RNA HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(Stock code: 501)

ANNOUNCEMENT OF FINANCIAL RESULTS FOR THE YEAR ENDED 30 APRIL 2003

The board of directors (the "Board") of RNA Holdings Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 30 April 2003.

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year ended 30 April 2003

	Notes	2003 HK$'000	2002 HK$'000
TURNOVER	2	**3,716,881**	8,571,203
Cost of sales		**(3,778,618)**	(8,378,247)
Gross (loss)/profit		**(61,737)**	192,956
Other revenue		**10,994**	11,619
General and administrative expenses		**(145,265)**	(199,886)
Selling and distribution expenses		**(3,040)**	(8,815)
Impairment of goodwill		**(5,575)**	(57,676)
Impairment of long term investments		**(19,000)**	(116,445)
Bad debts written off		**(1,177,462)**	(80,000)
LOSS FROM OPERATING ACTIVITIES	3	**(1,401,085)**	(258,247)
Finance costs		**(138,438)**	(54,850)
Release of negative goodwill on disposal of a jointly-controlled entity		**10,740**	—
Amortisation of goodwill on acquisition of associates		**(38,066)**	(74,909)
Impairment of goodwill on acquisition of associates		**(685,200)**	(700,000)
Share of profits and losses of associates		**77,878**	93,872
Share of losses of jointly-controlled entities		**(1,626)**	(40)
LOSS BEFORE TAXATION		**(2,175,797)**	(994,174)
TAXATION	4	**53,531**	(47,080)
LOSS BEFORE MINORITY INTERESTS		**(2,122,266)**	(1,041,254)
Minority interests		**2,297**	(1,097)
NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		**(2,119,969)**	(1,042,351)
		HK cents	*HK cents*
LOSS PER SHARE #	5		
Basic		**(144.80)**	(289.00)

As adjusted for the share consolidation completed on 23 January 2003, the basic loss per share for the year ended 30 April 2002 has been adjusted from HK$0.289 to HK$2.89.

NOTES TO THE ACCOUNTS

1. Basis of Presentation

(i) Going Concern

As more fully explained in the announcement dated on 3 November 2004, the Company announced that an agreement for the implementation of a restructuring proposal (the “Proposed Transactions”) has been signed on 11 June 2004. As at the date of approval of the accounts, the Proposed Transactions are still in process.

The completion of the Proposed Transactions will be subject to conditions precedent as set out in the Company’s announcement dated 3 November 2004. In the opinion of the directors, if the Proposed Transactions are successfully implemented, substantially all of the Company’s debts will be discharged and the Company will return to solvency and enhance its business operations for the benefit of creditors and shareholders than they would receive in a winding-up of the Company.

In preparing these accounts, the directors have considered the future liquidity of the Group particularly in light of the above circumstances. On the basis that the Proposed Transactions are successfully completed, the directors are satisfied that it is appropriate to prepare the accounts on a going concern basis. However, the validity of the going concern basis is dependent upon the completion of the Proposed Transactions.

The accounts do not incorporate any adjustments for possible failure of the above Proposed Transactions and the continuance of the Group as a going concern.

Should the Group be unable to continue as a going concern, adjustments would have to be made to restate the value of the Group’s assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities. The effect of these potential adjustments has not been incorporated in the accounts.

(ii) Accounting Policies

These accounts have been prepared under the historical cost convention, except for periodic remeasurement of investment properties, other properties and gold bullion.

In the current year, the Group has adopted the following Statements of Standard Accounting Practices (“SSAPs”) issued by the Hong Kong Institute of Certified Public Accountants which are effective for accounting periods commencing on or after 1 January 2002:

SSAP 1 (revised)	: Presentation of financial statements
SSAP 11 (revised)	: Foreign currency translation
SSAP 15 (revised)	: Cash flow statements
SSAP 34	: Employee benefits

The effect of adopting these new/revised standards is set out as below:

(a) *SSAP 1 (revised): Presentation of financial statements*

The requirement for presenting a statement of recognised gains and losses has been changed to presenting a statement of changes in equity.

(b) *SSAP 11 (revised): Foreign currency translation*

The adoption of the revised SSAP 11 has no material effect on the accounts for the current and prior years.

(c) *SSAP 15 (revised): Cash flow statements*

The presentation and classification of items in the cash flow statement as disclosed in the annual report have been changed due to the adoption of the requirements of SSAP 15 (revised). As a result, cash flows during the year in respect of the operating, investing and financing activities have been reclassified. Cash outflow from taxation paid of approximately HK$6,495,000 (2002: HK$4,952,000) has been reclassified as operating cash flow while cash inflows from dividend income and interest income of approximately HK$78,200,000 and HK$358,000 respectively (2002: HK$94,887,000 and HK$38,893,000) have been reclassified as investing activities. Cash outflow from interest paid of HK$138,438,000 (2002: HK$39,652,000) has been reclassified as financing cash flow.

(d) *SSAP 34: Employee benefits*

(i) Bonus plans

Provision for bonus plans due wholly within twelve months after the balance sheet date is recognised when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

(ii) Accumulating compensated absences (unused paid annual leave)

Employee entitlements to paid annual leave are recognised when they accrue to employees. Under SSAP 34 "Employee benefits", a provision is made for the estimated liability for "Accumulating compensated absences" (unused paid annual leave) which can be carried forward indefinitely as a result of services rendered by employees up to the balance sheet date. However, the amount of unused annual leave entitlements of the staff of the Group as at 30 April 2002 and 2003 is not accrued as the directors opined that the amount would not be material to the Group's accounts for the current and prior years.

(iii) Retirement benefit costs

The Group's contributions to a defined contribution retirement scheme are expensed as incurred. The Group's employer contributions vest fully with employees when contributed into the Mandatory Provident Fund Scheme set up pursuant to the Hong Kong Mandatory Provident Fund Schemes Ordinance (the "MPF Scheme").

(iv) Share option scheme

When the Group grants qualifying employees options to acquire shares to the Company, the options can be exercised at a price and under certain conditions as indicated in note 31 to the accounts and no employee benefit cost or obligation is recognised at that time. When the options are exercised, equity is increased by the amount of the proceeds received (net of any transaction costs).

2. Turnover

Turnover represents the net invoiced value of gold bullion, gold ornaments, diamonds and jewellery products sold, after allowance for returns and trade discounts; the value of services rendered; commission and interest income on commodity trading; and interest income received and receivable from the provision of loans and gold bullion financing during the year. An analysis of turnover is as follows:

	2003	2002
	HK$'000	*HK$'000*
Sales of gold bullion	**3,669,381**	8,488,678
Sales of gold ornaments, diamonds and jewellery products	**32,465**	58,999
Money lending and bullion financing	**14,903**	23,220
Provision of an internet-based electronic trading system	**132**	306
	3,716,881	8,571,203

3. Loss from operating activities

The Group's loss from operating activities is arrived at after charging/(crediting):

	2003	2002
	HK$'000	*HK$'000*
Staff costs (excluding directors' remuneration):		
Wages and salaries	**28,962**	39,904
Pension contributions	**1,220**	1,721
Less: Forfeited contributions	**(1,187)**	(2,182)
Net pension contributions/(refunds)	**33**	(461)
	28,995	39,443
Auditors' remuneration	**2,987**	4,880
Depreciation	**10,803**	10,842
Loss on disposal of fixed assets	**6**	2,366
Deficit on revaluation of investment properties	**12,751**	56,859
Impairment of fixed assets	**21,103**	13,499
Impairment of other assets	**930**	—
Minimum lease payments under operating leases on land and buildings	**2,561**	2,834
Exchange losses, net	**438**	2,014
Net rental income	**(3,962)**	(9,510)
Interest income	**(16,149)**	(38,893)

In arriving at the Group's loss from operating activities, an impairment of HK$75,000,000 for non-gold bullion inventories was included in consolidated cost of sales for the year (2002: Nil). No forward hedging gain or loss was incurred during the year (2002: forward hedging gain of HK$232,986,000 was included in consolidated cost of sales).

4. Taxation

No provision for Hong Kong profits tax is made in the accounts as the Group has sustained a loss for the year (2002: 16%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates based on existing legislation, interpretations and practices in respect thereof.

	Group	
	2003	2002
	HK$'000	*HK$'000*
Current year provisions:		
Hong Kong	**—**	29,418
Elsewhere	**55**	1,322
	55	30,740
Prior year (overprovisions)/ underprovisions:		
Hong Kong	**(53,586)**	16,340
Tax (credit)/charge for the year	**(53,531)**	47,080

No provision for deferred tax has been made as the net effect of all timing differences is insignificant (2002: Nil).

The revaluation of the Group's investment properties in Hong Kong does not constitute any significant timing difference and, consequently, the amount of potential deferred tax thereon has not been quantified.

5. Loss per share

The calculation of basic loss per share is based on the net loss from ordinary activities attributable to shareholders for the year of HK$2,119,969,000 (2002: HK$1,042,351,000) and on the weighted average number of 1,464,061,346 (2002: at restated 360,681,151) ordinary shares in issue during the year.

The weighted average number of ordinary shares in 2003 and 2002 for the purposes of calculating the basic loss per share has been retrospectively adjusted for the ten-to-one share consolidation which took place in January 2003.

A diluted loss per share for the year ended 30 April 2003 and 30 April 2002 has not been disclosed because the share options, convertible notes, convertible bonds and redeemable convertible preference shares outstanding during the year had an anti-dilutive effect on the basic loss per share for the year.

CHAIRMAN'S STATEMENT

Financial results

The Group recorded an operating loss of HK$1,401 million for the year under review (2002: loss of HK$258 million). The audited consolidated net loss attributable to shareholders for the year under review was HK$2,120 million (2002: loss of HK$1,042 million) and basic loss per share was 144.8 cents (2002: loss of 289.0 cents after taking into account the share consolidation completed on 23 January 2003).

Dividends

The Board of Directors (the "Board") does not recommend payment of a final dividend at the forthcoming Annual General Meeting. During the year, no interim ordinary dividend was declared.

Debt restructuring

As at the date of this report, the Company is undergoing debt restructuring.

On 30 March 2004, the Board appointed a Reporting Accountant to assist the Company to prepare a suitable and viable proposal for the restructuring of its indebtedness and the Group's operation and to implement the restructuring proposal as efficiently and expeditiously as possible.

Having reviewed and assessed the operations and affairs of the Company and its subsidiaries as well as the magnitude of the claims against the Company, the Reporting Accountant suggested the Company to compromise the claims in order to enable the Company to return to solvency and enhance its business operations for the benefit of Creditors and Shareholders.

The Company has received supports from most of the creditors (approximately 76% of the total indebtedness) for the proposed debt restructuring scheme (as announced on 3 November 2004) and if the scheme is successfully implemented, substantially all of the Company's debts will be discharged and waived. The Board is confident that upon completion of the debt restructuring, the Company would improve its financial position and relatively reduce its financial costs. In addition, it would also be able to re-engineer the financial structure of the Group to focus its resources in exploring new and profitable business opportunities.

Disposal of insolvent subsidiaries

Along the restructuring exercise, the Board also wishes to rationalize the group structure by disposing or transferring out of the Group most of the subsidiaries of the Company that are insolvent and/or dormant. Hence, the Board has decided to write-off all the non-performing assets of the subsidiaries in the year under review.

Business of the company post debt restructuring

Upon the completion of the proposed debt restructuring, the Company will primarily be engaged in the provision of consultancy and other services to LOCO HONGKONG LTD in respect of the wholesaling and trading of gold bullion and precious metals pursuant to the consultancy agreement and the supply agreement, details of which are set out in the Company's announcement dated 2 December 2003. The Board believes that the Group's business would benefit from LOCO HONGKONG LTD, which has a strong shareholder profile and financial backing.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial results

The Group recorded a net loss attributable to shareholders of HK$2,120 million for the year ended 30 April 2003 (2002: loss of HK$1,042 million), which was mainly the result of the impairment on associates of HK$685 million (2002: HK$700 million) and write-off of bad debts of HK$1,177 million (2002: HK$80 million). As a result, the Group's net asset value of HK$621 million in 2002 has been turnaround to net liabilities of HK$987 million in 2003.

Liquidity and financial resources

As at 30 April 2003, the Group and the Company had net current liabilities of HK$983 million (2002: HK$518 million) and HK$359 million (2002: HK$283 million) respectively. The total outstanding indebtedness of the Group amounted to HK$629 million (2002: HK$526 million) (excluding trade related liabilities) as at 30 April 2003, which included bank borrowings of HK$165 million (2002: HK$227 million), convertible notes of HK$129 million (2002: HK$129 million), promissory notes of HK$39 million (2002: HK$39 million), convertible bonds of HK$85 million (2002: HK$85 million) and other borrowings of HK$211 million (2002: HK$46 million).

During the year under review, certain convertible bond holders served notices to the Company for the conversion of bond principal in the total amount of HK$522,833,000 into ordinary shares in the Company. As a result, a total of 10,176,660,000 ordinary shares of HK$0.10 each of the Company were issued and allotted at par. Further details of the conversion are set out in note 30 to the accounts.

Upon the Shares Consolidation becoming effective on 23 January 2003, the nominal value of each ordinary share has been adjusted from HK$0.10 each to HK$1.00 each. Accordingly, the number of ordinary shares outstanding in the issued share capital, after the conversion of convertible bonds, was reduced to 1,695,489,236.

As discussed in the Chairman's Statement and note 1 to the accounts, the Group is undergoing debt restructuring as at the date of this report. On 30 March 2004, the Board appointed RSM Nelson Wheeler Corporate Advisory Services Limited as Reporting Accountants (the "Reporting Accountants") to assist the Company in preparing a suitable and viable proposal for the restructuring of its indebtedness and the Group's operation. An agreement for the implementation of a restructuring proposal (the "Proposed Transactions") has been signed subsequently on 11 June 2004. The completion of the above Proposed

Transactions will be subject to conditions precedent as set out in the Company's announcement dated 3 November 2004. In the opinion of the directors, if the Proposed Transactions are successfully implemented, substantially all of the Company's debts will be discharged and the Company will return to solvency and enhance its business operations for the benefit of creditors and shareholders than they would receive in a winding-up of the Company.

Employees

As at 30 April 2003, the Group had 96 employees and the total staff costs including directors' remuneration amounted to HK$35.6 million for the year ended 30 April 2003.

REPORT OF THE AUDITORS

TING HO KWAN & CHAN
CERTIFIED PUBLIC ACCOUNTANTS

We have audited the accounts of the Group for the year ended 30 April 2003 which have been prepared in accordance with accounting principles generally accepted in Hong Kong, other than as set out below.

Respective responsibilities of directors and auditors

The Company's directors are responsible for the preparation of accounts which give a true and fair view. In preparing accounts which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently, that judgements and estimates are made which are prudent and reasonable and that the reasons for any significant departure from applicable accounting standards are stated.

It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Basis of opinion

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Institute of Certified Public Accountants, except that the scope of our work was limited as explained below. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement. However, the evidence available to us was limited as follows:

Scope limitation — Prior year's audit scope limitations affecting opening balances

We were appointed auditors on 9 September 2004 and did not report on the accounts for the year ended 30 April 2002. Furthermore, the auditors appointed in respect of the year ended 30 April 2002 were unable to form an opinion as to whether the accounts gave a true and fair view of the state of affairs of the Company and of the Group as at 30 April 2002 and of the loss and cash flows of the Group for the year then ended because of the possible effect of the limitations in evidence available to them and the fundamental uncertainties. Therefore, we are unable to express an opinion on the figures brought forward as at 1 May 2002 and the comparative figures included in these accounts.

Scope limitation — Write-offs of long term receivables

As at 30 April 2003, the consolidated long term receivables (the "Long Term Receivables") comprised amounts brought forward from 30 April 2002 of HK$311,524,000, overdue receivables recorded from sales of gold bullion of HK$679,796,000 to a number of overseas incorporated companies and individuals during the year, and the corresponding interest income of HK$6,916,000 accrued on the outstanding balance of the overdue receivables throughout the year. As more fully explained in note 19 to the accounts, the Group entered into a co-operative agreement (the "Agreement") during the year, with one of the Long Term Receivables debtors (the "Agent") to jointly develop a gold mine in Mainland China (the "Gold Mine"). Pursuant to the terms of the Agreement, the Agent agreed to collect a total amount of HK$130,000,000 per annum in connection with the Long Term Receivables of HK$998,236,000 on behalf of the Group over a period of nine consecutive years, otherwise all future profits generated from the Gold Mine could be used to offset these outstanding receivables.

Up to the date of approval of these accounts, the Agreement and the exploration rights of the Gold Mine had been expired and the gold mining processes in connection with the Gold Mine had yet to commence operations and no money had been collected from the Agent. In the opinion of the directors, no extension on both of the Agreement and the exploration rights can be obtained and the ultimate settlement of the Long Term Receivables is remote. Therefore, the Long Term Receivables of HK$998,236,000 are considered as bad and have been written off in the consolidated profit and loss account in the current year. Based on the information and explanations that we have obtained, we are unable to assess whether these write-offs made by the directors are reasonable.

Any adjustments found to be necessary in relation to these receivables would have a consequential impact on the Group's net liabilities as at 30 April 2003 and the loss for the year, and the related disclosures thereof in these accounts.

Scope limitation — Write-offs of accounts receivable, other receivables, and prepayments and deposits

(i) As at 30 April 2003, the consolidated outstanding accounts receivable included amounts of HK$119,571,000 arising from sales of gold bullion. In view of the directors, the recoverability of these accounts receivable is improbable and an amount of HK$118,571,000 has been written off as bad debt in the accounts. Based on the information and explanations that we have obtained, we are unable to assess the recoverability of these outstanding balances and to determine whether the amount of these write-offs is reasonable.

(ii) As at the balance sheet date, included in other receivables in the consolidated balance sheet as at 30 April 2003 is an amount of HK$9,140,000. The directors considered that the amount could not be recovered and the amount has been written off as bad debt in the accounts. Based on the information and explanations that we have obtained, we are unable to assess the recoverability and to determine whether the amount of this write-off is reasonable.

(iii) Included in prepayments and deposits in the consolidated balance sheet as at 30 April 2003, the Group recorded a deposit paid for an acquisition of an investment in the People's Republic of China with outstanding balance of HK$27,000,000. Subsequent to the balance sheet date, the potential investment has been abandoned. In the opinion of the directors, the outstanding balance cannot be refunded and the full amount has been written off as bad debt in the accounts. Based on the information concerning this investment that we have obtained, we are unable to assess the recoverability and to determine whether the amount of this write-off is reasonable.

Scope limitation — Carrying value of interests in certain associates

The Group has certain equity interests in associates, which, through contractual arrangements, hold various profit-sharing interests in a network of over 150 gold ornaments and jewellery retail outlets located throughout various cities in Mainland China. At the balance sheet date, the Group's interests in these associates represented unamortised goodwill of HK$685,200,000 after netting of impairment loss made in last year and accumulated amortisation charge as at 30 April 2003. However, based on directors' valuation, the carrying value of these associates at the balance sheet date should be diminished to a minimal amount. As a result, a further impairment of HK$685,200,000 is recognised in the consolidated profit and loss account as explained in note 17 to the accounts. Based on the information and explanations concerning the carrying value of these associates, we are unable to assess whether the amount of impairment made by the directors is reasonable.

During the year, the Group recorded a share of results from these associates of HK$77,878,000 in the consolidated profit and loss account which represented dividend distribution from these associates. The entire amount of these dividends was received by the Group during the year. We are unable to substantiate whether the amount of the Group's share of results from these associates as at 30 April 2003 is correct.

Any adjustments found to be necessary in relation to these transactions would have a consequential impact on the Group's net liabilities as at 30 April 2003 and the loss for the year, and the related disclosures thereof in these accounts.

Scope limitation — Inventories

As set out in note 21 to the accounts, certain inventories of the Group, aggregating at cost of HK$76,313,000, were pledged as security for the Group's promissory notes issued by a wholly-owned subsidiary to a financial creditor. These inventories, which were acquired in the prior years, continued to be pledged to the financial creditor up to the date of this report. At the balance sheet date, the Group had recorded an impairment of HK$75,000,000 arisen by the directors' estimation at forced sale value of these inventories. Based on the information and explanations that we have obtained, we are unable to satisfy ourselves whether the directors' assessment is adequate but not excessive.

Any adjustments found to be necessary in relation to these inventories would have a consequential impact on the Group's net liabilities as at 30 April 2003 and loss for the year and the related disclosures thereof in these accounts.

Scope limitation — Impairment of long term investment

During the year, as more fully explained in note 18 to the accounts, the Group acquired a long term investment involved in credit card project at a consideration of HK$19,000,000. At the balance sheet date, impairment loss of HK$19,000,000 has been made under the directors' assessment. Based on the information and explanations that we have obtained, we are unable to assess whether the amount of impairment made is adequate but not excessive.

There were no other satisfactory audit procedures that we could adopt to satisfy ourselves as to the matters above. Any adjustments to the figures would have a consequential effect on the Group's net liabilities as at 30 April 2003 and loss for the year and the related disclosures thereof in these accounts.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts. We believe that our audit provides a reasonable basis for our opinion.

FUNDAMENTAL UNCERTAINTY RELATING TO THE GOING CONCERN BASIS

In forming our opinion, we have considered the adequacy of the disclosures made in note 2 to the accounts concerning the adoption of the going concern basis on which the accounts have been prepared. As explained in note 2 to the accounts, the Group has experienced severe financial difficulty for the year and is currently negotiating with potential investors for the purpose of restructuring the Group's indebtedness and revitalising the Group's financial position and business. The accounts have been prepared on a going concern basis, the validity of which depends upon the successful outcome of the measures to be implemented and in process by the Group to improve the financial position and the business of the Group. The accounts do not include any adjustments that would result from the failure of these measures. We consider that the appropriate disclosures have been made but, because of the significant uncertainties relating to the outcome of the debt restructuring are so extreme, we are unable to determine whether the going concern basis used in preparing these accounts is appropriate. Accordingly, we have disclaimed our opinion.

DISCLAIMER OF OPINION

Because of the significance of each of: (i) the possible effect of the limitation in evidence available to us as set out in the basis of opinion section of this report; and (ii) the fundamental uncertainty relating to the going concern basis, we are unable to form an opinion as to whether the accounts give a true and fair view of the state of affairs of the Group and of the Company as at 30 April 2003 and of the loss and cash flows of the Group for the year then ended and as to whether the accounts have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

In respect alone of the limitations on our work as set out in the basis of opinion section of this report, we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year under review, the Company has not redeemed any of its securities and neither the Company nor any of its subsidiaries has purchased or sold any listed securities of the Company.

CODE OF BEST PRACTICE

In the opinion of the directors, the Company has complied with the Code of Best Practice (the "Code") as set out in Appendix 14 of the Listing Rules throughout the year ended 30 April 2003, except that the independent non-executive directors of the Company are not appointed for a specific term as required by paragraph 7 of the Code, but are subject to retirement by rotation in accordance with the Company's byelaws.

AUDIT COMMITTEE

The Company has an audit committee which was established in accordance with the requirements of the Code, for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises two independent non-executive directors of the Company, Messrs. Tang Man Ching and Lim Siang Kai.

PUBLICATION OF ANNUAL REPORT ON THE STOCK EXCHANGE'S WEBSITE

All the information required by paragraphs 45(1) to 45(3) of Appendix 16 to the Listing Rules will be published on the website of the Stock exchange at www.hkex.com.hk as soon as practicable.

As at the date of this announcement, the Board comprises two executive directors, namely Mr. Chan Fat Chu, Raymond and Mr. Chan Fat Leung, Alexander, a non-executive director, namely Mr. Gerard Joseph McMahon, and two independent non-executive directors, namely Mr. Tang Man Ching and Mr. Lim Siang Kai.

By Order of the Board
RNA Holdings Limited
Chan Fat Chu, Raymond
Chairman

Hong Kong, 24 December 2004

Please also refer to the published version of this announcement in the China Daily.