACEES

Ping An Securities will place not more than 115,000,000 Sale Shares of HK\$0.10 each in the capital of the Company, on a best effort basis, to not less than six placees who are independent institutional and/or private investors not connected with any of the Directors, chief executives or substantial shareholders of the Company or its subsidiaries and their respective associates. Upon completion of the Placing, no placee will hold more than 10% of the total issued share capital of the Company.

Number of Sale Shares to be placed on a best effort basis:

Not more than 115,000,000 Sale Shares

The Sale Shares represent approximately 21.6% of the Company's existing issued share capital of the Company.

PLACING PRICE

HK\$0.20 per Share

The Placing Price represents a premium of approximately 12.99% to the closing price of HK\$0.1770 per Share as quoted on the Stock Exchange on 10 November 2003 (being the latest trading day prior to the date of the Placing Agreement), a discount of approximately 2.06% to the average closing price of approximately HK\$0.2042 per Share as quoted on the Stock Exchange for the last 10 trading days prior to and including 10 November 2003.

COMPLETION

Completion of the Placing is expected to take place no later than 28 November 2003 or such other date to be mutually agreed by the respective parties.

The Board has no present intention to change the composition of the board or the business of the Company.

SHAREHOLDING OF GOLD CAPITAL UPON COMPLETION

Upon completion of the Placing, the shareholding of Gold Capital will be decreased from approximately 50.02% to approximately 28.4% in the issued share capital of the Company. Gold Capital will continue to be the single largest shareholder of the Company upon completion of the Placing.

Name	Shareholding			
	Number of issued Shares before Placing	Number of issued Shares immediately after the Placing	Existing	Immediately after the Placing
Gold Capital	266,146,092	151,146,092	50.02%	28.40%
Eric Edward Hotung, C.B.E. (<i>Note 1</i>)	29,952,608	29,952,608	5.63%	5.63%
Hotung Investment (China) Limited (<i>Note 1</i>)	16,171,000	16,171,000	3.04%	3.04%
Genesee Company Limited (<i>Note 1</i>)	15,161,000	15,161,000	2.84%	2.84%
Hotung Enterprises Limited (<i>Note 2</i>)	1,000,000	1,000,000	0.19%	0.19%
Independent Placees	0	115,000,000	0%	21.62%
Public shareholding	203,669,300	203,669,300	38.28%	38.28%
TOTAL	532,100,000	532,100,000	100%	100%

Note 1: Hotung Investment (China) Limited and Genesee Company Limited are considered concert parties of Eric Edward Hotung, C.B.E. and are not considered public shareholders since the acquisition of the shares by each of these companies were financed by Eric Edward Hotung, C.B.E..

Note 2: In addition to the 1,000,000 Shares which are beneficially owned by Hotung Enterprises Limited, Hotung Enterprises Limited is also deemed to be interested in the 16,171,000 Shares held by Hotung Investment (China) Limited as 93.75% shareholding in Hotung Investment (China) Limited is controlled by Hotung Enterprises Limited.

GENERAL

Trading in the shares of the Company was suspended at the request of the Company with effect from 9:30 a.m. on 11 November 2003 pending the release of this announcement. The Company has applied for resumption of trading in the shares of the Company with effect from 9:30 a.m. on 12 November 2003.

DEFINITIONS

“associates”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of directors of the Company
“Company”	Cosmopolitan International Holdings Limited, a company incorporated in Cayman Islands with limited liability, the securities of which are listed on the Stock Exchange
“Gold Capital”	Gold Capital Investments Limited, a company incorporated in the British Virgin Islands, the controlling shareholder of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Ping An Securities”	Ping An Securities Limited, a licensed corporation registered under the Securities and Futures Ordinance (Chapter 571 of Hong Kong Laws)
“Placing”	the placing of not more than 115,000,000 Shares the Placing Price to not less than six independent private and institutional investors on a best effort basis
“Placing Agreement”	the placing agreement entered into between Gold Capital and Ping An Securities on 11 November 2003
“Placing Price”	HK\$0.20 per Sale Share
“Sale Shares”	not more than 115,000,000 Shares of HK\$0.10 each
“Shares”	share(s) of the Company of HK\$0.10 each, the nominal value of which will be reduced to HK\$0.001 upon completion of the capital reorganisation of the Company as announced on 31 October 2003

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“HK\$” Hong Kong dollars

“%” per cent.

For and on behalf of the Board
Cosmopolitan International Holdings Limited
Low Kim Teik
Executive Director

Hong Kong, 11 November 2003

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