

(Stock Code: 301)

CHANGE IN DIRECTORSHIPS

The board of directors of the Company (the “Board”) is pleased to announce that The Honourable Shek Lai-Him, Abraham, JP and Mr. Kong Chi-How, Johnson were appointed as independent non-executive directors and members of the audit committee of the Company with effect from 28 September 2004. On the same date, Mr. Lai Hing-Chiu, Dominic was re-designated as a non-executive director of the Company.

The Honourable Shek Lai-Him, Abraham, JP, aged 59, graduated from the University of Sydney with a Bachelor of Arts. Mr. Shek is a member of the Legislative Council for the HKSAR. He is also an independent non-executive director of NWS Holdings Limited (stock code: 659), Midas International Holdings Limited (stock code: 1172), Paliburg Holdings Limited (stock code: 617), Lifestyle International Holdings Limited (stock code: 1212) and Chuang’s Consortium International Limited (stock code: 367). Mr. Shek had been an independent non-executive director of M Channel Corporation Limited (stock code: 8036) and Capital Estate Limited (stock code: 193) during the last three years. Except as disclosed, Mr. Shek did not hold any directorship in other listed public companies in the last three years. Mr. Shek was appointed as a Justice of the Peace in 1995.

Mr. Kong Chi-How, Johnson, aged 44, is a member of The Institute of Chartered Accountants in England and Wales, the Hong Kong Institute of Certified Public Accountants and the Society of Chinese Accountants & Auditors. Mr. Kong is a practising accountant and a senior partner of BDO McCabe Lo & Company, which is the Hong Kong member firm of BDO International, the fifth largest international accounting network with some 600 offices and 23,000 professional personnel worldwide. Besides general audit and taxation work, Mr. Kong specializes in corporate finance, restructuring, financial investigation, insolvency and receivership related assignments. He also has extensive experience in provision of PRC foreign investment advisory services. He is a member of his firm’s Executive Committee and heads up the Corporate Advisory Services division. He is responsible for his firm’s PRC practice development and acts as the chief representative of its office in Xiamen. Mr. Kong has not held any directorship in other listed public companies in the last three years.

Mr. Lai Hing-Chiu, Dominic, aged 57, is the senior partner of Iu, Lai & Li which has from time to time provided legal services to connected persons of the Company during this year. Mr. Lai was appointed as independent non-executive director of the Company since 17 January 2003 and was the chairman of the Company’s audit committee. Upon re-designation, Mr. Lai remains a member of the Company’s audit committee. Mr. Lai is a practising solicitor in Hong Kong and is also admitted in England and Wales, the Republic of Singapore, the States of New South Wales and Victoria, Australia. He is the senior partner of the Hong Kong law firm Iu, Lai & Li and has been in practice of more than 30 years. Mr. Lai is also a director of NWS Holdings Limited (stock code: 659), Midas International Holdings Limited (stock code: 1172), Oriental Press Group Limited (stock code: 18) and Winfoong International Limited (stock code: 63). He had been a director of Everbest Century Holdings Limited (stock code: 578), ITC Corporation Limited (stock code:

372), Midland Realty (Holdings) Limited (stock code: 1200), Regal Hotels International Holdings Limited (stock code: 78) and Wing On Travel (Holdings) Limited (stock code: 1189) during the last three years. Except as disclosed, Mr. Lai did not hold any directorship in other listed public companies in the last three years.

There is no service contract entered into between the Company and each of the above directors. They are not appointed for a specific term except that they are subject to retirement by rotation in accordance with the articles of association of the Company. The director's fee for each of the above directors will be fixed by the Board under the authority granted by shareholders at annual general meeting and taking reference to their respective duties and responsibilities with the Company, the Company's performance and the prevailing market conditions. Save as disclosed above, each of Mr. Shek, Mr. Kong and Mr. Lai does not hold any other positions with the Company or any member of the Company's group.

Mr. Shek, Mr. Kong and Mr. Lai have no relationships with any directors, senior management or substantial or controlling shareholders of the Company and as at the date hereof, they do not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

The Board is not aware of any matters relating to the appointment of the above new directors and re-designation of the directorship that need to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to welcome Mr. Shek and Mr. Kong to join the Board.

As at the date of this announcement, the Board comprises (i) three executive directors, namely Dr. Cheng Kar-Shun, Henry, Mr. Wong Chi-Chiu, Albert and Dr. Wai Fung-Man, Norman; (ii) four non-executive directors, namely Mr. Wilfried Ernst Kaffenberger (alternate director to Mr. Wilfried Ernst Kaffenberger: Mr. Yeung Kun-Wah, David), Mr. Fu Sze-Shing, Mr. Lee Sean, Sammy and Mr. Lai Hing-Chiu, Dominic; and (iii) three independent non-executive directors, namely Dr. Lam Man-Kit, Dominic, The Honourable Shek Lai-Him, Abraham and Mr. Kong Chi-How, Johnson.

By Order of the Board
Dr. Cheng Kar-Shun, Henry
Chairman

Hong Kong, 28 September 2004

* *For identification purposes only*

Please also refer to the published version of this announcement in the (South China Morning Post)