

# Elec & Eltek International Holdings Limited

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## **Elec & Eltek 依利安達**

### **Elec & Eltek International Holdings Limited**

*(Incorporated in Bermuda with limited liability)*

#### **Announcement in relation to the Quarterly Results of a Subsidiary**

EEIC, a 51.77% owned subsidiary of Elec & Eltek International Holdings Limited, announced its unaudited consolidated results for the three months period ended 30 September 2003 on the Singapore Exchange Securities Trading Limited on 12 November 2003.

This announcement, reproducing hereinbelow the unaudited consolidated results (the "Results") of Elec & Eltek International Company Limited ("EEIC" and hereinbelow referred to as the "Company") and its subsidiaries (collectively hereinbelow referred to as the "Group") for the three months period ended 30 September 2003, is made pursuant to paragraph 2 of the Listing Agreement (the listing agreement entered into between Elec & Eltek International Holdings Limited and The Stock Exchange of Hong Kong Limited).

EEIC is a public company listed on the Singapore Exchange Securities Trading Limited as to 51.77% owned by Elec & Eltek International Holdings Limited.

The Results are prepared in accordance with the provision of the Singapore Statements of Accounting Standard and are released in the website of [www.sgx.com](http://www.sgx.com) of the Singapore Exchange Securities Trading Limited on 12 November 2003:

#### **"Elec & Eltek International Company Limited**

*Unaudited Financial Statement for the First Quarter Ended 30 September 2003*

#### **PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

##### **1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

The Board of Directors of Elec & Eltek International Company Limited ("EEIC") have pleasure in announcing the unaudited results of the Group and of the Company for the first quarter ended 30 September 2003 ("Q1 FY2004") together with the comparative figures for the first quarter ended 30 September 2002 ("Q1 FY2003") and the fourth quarter ended 30 June 2003 ("Q4 FY2003").

These figures have not been audited.

# Elec & Eltek International Holdings Limited

SS'000	Group				
	Q1 FY2004	Q1 FY2003	Q1 FY2004 vs Q1 FY2003 % Change	Q4 FY2003	Q1 FY2004 vs Q4 FY2003 % Change
Sale of goods	126,986	86,950	46.0%	124,764	1.8%
Cost of sales	(101,916)	(70,843)	43.9%	(103,744)	-1.8%
<b>Gross profit</b>	<b>25,070</b>	<b>16,107</b>	<b>55.6%</b>	<b>21,020</b>	<b>19.3%</b>
<b>Other revenue</b>					
Interest income	84	41	104.9%	37	127.0%
<b>Costs and expenses</b>					
Distribution costs	(3,306)	(2,637)	25.4%	(2,652)	24.7%
Administrative costs	(10,668)	(7,750)	37.7%	(12,047)	-11.4%
Other operating income/(expenses)	134	(16)	n/m	390	-65.6%
<b>Profit from operating activities</b>	<b>11,314</b>	<b>5,745</b>	<b>96.9%</b>	<b>6,748</b>	<b>67.7%</b>
Interest expense	(523)	(223)	134.5%	(642)	-18.5%
Exceptional item	0	(184)	n/m	(108)	n/m
<b>Profit before taxation</b>	<b>10,791</b>	<b>5,338</b>	<b>102.2%</b>	<b>5,998</b>	<b>79.9%</b>
Taxation	(352)	(419)	-16.0%	(359)	-1.9%
<b>Profit after taxation</b>	<b>10,439</b>	<b>4,919</b>	<b>112.2%</b>	<b>5,639</b>	<b>85.1%</b>
Minority interests	(689)	(709)	-2.8%	(761)	-9.5%
<b>Profit attributable to shareholders</b>	<b>9,750</b>	<b>4,210</b>	<b>131.6%</b>	<b>4,878</b>	<b>99.9%</b>

n/m – percentage not meaningful

Notes to Income Statement:

SS'000	Group				
	Q1 FY2004	Q1 FY2003	Q1 FY2004 vs Q1 FY2003 % Change	Q4 FY2003	Q1 FY2004 vs Q4 FY2003 % Change
Depreciation and amortisation	9,409	9,717	-3.2%	11,766	-20.0%
Provision/(write-back) of provision for doubtful debts	251	(509)	-149.3%	2,151	-88.3%
Provision/(write-back) of provision for inventory obsolescence	603	524	15.1%	(850)	-170.9%
Gain on foreign exchange	(321)	(103)	211.7%	(453)	-29.1%
Loss/(gain) on disposal of plant and equipment	84	87	-3.4%	(36)	n/m

- 1) Distribution costs of S\$3.3 million, represents an increase of 24.7% compared to Q4 FY2003 and an increase of 25.4% compared to Q1 FY2003 because of higher shipment volumes and changes in shipping terms.
- 2) The decrease in administrative costs in Q1 FY2004 compared to Q4 FY2003 was due to lower provision for doubtful debts. The increase in administrative costs in Q1 FY2004 compared to Q1 FY2003 was due to a write-back of approximately S\$2.0 million in respect of provision for the 30th anniversary celebration no longer required.
- 3) The increase in interest expense in Q1 FY2004 compared to Q1 FY2003 relates to additional bank borrowings to finance the increase working capital as a result of higher shipments. The decrease in interest expense in Q1 FY2004 compared to Q4 FY2003 was primarily due to lower average interest rates.

- 4) Depreciation for Q1 FY2004 was lower than the preceding financial quarters due to a change in the depreciation methodology and useful lives for the Group's production plant and equipment effective from 1 July 2003. The background to the change is detailed below.

In FY2002, the drop in turnover and capacity utilization gave rise to a fluctuation in the Group's reported profit before taxation which was more volatile as compared to the variation in EBITDA reported for the same period. On closer scrutiny, it was apparent that the volatility was due principally to the very conservative depreciation policy adopted for the Group's production plant and equipment. The Group's policy was to depreciate plant and equipment over 5 or 7 years, as compared to the anticipated economic useful lives of 10 years and above.

As an initial step to correct the volatility pending further studies and review, the Group adopted a hybrid unit-of-production method as mentioned in the FY2003 result announcement made on 10 September 2003.

Under the hybrid unit-of-production method, which was introduced with effect from 1 July 2002, the Group's production plant and equipment was depreciated based on their actual utilization over the assets' useful lives of either 5 or 7 years. The actual utilization was measured by comparing actual output against expected total output as determined by the assets optimum capacity over their useful lives. Full utilization was assumed unless utilization fell below its normal production capacity.

In computing the depreciation charge under the hybrid unit-of-production method, it was necessary to make estimates of the expected optimum capacity over their useful lives at critical manufacturing processes and to engage independent technical and engineering expertise to evaluate the economic useful lives to factor in obsolescence and impairment. In addition, the unit-of-production method needs to factor in the over-riding constraints that the depreciation period should not be stretched beyond the assets' useful lives.

In view of the above and after careful review and consultation with the external auditors, the Group has now decided to revert to the time-based straight-line method of depreciation over 10 years with effect from 1 July 2003. Assuming the same length of useful lives is used in the computation, the difference in depreciation charge computed using either the hybrid unit-of-production method or straight-line method is not material to the Group's results for Q1 FY2004 and is expected to continue to be so.

In addition, the economic useful lives of the Group's production plant and equipment have been extended from 5 or 7 years to 10 years. The extended useful lives have been confirmed by a recently concluded technical study, conducted by professional independent appraisers. The adoption of a 10 year period is considered conservative and reasonable as well as in line with industry practices. The adoption of the straight-line method of depreciation over 10 years will free the Group from the complex methodology inherent in the unit-of-production method mentioned above.

The change in depreciation methodology, especially that relating to length of useful lives, resulted in a lower charge of S\$2.8 million for Q1 FY2004. Had the 10 years straight-line depreciation method been applied for FY2003, the depreciation expense would be S\$33.1 million instead of S\$43.1 million as disclosed in the FY2003 annual report.

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	30.9.2003	30.6.2003	30.9.2003	30.6.2003
<b>SS'000</b>				
<b>Non-current assets</b>				
Property, plant and equipment	370,754	368,328	49	46
Intangible assets	259	306	0	0
Subsidiary companies	0	0	35,664	35,664
Deferred tax assets	3,098	3,098	0	0
<b>Current assets</b>				
Inventories	52,455	47,968	0	0
Trade and other receivables	176,584	160,010	129	23
Due from subsidiary companies	0	0	182,405	199,769
Fixed and call deposits	6,428	8,991	66	49
Cash at bank and in hand	27,585	30,379	46	82
	<u>263,052</u>	<u>247,348</u>	<u>182,646</u>	<u>199,923</u>
<b>Current liabilities</b>				
Trade and other payables	(116,446)	(109,776)	(345)	(167)
Due to subsidiary companies	0	0	0	(16,488)
Due to bankers	(65,750)	(59,669)	0	0
Provision for taxation	(1,063)	(956)	(2)	(4)
	<u>(183,259)</u>	<u>(170,401)</u>	<u>(347)</u>	<u>(16,659)</u>
<b>Net current assets</b>	<b>79,793</b>	<b>76,947</b>	<b>182,299</b>	<b>183,264</b>
<b>Non-current liabilities</b>				
Due to bankers	(26,900)	(28,159)	0	0
Deferred tax liabilities	(3,625)	(3,658)	0	0
	<u>423,379</u>	<u>416,862</u>	<u>218,012</u>	<u>218,974</u>
<b>Equity</b>				
Share capital	116,851	116,851	116,851	116,851
Reserves	279,222	272,458	101,161	102,123
	<u>396,073</u>	<u>389,309</u>	<u>218,012</u>	<u>218,974</u>
Minority interests	27,306	27,553	0	0
	<u>423,379</u>	<u>416,862</u>	<u>218,012</u>	<u>218,974</u>

Notes to Balance Sheet:

1. The increase in trade and other receivables relates to the increased volume and number of shipments made in Q1 FY2004.
2. Higher inventory, trade and other payables were primarily due to more purchases in Q1 FY2004.

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1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30.9.2003		As at 30.6.2003	
Secured	Unsecured	Secured	Unsecured
Nil	SS65,750,000	Nil	SS59,669,000

Amount repayable after one year

As at 30.9.2003		As at 30.6.2003	
Secured	Unsecured	Secured	Unsecured
Nil	SS26,900,000	Nil	SS28,159,000

Details of any collateral

Not applicable.

*Notes on net borrowings position*

SS'000	As at 30.9.2003	As at 30.6.2003
Bank borrowings	92,650	87,828
Less: Bank balances, deposits and cash	(34,013)	(39,370)
Net borrowings position	<u>58,637</u>	<u>48,458</u>

1(c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

SS\$'000	Q1 FY2004	Q1 FY2003	Q4 FY2003
<b>Cash flow from operating activities:</b>			
Operating profit before interest and taxation	11,230	5,520	6,603
Adjustments for:			
Amortisation of intangible assets	45	45	45
Depreciation of property, plant and equipment	9,364	9,672	11,721
Loss/(gain) on disposal of plant and equipment	84	87	(36)
<b>Operating income before reinvestment in working capital</b>	<b>20,723</b>	<b>15,324</b>	<b>18,333</b>
(Increase)/decrease in inventories	(4,487)	(1,980)	3,034
(Increase)/decrease in trade and other receivables	(16,574)	1,994	896
Increase/(decrease) in trade and other payables	6,670	(10,921)	27,098
<b>Cash generated from operations</b>	<b>6,332</b>	<b>4,417</b>	<b>49,361</b>
Interest income received	84	41	37
Interest paid	(523)	(223)	(642)
Income taxes paid	(245)	(915)	(1,616)
<b>Net cash provided by operating activities</b>	<b>5,648</b>	<b>3,320</b>	<b>47,140</b>
<b>Cash flow from investing activities:</b>			
Proceeds from disposal of plant and equipment	35	15	64
Plant and equipment acquired	(14,207)	(5,254)	(14,928)
<b>Net cash used in investing activities</b>	<b>(14,172)</b>	<b>(5,239)</b>	<b>(14,864)</b>
<b>Cash flow from financing activities:</b>			
Bank borrowings obtained/(repaid)	4,851	(4,765)	(5,507)
Repayment of loan to minority shareholders	(314)	0	0
Refund of share issue expenses	0	4	0
Dividends paid by subsidiaries to minority shareholders	(314)	0	(1,259)
<b>Net cash provided/(used) in financing activities</b>	<b>4,223</b>	<b>(4,761)</b>	<b>(6,766)</b>
Net (decrease)/increase in cash and cash equivalents	(4,301)	(6,680)	25,510
Cash and cash equivalents at beginning of financial period	39,312	24,997	11,340
Effect of foreign exchange rate changes, net	(1,027)	(1,061)	2,462
<b>Cash and cash equivalents at end of financial period</b>	<b>33,984</b>	<b>17,256</b>	<b>39,312</b>

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*Note to Consolidated Statement of Cash Flow*

## Plant & equipment acquired

Increases in capital expenditure in Q4 FY2003 & Q1 FY2004 relate to capacity expansion in anticipation of stronger demand.

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

SS'000	Share capital	Share premium	Capital reserve	Statutory reserve	Revenue reserve	Foreign currency translation reserve	Total shareholders' equity
<b>Group</b>							
<b>Q1 FY2003</b>							
Balance as at 30.6.2002	116,780	22,026	4,374	-	266,859	892	410,931
Refund of share issue expenses	-	4	-	-	-	-	4
Foreign currency translation	-	-	-	-	-	(2,873)	(2,873)
Profit for the financial period	-	-	-	-	4,210	-	4,210
Balance as at 30.9.2002	<u>116,780</u>	<u>22,030</u>	<u>4,374</u>	<u>-</u>	<u>271,069</u>	<u>(1,981)</u>	<u>412,272</u>
<b>Q4 FY2003</b>							
Balance as at 31.3.2003	116,851	22,162	4,374	-	244,528	(1,545)	386,370
Transfer from revenue reserve to statutory reserve	-	-	-	184	(184)	-	-
Utilisation of statutory reserve	-	-	-	(61)	-	-	(61)
Foreign currency translation	-	-	-	-	-	(1,878)	(1,878)
Profit for the financial period	-	-	-	-	4,878	-	4,878
Balance as at 30.6.2003	<u>116,851</u>	<u>22,162</u>	<u>4,374</u>	<u>123</u>	<u>249,222</u>	<u>(3,423)</u>	<u>389,309</u>
<b>Q1 FY2004</b>							
Balance as at 30.6.2003	116,851	22,162	4,374	123	249,222	(3,423)	389,309
Foreign currency translation	-	-	-	-	-	(2,986)	(2,986)
Profit for the financial period	-	-	-	-	9,750	-	9,750
Balance as at 30.9.2003	<u>116,851</u>	<u>22,162</u>	<u>4,374</u>	<u>123</u>	<u>258,972</u>	<u>(6,409)</u>	<u>396,073</u>

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SS'000	Share capital	Share premium	Revenue reserve	Total shareholders' equity
<b>Company</b>				
<b>Q1 FY2003</b>				
Balance as at 30.6.2002	116,780	22,026	80,605	219,411
Refund of share issue expenses	–	4	–	4
Profit for the financial period	–	–	14,943	14,943
Balance as at 30.9.2002	<u>116,780</u>	<u>22,030</u>	<u>95,548</u>	<u>234,358</u>
<b>Q4 FY2003</b>				
Balance as at 31.3.2003	116,851	22,162	80,294	219,307
Profit for the financial period	–	–	(333)	(333)
Balance as at 30.6.2003	<u>116,851</u>	<u>22,162</u>	<u>79,961</u>	<u>218,974</u>
<b>Q1 FY2004</b>				
Balance as at 30.6.2003	116,851	22,162	79,961	218,974
Profit for the financial period	–	–	(962)	(962)
Balance as at 30.9.2003	<u>116,851</u>	<u>22,162</u>	<u>78,999</u>	<u>218,012</u>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

No shares were issued in Q1 FY2004 and the issued and paid-up capital of the Company at the end of Q1 FY2004 was S\$116,850,718, represented by 146,063,397 ordinary shares of S\$0.80 each.

The Company has granted share options to eligible employees under its Elec & Eltek Employees' Share Option Schemes.

There were no share options granted in Q1 FY2004.

Details of movement of share options of the Company in Q1 FY2004 and the number of share options at the end of Q1 FY2003 are as follows:

Date of grant	Subscription price per share (US\$)	Outstanding balance as at 1.7.2003	Outstanding balance as at		Expiry date
			Lapsed 30.9.2003	Outstanding balance as at 30.9.2002	
9 April 1998	4.833	–	–	740,400	8 April 2003
19 April 1999	3.100	832,800	(4,800)	828,000	18 April 2004
25 May 2000	1.308	400	–	400	24 May 2005
7 May 2003	1.450	1,400,000	–	1,400,000	6 May 2007
<b>TOTAL</b>		<u>2,233,200</u>	<u>(4,800)</u>	<u>2,228,400</u>	<u>1,692,000</u>



**2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures for Q1 FY2004 have neither been audited nor reviewed in accordance with relevant auditing standards.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS) as required by the Companies Act. In the previous years, the financial statements were prepared in accordance with Singapore Statements of Accounting Standard (SAS). The transition from SAS to FRS did not result in any significant change in accounting policies.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

See note 4 to the income statement of paragraph 1(a).

**6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

Basic earnings per share is calculated by dividing the Group's profit attributable to shareholders by the weighted average number of ordinary shares in issue during the financial period.

Diluted earnings per share is calculated by dividing the Group's profit attributable to shareholders by the weighted average number of ordinary shares in issue, adjusted for the effect of dilutive options during the financial period.

The following reflects the income and share data used in determining the basic and diluted earnings per share of the Group for Q1 FY2004, Q1 FY2003 and Q4 FY2003 after deducting any provision for preference dividends:

	Q1 FY2004	Q1 FY2003	Q4 FY2003
Earnings attributable to shareholders (S\$'000)	9,750	4,210	4,878
<i>Number of ordinary shares (in thousands)</i>			
Number of ordinary shares in issue at the beginning of financial period	146,063	145,975	146,063
Weighted average number of ordinary shares issued pursuant to the exercise of share options	0	0	0
Weighted average number of ordinary shares applicable to basic earnings per share	146,063	145,975	146,063
Effect of dilutive share options	460	31	176
Weighted average number of ordinary shares applicable to diluted earnings per share	<u>146,523</u>	<u>146,006</u>	<u>146,239</u>
Earnings per share (Singapore cents)			
– basic	6.68	2.88	3.34
– diluted	6.65	2.88	3.34

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

	Group S\$	Company S\$
Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the		
(a) current financial period reported on	2.71	1.49
(b) immediately preceding financial year	2.67	1.50

There were 146,063,397 ordinary shares in issue at the end of Q1 FY2004.

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Since the announcement of the prior year's full year results, the Group's bookings remain strong with book-to-bill ratio of above one starting early half of August 2003.

The improvement in business is mainly attributable to: a) better economic situations in the US, Europe and other emerging markets; and b) the resumption of the strategic migration of the supply chain into China by the American and European manufacturers which was temporarily suspended during the SARS period.

Two-layered and four-layered printed circuit boards ("PCBs") accounted for around 60.4% of the Group's total PCB turnover in Q1 FY2004, compared to 58.1% in Q1 FY2003 as a result of gaining share in the relatively stable consumer and automotive sector in the previous financial year. The Q1 FY2004 mix was relatively stable when compared to the 60.6% accounted for in Q4 FY2003.

However, PCB selling price for Q1 FY2004 was down by 14.5% from Q1 FY2003 and a moderate downward trend of about 2.8% was registered when compared to Q4 FY2003, as most of the Q1 FY2004 prices were negotiated and concluded in Q4 FY2003.

Taking into account the above factors, the Group has performed well even in a seasonally slow first quarter. Earnings for Q1 FY2004 have exceeded those in Q1 FY2003 and Q4 FY2003.

Group revenue for the first quarter was S\$127.0 million, up 1.8% sequentially and up 46.0% year-on-year. Including the positive financial effect of S\$2.8 million arising from a change in accounting estimates for depreciation (as detailed in paragraph 1 (a)), the Group achieved a consolidated net profit of S\$9.7 million, up 99.9% over last quarter and 131.6% over Q1 FY2003.

The Group's effective tax rate in Q1 FY2004 was 3.3% as compared with Q1 FY2003 of 7.8% was mainly due to the partial utilization of brought forward tax losses.

In the opinion of the Directors, no item, transaction or event of a material or unusual nature has occurred during the period from 1 October 2003 to the date of this report that would materially affect the results of the Company and/or the Group in the financial period in which this announcement is made.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

The Group's performance for Q1 FY2004 has improved from Q1 FY2003 and from Q4 FY2003, and is consistent with the prospect statement in the announcement of the prior year's full year result.

**10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The Group's customers are projecting that the strongest growth will arise in the computer sector as IT capital expenditure has started to pick up since the last millennium upgrade in later part of 1999. This growth is expected to further accelerate as a result of wider adoption of wireless LAN applications and the break through of Centrino mobile technology.

Likewise the communications sector is also seeing signs of picking up with new investments in 3G mobile communication, as well as in mobile handsets featuring new functions and features.

The consumer and automotive sectors are by far the most stable sectors in the past two and a half years. As the economic outlook improves, spending in these two sectors is expected to gather momentum, especially in advanced and luxury products such as LCD and plasma TV and high-end luxury cars with increasing electronic features and controls.

As contributed by the upward demand in notebook computers and servers, the Group is anticipating a healthy growth in higher-layer count PCB business in the coming quarters.

Due to more balanced supply-and-demand, the Group has started to notice stabilization of PCB prices. The Group is cautiously optimistic that selling prices are likely to move upward gradually and steadily in the coming quarters.

Barring unforeseen circumstances, the Directors expect the Group to perform even better in the coming quarter.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? None

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? None

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommended, a statement to that effect**

No dividend will be declared for Q1 FY2004 (Q1 FY2003: NIL).

**PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

- 13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

Not applicable.

- 14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Not applicable.

- 15. A breakdown of sales**

Not applicable.

- 16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Total Annual Dividend (*Refer to Para 16 of Appendix 7.2 for the required details*)

	<b>Latest Full Year</b>	<b>Previous Full Year</b>
Ordinary	–	–
Preference	–	–
	<hr/>	<hr/>
Total:	–	–
	<hr/> <hr/>	<hr/> <hr/>

- 17. Interested Persons Transactions**

There are no interested person transactions to be disclosed pursuant to Rule 920(1)(a)(ii) of the Listing Manual of the Singapore Exchange Securities Trading Limited.”

By Order of the Board  
**Thomas Tang Koon Yiu**  
*Chairman*

Hong Kong, 12 November 2003

Please also refer to the published version of this announcement in South China Morning Post dated on 13-11-2003.