



# SINO GOLF HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

## RESULTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2002

The Board of Directors (the “Board”) of Sino Golf Holdings Limited (“the Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the nine months ended 31 December 2002 with comparative figures for the year ended 31 March 2002 as follows:

### AUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the period from 1 April 2002 to 31 December 2002

|   | <i>Notes</i> | <b>Nine months<br/>ended<br/>31 December<br/>2002<br/>HK\$'000</b> | <b>Year ended<br/>31 March<br/>2002<br/>HK\$'000</b> |
|---|--------------|--|--|
| TURNOVER  | 3            | <b>230,497</b>   | 252,492  |
| Cost of sales   |              | <b>(162,426)</b>   | (177,194)  |
| Gross profit  |              | <b>68,071</b>  | 75,298   |
| Other revenue, net  |              | <b>5,010</b>   | 6,293  |
| Selling and distribution costs                                      |              | <b>(10,051)</b>  | (11,361)   |
| Administrative expenses   |              | <b>(23,182)</b>  | (16,890)   |
| Other operating expenses, net                                       |              | <b>(6,601)</b>   | (11,213)   |
| PROFIT FROM OPERATING ACTIVITIES                                    | 3, 4         | <b>33,247</b>  | 42,127   |
| Finance costs   | 5            | <b>(5,069)</b>   | (7,121)  |
| PROFIT BEFORE TAX   |              | <b>28,178</b>  | 35,006   |
| Tax   | 6            | <b>(2,003)</b>   | (3,219)  |
| PROFIT BEFORE MINORITY INTERESTS                                    |              | <b>26,175</b>  | 31,787   |
| Minority interests  |              | <b>(650)</b>   | (1,340)  |
| NET PROFIT FROM ORDINARY ACTIVITIES<br>ATTRIBUTABLE TO SHAREHOLDERS |              | <b>25,525</b>  | 30,447   |
| DIVIDENDS   | 7            | <b>25,385</b>  | 30,374   |
| EARNINGS PER SHARE – Basic  | 8            | <b>8.45 cents</b>  | 10.10 cents  |

## 1. IMPACT OF NEW AND REVISED STATEMENTS OF STANDARD ACCOUNTING PRACTICE (“SSAPs”)

The following recently issued and revised SSAPs are effective for the first time for the current year’s financial statements:

- SSAP 1 (Revised) : “Presentation of financial statements”
- SSAP 11 (Revised) : “Foreign currency translation”
- SSAP 15 (Revised) : “Cash flow statements”
- SSAP 34 : “Employee benefits”

These SSAPs prescribe new accounting measurement and disclosure practices. The major effects on the Group’s accounting policies and on the amounts disclosed in these financial statements of adopting these SSAPs, are summarised as follows:

SSAP 11 (Revised) prescribes the basis for the translation of foreign currency transactions and financial statements. The principal impact of the revision to this SSAP on the consolidated financial statements is that the profit and loss accounts of overseas subsidiaries are now translated to Hong Kong dollars at the weighted average exchange rates for the period, whereas previously they were translated at the exchange rates at the balance sheet date. The adoption of the revised SSAP 11 has had no material effect on the financial statements.

## 2. BASIS OF CONSOLIDATION AND PREPARATION

### Basis of preparation

These financial statements have been prepared in accordance with Hong Kong SSAPs, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the periodic remeasurement of certain fixed assets.

Due to the change of accounting year end date from 31 March to 31 December in current period, to standardise the reporting dates of all subsidiaries within the Group, the current period’s financial statements are prepared for the nine months ended 31 December 2002. The comparative amounts for the consolidated profit and loss account, consolidated summary statement of changes in equity, consolidated cash flow statement and the related notes, which are prepared for the year ended 31 March 2002, are not comparable.

### Basis of consolidation

The consolidated financial statements for the nine months ended 31 December 2002 include the financial statements of the Company and its subsidiaries for the nine months ended 31 December 2002. The results of subsidiaries acquired or disposed of during the period are consolidated from or to their effective dates of acquisition or disposal, respectively.

All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Minority interests represent the interests of outside shareholders in the results and net assets of the Company’s subsidiaries.

### 3. TURNOVER AND SEGMENT INFORMATION

#### (a) Business segments

The following table presents revenue and profit for the Group's business segments.

|  | Golf equipment                                       |  | Golf bag   |  | Eliminations   |  | Consolidated   |  |
|--|--|--|--|--|--|--|--|--|
|  | Nine months ended<br>31 December<br>2002<br>HK\$'000 | Year ended<br>31 March<br>2002<br>HK\$'000 | Nine months ended<br>31 December<br>2002<br>HK\$'000 | Year ended<br>31 March<br>2002<br>HK\$'000 | Nine months ended<br>31 December<br>2002<br>HK\$'000 | Year ended<br>31 March<br>2002<br>HK\$'000 | Nine months ended<br>31 December<br>2002<br>HK\$'000 | Year ended<br>31 March<br>2002<br>HK\$'000 |
| Segment revenue:   |  |  |  |  |  |  |  |  |
| Sales to external customers                                      | 191,350  | 230,522                                    | 39,147   | 21,970                                     | -  | -  | 230,497  | 252,492                                    |
| Intersegment sales   | -  | -  | 10,075   | 5,527                                      | (10,075)   | (5,527)                                    | -  | -  |
| Other revenue  | 4,712  | 5,020                                      | 20   | 507  | -  | -  | 4,732  | 5,527                                      |
| <b>Total</b>   | <b>196,062</b>                                       | <b>235,542</b>                             | <b>49,242</b>  | <b>28,004</b>                              | <b>(10,075)</b>                                      | <b>(5,527)</b>                             | <b>235,229</b>                                       | <b>258,019</b>                             |
| Segment results  | <b>32,732</b>  | 39,175                                     | <b>385</b>   | 2,186                                      |  |  | <b>33,117</b>  | 41,361                                     |
| Interest income  |  |  |  |  |  |  | 278  | 766  |
| Loss on partial disposal of a subsidiary                         |  |  |  |  |  |  | (148)  | -  |
| Profit from operating activities                                 |  |  |  |  |  |  | 33,247   | 42,127                                     |
| Finance costs  |  |  |  |  |  |  | (5,069)  | (7,121)                                    |
| Profit before tax  |  |  |  |  |  |  | 28,178   | 35,006                                     |
| Tax  |  |  |  |  |  |  | (2,003)  | (3,219)                                    |
| Profit before minority interests                                 |  |  |  |  |  |  | 26,175   | 31,787                                     |
| Minority interests   |  |  |  |  |  |  | (650)  | (1,340)                                    |
| Net profit from ordinary activities attributable to shareholders |  |  |  |  |  |  | <b>25,525</b>  | <b>30,447</b>                              |

#### (b) Geographical segments

The following table presents revenue for the Group's geographical segments.

|                        | Nine months ended<br>31 December<br>2002<br>HK\$'000 | Year ended<br>31 March<br>2002<br>HK\$'000 |
|------------------------|--|--|
| North America          | 165,778  | 163,616                                    |
| Europe                 | 22,633   | 22,964                                     |
| Asia (excluding Japan) | 15,776   | 30,561                                     |
| Japan                  | 13,279   | 24,399                                     |
| Others                 | 13,031   | 10,952                                     |
|                        | <b>230,497</b>                                       | <b>252,492</b>                             |

#### 4. PROFIT FROM OPERATING ACTIVITIES

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

|  | <b>Nine months ended<br/>31 December<br/>2002<br/>HK\$'000</b> | Year ended<br>31 March<br>2002<br>HK\$'000 |
|--|--|--|
| Cost of inventories sold                 | 152,444  | 159,500                                    |
| Depreciation                             | 9,678  | 10,776                                     |
| Amortisation of goodwill*                | 811  | 764  |
| Impairment of goodwill*                  | –  | 500  |
| Loss on partial disposal of a subsidiary | 148  | –  |
| Exchange gains, net                      | <u>(692)</u>   | <u>(1,719)</u>                             |

\* The amortisation and impairment of goodwill are included in "Other operating expenses, net" on the face of the consolidated profit and loss account.

#### 5. FINANCE COSTS

|  | <b>Nine months ended<br/>31 December<br/>2002<br/>HK\$'000</b> | Year ended<br>31 March<br>2002<br>HK\$'000 |
|--|--|--|
| Interest on bank loans and overdrafts                  | 3,810  | 5,435                                      |
| Interest on finance leases and hire purchase contracts | <u>62</u>  | <u>189</u>                                 |
| Total interest expenses                                | 3,872  | 5,624                                      |
| Bank charges   | <u>1,197</u>   | <u>1,497</u>                               |
| Total finance costs                                    | <u><u>5,069</u></u>  | <u><u>7,121</u></u>                        |

#### 6. TAX

Hong Kong profits tax has been provided at the rate of 16% (year ended 31 March 2002: 16%) on the estimated assessable profits arising in Hong Kong during the period. 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.

|  | <b>Nine months ended<br/>31 December<br/>2002<br/>HK\$'000</b> | Year ended<br>31 March<br>2002<br>HK\$'000 |
|--|--|--|
| Provision for the period/year:               |  |  |
| Hong Kong                                    | 2,241  | 3,020                                      |
| Elsewhere                                    | 200  | 19   |
| Underprovision/(overprovision) in prior year | <u>(438)</u>   | <u>180</u>                                 |
| Tax charge for the period/year               | <u><u>2,003</u></u>  | <u><u>3,219</u></u>                        |

## 7. DIVIDENDS

|  | <b>Nine months ended<br/>31 December<br/>2002<br/>HK\$'000</b> | Year ended<br>31 March<br>2002<br>HK\$'000 |
|--|--|--|
| Underprovision in the prior year   | –  | 154  |
| Interim – HK4.5 cents (year ended 31 March 2002: Nil)<br>per ordinary share                  | <b>13,599</b>  | –  |
| Proposed final – HK3.9 cents<br>(year ended 31 March 2002: HK10 cents)<br>per ordinary share | <b>11,786</b>  | 30,220                                     |
|  | <b>25,385</b>  | 30,374                                     |

The proposed final dividend for the period is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

## 8. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the net profit attributable to shareholders for the period of HK\$25,525,000 (year ended 31 March 2002: HK\$30,447,000) and the weighted average of 302,200,000 (year ended 31 March 2002: 301,555,000) ordinary shares in issue during the period.

Diluted earnings per share for the nine months ended 31 December 2002 and year ended 31 March 2002 have not been calculated as no diluting events existed during this period and the prior year.

## CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 14 May 2003 to Monday, 19 May 2003 both days inclusive, during which period no transfer of shares will be effected. All share transfers, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tengis Limited at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:00 pm on Monday, 19 May 2003 in order to qualify for the final dividend mentioned above.

## MANAGEMENT DISCUSSION AND ANALYSIS

### RESULTS

Consolidated turnover of the Group for the nine months ended 31 December 2002 amounted to HK\$230,497,000 (year ended 31 March 2002: HK\$252,492,000). Net profit from ordinary activities attributable to shareholders was HK\$25,525,000 (year ended 31 March 2002: HK\$30,447,000).

### BUSINESS REVIEW AND PROSPECTS

During the period, the Group continued to benefit from the outsourcing activities of golf club equipment manufacturing from those developed countries, mainly the United States and European countries. In 2002, the global economy has gained certain recovery from its depressed and sluggish status during 2001. In overall, the Group's performance for the year of 2002 has shown satisfactory improvement over that of the preceding year.

Sales of golf clubs and accessories amounted to HK\$191,350,000, accounting for 83.0% of total turnover for the period while the remaining 17.0% or HK\$39,147,000 represents sales of golf bags. Golf clubs and accessories business remains the most significant source of contribution to the Group's profitability and is expected to grow steadily at a double-digit rate for the ensuing year. Sale of high value models will increase in proportion and generate a higher margin for the Group.

The relatively low contribution from the golf bag segment has been attributed to the Group's shared cost incurred in relation to the set-up of the logistic and assembly operation in the United States in which the sales started steady since the last quarter of 2002. Sales of golf bags generated from the U.S. establishment will increase significantly during 2003 and contribute to the Group's profitability. Since its acquisition by the Group in October 2001, the golf bag business has demonstrated consistent growth as a result of the synergy achieved through the extensive business contact of the Group. It is anticipated that the golf bag segment will grow persistently at a double-digit rate for the foreseeable future. To cope with the continued growth of the golf bag segment, a new factory is under construction in the PRC, which is targeted to commence production by the end of 2003.

Geographically, North America continues to be the largest geographical segment from which 71.9% of the Group's turnover for the period was generated. The European, Japanese and Asian markets accounted for 9.8%, 5.8% and 6.8% of total turnover respectively.

With enhanced product design and development capability and improved customer services, the Group has successfully extended its client portfolio and obtained a number of new customers of great potential. Existing customers continue to work closely with our Group on major sales programs for 2003. Barring unforeseen circumstances or any drastic fluctuations in the global economy, we are continuously confident that our Group shall achieve satisfactory growth for the ensuing year.

### **POST BALANCE SHEET EVENTS**

- (a) Pursuant to a sale and purchase agreement dated 26 December 2002, the Group acquired the entire equity interest in a company in Xiamen which mainly engaged in the manufacturing of golf equipment, from an independent third party for a consideration of approximately HK\$7.8 million. The acquisition was completed on 21 January 2003. The proposed acquisition will give rise to a goodwill amount of approximately HK\$7 million, subject to finalisation of purchase price allocation, which will be amortised in accordance with the Group's accounting policies.
- (b) On 12 March 2003, the Group acquired an additional 20% equity interest in Sino CTB Company L.L.C. from a minority shareholder for a cash consideration of US\$100,000. The acquisition was completed on 12 March 2003. The proposed acquisition will give rise to a goodwill amount of approximately US\$152,000, subject to finalisation of purchase price allocation.
- (c) On 20 March 2003, the Group entered into a 3-year syndicated loan agreement for an amount of HK\$105 million. The full amount of the syndicated loan was drawn down on 1 April 2003. The loan is unsecured, carries interest at a rate of HIBOR plus 1.75% per annum and is repayable by three installments of HK\$20 million; HK\$30 million and HK\$55 million at the 24th month; 30th month and 36th month of the loan agreement date respectively.

### **LIQUIDITY AND FINANCIAL RESOURCES**

The Group generally relies on internally generated funds and banking facilities granted by its principal bankers and other financial institutions to finance its operations. As at 31 December 2002, the Group maintained a cash and bank balance of HK\$44.7 million (31 March 2002: HK\$84.6 million). The significant decrease in cash and bank balances is mainly attributable to the application of funds for (i) paying interim dividend of HK\$13.6 million in December 2002; (ii) reducing trade and other payables by approximately HK\$6.0 million; and (iii) increasing inventories by approximately HK\$14.3 million so as to maintain a basic inventory level for the U.S. assembly operation as well as fulfilling the requirements of the coming shipping season.

Banking facilities available to the Group aggregate to approximately HK\$267.5 million comprising import and export facilities, overdrafts and term loans. As at 31 December 2002, total borrowings from banks and financial institutions amounted to HK\$101.3 million, of which HK\$92.8 million is repayable within one year. Gearing ratio, defined as total bank borrowings and finance lease payable divided by the shareholders' equity, was 61.2% (31 March 2002: 46.6%). The apparent increase in the level of borrowings and gearing ratio is mainly attributed to the effect of a variation in the form of export financing.

Consistent with the traditional practice, the Group has endeavored to maintain a reasonable financial position through adoption of cautious and effective treasury policies. As at 31 December 2002, the net assets of the Group amounted to approximately HK\$165.5 million (31 March 2002: HK\$183.2 million). Current ratio and quick ratio of the Group were 1.37 (31 March 2002: 1.77) and 0.84 (31 March 2002: 1.28) as at 31 December 2002 respectively. Both ratios stay at a reasonable level and have been further improved upon the conclusion of a three-year syndicated loan of HK\$105 million subsequent to the balance sheet date.

#### **CHARGE ON THE GROUP'S ASSETS**

The Group's bank borrowings are secured by certain of the Group's land and buildings, and plant and machinery with an aggregate net book value at 31 December 2002 of HK\$11.9 million.

#### **EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES**

The Group has limited exposure to exchange rates fluctuations as most of the business transactions were conducted in the currency of United States dollars, Hong Kong dollars and Renminbi, all of which remained relatively stable during the period.

#### **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITY**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's share during the period.

#### **CODE OF BEST PRACTICE**

None of the Directors is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the period for the nine months ended 31 December 2002 in compliance with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

#### **DETAILED RESULT ANNOUNCEMENT ON THE WEBSITE OF THE STOCK EXCHANGE OF HONG KONG LIMITED ("STOCK EXCHANGE")**

A detailed results announcement containing all the information required by paragraphs 45(1) to 45(3) of the Appendix 16 of the Listing Rules will be published on the website of the Stock Exchange in due course.

By order of the Board  
**Chu Chun Man, Augustine**  
*Chairman*

Hong Kong, 15 April 2003

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## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Company will be held at Kowloon Shangri-La, Hong Kong, Rose Room, Lower Level, 64 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Monday, 19 May 2003 at 2:30 pm for the following purposes:—

1. to receive and consider the audited financial statements and the reports of the directors and of the auditors for the nine months ended 31 December 2002;
2. to declare a final dividend for the nine months ended 31 December 2002;
3. to re-elect the directors of the Company;

4. to authorise the board of directors to fix the directors' remuneration;
5. to re-appoint the auditors and to authorise the board of directors to fix their remuneration; and
6. As special business and, if thought fit, pass with or without amendments, the following resolutions each as an Ordinary Resolution:-

**“THAT:-**

- (a) subject to sub-paragraph (c) of this Resolution, pursuant to the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company and to make or grant offers, agreements and options, including warrants to subscribe for shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in sub-paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in sub-paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) any issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company (“Shares”); or (iii) the exercise of any options granted under the share option scheme of the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of the dividend on Shares in accordance with the bye-laws of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this Resolution:

“Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earliest of:-

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda or any other applicable law of Bermuda to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by the passing of an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares, or offer or issue of warrants, options or other securities of the Company giving rights to subscribe for Shares, open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlement’s or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside the Hong Kong Special Administrative Region of the People’s Republic of China).”

7. As special business, to consider and, if thought fit, pass with or without amendment(s) the following resolution as Ordinary Resolution:

**THAT:**–

- (a) subject to sub-paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period of all the powers of the Company to repurchase Shares on Stock Exchange or any other exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Repurchases (“Recognised Stock Exchange”) subject to and in accordance with all applicable laws and the requirements of the Listing Rules or that of any other Recognised Stock Exchange, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may be purchased by the Company pursuant to the approval in sub-paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution:–

“Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earliest of:–

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda or any other applicable law of Bermuda to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by the passing of an ordinary resolution of the shareholders of the Company in general meeting.

8. As special business, to consider and, if thought fit, pass with or without amendment(s) the following resolution as Ordinary Resolution.

“**THAT** conditional upon Resolution 6 and Resolution 7 set out in the notice convening this meeting of which this resolution forms part being passed, the aggregate nominal amount of the share capital of the Company which are repurchased by the Company after the date of the passing of this Resolution (up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as stated in Resolution 7 set out in the notice convening this meeting of which this resolution forms part) shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company under the authority granted pursuant to Resolution 7 set out in the notice convening this meeting of which this resolution forms part.”

By order of the Board  
**Chu Chun Man, Augustine**  
*Chairman*

Hong Kong, 15 April 2003

*Notes:*

- 1. A form of proxy for use at the meeting is enclosed.
- 2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer, attorney or other person authorised to sign the same.
- 3. Any member entitled to attend and vote at the meeting shall be entitled to appoint another person (who must be an individual) as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.

4. In order to be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of authority, must be deposited at the Company's share registrar, Tengis Limited of G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the meeting.
5. Delivery of the form of proxy will not preclude a member from attending and voting in person at the meeting convened and in such event, the form of proxy shall be deemed to be revoked.
6. In the case of joint registered holders of any Share, any one of such joint registered holders may vote at the meeting, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint registered holders be present at the meeting, the vote of the most senior who tenders a vote either personally or by proxy shall be accepted to the exclusion of the votes of the other joint registered holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.
7. For the purpose of determining the list of shareholders entitled to attend and vote at the Annual General Meeting and to receive the final dividend to be declared at the meeting, the Company shall temporarily suspend changes to the register of members from Wednesday, 14 May 2003 to Monday, 19 May 2003. Shareholders whose names appear on the register at the time of the suspension of registration shall be entitled to attend and vote at the meeting and shall be entitled to receive final dividend if declared at the meeting. Persons who purchase shares of the Company during the period of suspension of registration shall not be entitled to attend the meeting nor to the final dividend.
8. In relation to the proposed resolution 6 set out in the notice convening the meeting, approval is being sought from the members as a general mandate under the Listing Rules. The Directors wish to state that they have no immediate plans to issue any new shares of the Company.
9. In relation to the proposed resolution 7 set out in the notice convening the meeting the Directors wish to state that they will exercise the powers conferred thereby to repurchase shares of the Company in the circumstances which they deem appropriate for the benefit of the Company and the shareholders.

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