



GOLDLION HOLDINGS LIMITED

金利來集團有限公司

(Incorporated in Hong Kong under the Hong Kong Companies Ordinance)

(Stock code 5.00)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER 2007

RESULTS

The Board of Directors is pleased to announce the consolidated results of Goldlion Holdings Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31st December 2007 together with the comparative figures for the previous year as follows

Consolidated Profit and Loss Account For the year ended 31st December 2007

| | Note | 2007 HK\$'000 | 2006 HK\$'000 |
|-------------------------------|------|------------------|------------------|
| Turnover | | 1,000,000 | 1,000,000 |
| Cost of sales | | (800,000) | (800,000) |
| Gross profit | | 200,000 | 200,000 |
| Other gains, net | | 5,555 | 5,555 |
| Selling and marketing costs | | (10,000) | (10,000) |
| Administrative expenses | | (5,000) | (5,000) |
| Operating profit | | 190,000 | 190,000 |
| Interest income | | 10,000 | 10,000 |
| Profit before income tax | | 200,000 | 200,000 |
| Income tax expense | | (50,000) | (50,000) |
| Profit for the year | | 150,000 | 150,000 |
| Attributable to | | | |
| Equity holders of the Company | | 150,000 | 150,000 |
| Minority interest | | 0 | 0 |
| Dividends | | 10,000 | 10,000 |
| | | <i>HK cents</i> | <i>HK cents</i> |
| Earnings per share | | | |
| - basic | | 150 | 150 |
| - diluted | | 150 | 150 |

Consolidated Balance Sheet
As at 31st December 2007

| | Note | As at 31.12.2007 HK\$'000 | As at 31.12.2006 HK\$'000 |
|--|------|---------------------------------|---------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Leasehold land and land use rights | | 5, - | 5, - |
| Property, plant and equipment | | 5, - | 0, - |
| Investment properties | | , - , 5, 0 | , 0 , 00 |
| Deferred income tax assets | | 5, - | 5, - |
| Deposit for acquisition of property, plant and equipment | | 5, - | - |
| | | <u>5, 0</u> | <u>, 5, 1</u> |
| Current assets | | | |
| Property under development held for sale | | 5, - 0 | 5, - |
| Inventories | | 5, - | 5, - |
| Trade receivables | | 5, - | 5, - |
| Prepayments, deposits and other receivables | | 5, - | 5, - |
| Cash and cash equivalents | | - 5, - | 5, - |
| | | <u>5, 0</u> | <u>- 5, -</u> |
| Total assets | | <u>2,554,409</u> | <u>2,011,644</u> |
| EQUITY | | | |
| Capital and reserves attributable to the Company's equity holders | | | |
| Share capital | | 5, - | 5, - |
| Reserves | | , 5, - | 5, 0, - |
| Proposed final dividend | | 5, - | - |
| | | <u>, 0, -</u> | <u>, - , 1</u> |
| Minority interest | | 5, - | 5, - |
| Total equity | | <u>, 5, 0</u> | <u>, - , -</u> |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Deferred income tax liabilities | | 0, - | 5, - |
| Other payable | | - | - |
| | | <u>-</u> | <u>5, -</u> |
| Current liabilities | | | |
| Trade payables | | - | 0, - |
| Other payables and accruals | | - | - 5, - |
| Taxation payables | | 5, - | 5, - |
| | | <u>5, -</u> | <u>5, -</u> |
| Total liabilities | | <u>5, -</u> | <u>5, 0</u> |
| Total equity and liabilities | | <u>2,554,409</u> | <u>2,011,644</u> |
| Net current assets | | 5, - | 5, - |
| Total assets less current liabilities | | , - , - | , 5, - |

1. Principal accounting policies

The accounts have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRS) issued by the Hong Kong Institute of Certified Public Accountants.

The accounting policies adopted in the preparation of the accounts are consistent with those used in the accounts for the year ended 31st December 2000, except for the adoption of the following standard, amendment and interpretations, which are effective for the financial year ended 31st December 2000.

| | |
|----------------------------|--|
| HKAS Amendment | Presentation of Financial Statements Capital Disclosures |
| HKFRS | Financial Instruments Disclosures |
| HK(IFRIC) Interpretation | Applying the Restatement Approach under HKAS Financial Reporting in Hyperinflationary Economies |
| HK(IFRIC) Interpretation | Scope of HKFRS |
| HK(IFRIC) Interpretation | Reassessment of Embedded Derivatives |
| HK(IFRIC) Interpretation 0 | Interim Financial Reporting and Impairment |

The adoption of the above new standard, amendment and interpretations does not result in substantial changes to the Group's accounting policies and has no significant effect on the accounts for the year ended 31st December 2000.

No early adoption of the following new standard, amendments and interpretations that have been issued but are not yet effective. The Group is in the process of assessing their impacts on the Group's results and financial position.

| | |
|--------------------------|--|
| HKAS (Revised) | Presentation of Financial Statements |
| HKAS (Revised) | Borrowing Costs |
| HKAS (Revised) | Consolidated and Separate Financial Statements |
| HKFRS (Revised) | Business Combinations |
| HKFRS | Operating Segments |
| HK(IFRIC) Interpretation | HKFRS Group and Treasury Share Transactions |
| HK(IFRIC) Interpretation | Service Concession Arrangements |
| HK(IFRIC) Interpretation | Customer Loyalty Programmes |
| HK(IFRIC) Interpretation | HKAS The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction |

2. Turnover and segment information

The Group is principally engaged in the distribution and manufacturing of garments, leather goods and accessories, licensing of brand name, and property investments and development. Turnover recognized during the year were as follows

| | 2007 HK\$'000 | 2006 HK\$'000 |
|--|------------------|------------------|
| Sales of goods | , | - 5, 5 |
| Gross rental income from investment properties | , 5 - | - , 0 |
| Building management fee | , 0 | ,- |
| Licensing income | , | , |
| | <u>, 0</u> | <u>,</u> |

An analysis of the Group's segment information for the year by business segment is set out as follows

| | 2007 Segment turnover HK\$'000 | 2006 Segment turnover HK\$'000 | 2007 Segment results HK\$'000 | 2006 Segment results HK\$'000 |
|---|---|---|--|--|
| Business segments | | | | |
| Apparel | 5, 5 0 | 5, 0 | 5, - | 5, - |
| Property investments and development | 5,) | 0, | 5, 0 | 0, -0 |
| Inter-segment sales | (5, -) | (,) | - | - |
| | <u>, 0</u> | <u>,</u> | <u>, 5</u> | <u>, -</u> |
| Unallocated costs | | | (, 0) | (, 5) |
| Profit before income tax | | | <u>5, 0</u> | <u>,</u> |

An analysis of the Group's segment information for the year by geographical segment is set out as follows

| | 2007 Segment turnover HK\$'000 | 2006 Segment turnover HK\$'000 | 2007 Segment results HK\$'000 | 2006 Segment results HK\$'000 |
|--------------------------|---|---|--|--|
| Geographical segments | | | | |
| China Mainland | 0, 0 | - 5, 0- | 5, - | , - |
| Hong Kong SAR | - | ,- 0 | , | , 5 |
| Singapore and Malaysia | , 0 - | , 0 | 5, 5 | , -- |
| Other countries | , | , - | (, 0) | (,) |
| | <u>, 0</u> | <u>,</u> | <u>, 5</u> | <u>, -</u> |
| Unallocated costs | | | (, 0) | (, 5) |
| Profit before income tax | | | <u>5, 0</u> | <u>,</u> |

3. Other gains, net

| | 2007 HK\$'000 | 2006 HK\$'000 |
|---|------------------|------------------|
| Fair value gains on investment properties | 5,00- | -0, - |
| Gain/(loss) on disposal of properties | - | (, -) |
| Tax refund for reinvestment | - | - |
| | 0,55 | 5,5 |

4. Expenses by nature

| | 2007 HK\$'000 | 2006 HK\$'000 |
|--|------------------|------------------|
| Cost of goods sold | , - | ,5 |
| (Reversal)/provision of impairment for inventories | (0, 0) | , |
| Direct operating expenses arising from investment properties | ,5 - | ,0 |
| Operating lease rentals - land and buildings | 05 | ,50 |
| Amortization of leasehold land and land use rights | - | , - |
| Depreciation of property, plant and equipment | 5 0 | 5 |
| Impairment loss on property, plant and equipment | 0 | , |
| Staff costs including directors' emoluments | - 5,5 | , - |
| Auditors' remuneration | ,5 | , |
| Other expenses | 0, - | -, 0 |
| | ,5 | - 0,5 |
| Representing | | |
| Cost of sales | ,5 | , 0 |
| Selling and marketing costs | - | , |
| Administrative expenses | ,5 0 | , 00 |
| | ,5 | - 0,5 |

5. Income tax expense

| | 2007 HK\$ 000 | 2006 HK\$ 000 |
|--------------------------------|------------------|------------------|
| Taxation outside Hong Kong | | |
| Current year | , | , 5 |
| Under provision in prior years | | 5 |
| | <hr/> | <hr/> |
| | , | ,000 |
| Deferred income tax | (5,0-) | , |
| | <hr/> | <hr/> |
| Total income tax expense | <u>5,000</u> | <u>- ,</u> |

Hong Kong profits tax has not been provided as there is no estimated assessable profit or there are available tax losses to offset assessable profit for the year. Taxation on profits outside Hong Kong has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the regions/countries in which the Group operates.

Pursuant to the Corporate Income Tax Law of the People's Republic of China (PRC) approved by the National People's Congress on -th March 00 , the new enterprise income tax rates for domestic enterprises and foreign invested enterprises are unified at 5 % with effect from 1st January 00 . Regarding the deferred income tax assets and liabilities of certain PRC subsidiaries which are expected to be settled after 1st January 00 , the Group made an adjustment to their carrying amounts using the applicable tax rate of 5 % , resulting in an increase of deferred income tax assets by approximately HK\$, ,000 and reduction in liabilities by approximately HK\$ 5,5 ,000 for the year ended 31st December 00 . The reduction in deferred income tax liabilities was mainly attributable from the reduction of applicable tax rate from 20% to 5 % on the fair value gains of the investment properties held in PRC.

6. Dividends

| | 2007 HK\$ 000 | 2006 HK\$ 000 |
|---|------------------|------------------|
| 00- interim dividend, paid, of 5 HK cents per ordinary share | - | , 5 |
| 00- final dividend, paid, of -.- HK cents per ordinary share | - | , 0 |
| 00 interim dividend, paid, of .0 HK cents per ordinary share | , 5 | - |
| 00 final dividend, proposed of .0 HK cents per ordinary share | 5 - | - |
| | <hr/> | <hr/> |
| | , 5 | , 5 |

7. Earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity holders of the Company of HK\$, ,000 (00- HK\$ --, - ,000) and the weighted average number of - , , 0 (00- , ,0) shares in issue during the year.

Diluted earnings per share equals basic earnings per share as there were no potential dilutive ordinary shares in issue during the years ended 31st December 00 and 00- .

8. Trade receivables

The Group grants credit terms to customers ranging from cash on delivery, letter of credit or credit terms ranging from 30 days to 90 days after delivery. The ageing analysis of the trade receivables, net of provision, was as follows

| | As at 31.12.2007 HK\$'000 | As at 31.12.2006 HK\$'000 |
|--------------|---------------------------------|---------------------------------|
| 0-30 days | 1,000 | 1,000 |
| 31-60 days | 500 | 500 |
| Over 60 days | 500 | - |
| | <u>2,000</u> | <u>1,500</u> |

9. Trade payables

The ageing analysis of the trade payables was as follows

| | As at 31.12.2007 HK\$'000 | As at 31.12.2006 HK\$'000 |
|--------------|---------------------------------|---------------------------------|
| 0-30 days | 1,000 | 1,000 |
| 31-60 days | 500 | 500 |
| Over 60 days | 500 | - |
| | <u>2,000</u> | <u>1,500</u> |

FINAL DIVIDEND

The Directors have recommended the payment of a final dividend of 0.0 HK cents per share (00-00 HK cents per share) for the year ended 31st December 2007, totalling HK\$ 500,000 (00-00 HK\$-00,000). Subject to the shareholders' approval at the forthcoming Annual General Meeting, the final dividend will be paid on or about 5th June 2008 to shareholders whose names appear on the Register of Members as at 31st May 2008.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATING RESULTS

For the financial year ended 31 December 2007, the Group's performance was encouraging with satisfactory increases registered in both turnover and overall profit. Annual turnover, in particular, amounted to HK\$ 1,035,000, representing an increase of 15% over the previous year. It was a year of growth for all our major operating locations, especially China Mainland and Singapore. Increases were invariably registered for all of our major sources of income with sales of goods at a rate of 15%.

Profit attributable to equity holders of the Company for the year was HK\$ 1,000,000, or an increase of 10% when compared with last year's HK\$ 900,000.

During the year, the Group recorded fair value gains on investment properties of HK\$ 5,000,000 and the related deferred taxation charge at approximately HK\$ 1,000,000 (calculated by applicable tax rates of the year), compared with the corresponding figures of HK\$ 0, 1,000 and HK\$ 1,000,000 respectively for the previous year. Besides, a gain of HK\$ 1,000,000 and a loss of HK\$ 1,000,000 on disposal of properties were recorded respectively in the current and last year.

The Group also received a tax refund for re-investment in China Mainland of approximately HK\$ 1,000,000 for the year under review. Pursuant to the new Corporate Income Tax Law of the People's Republic of China, the new enterprise income tax rates for domestic enterprises and foreign invested enterprises are unified at 25% with effect from 1st January 2008. Accordingly, the Group made an adjustment to its deferred income tax assets and liabilities of certain PRC subsidiaries that are expected to be settled after 1st January 2008 using the applicable tax rate of 25%, which resulted in a reduction of net deferred tax liabilities of HK\$ 1,000,000 during the year.

Excluding the fair value gain on investment properties, its related deferred taxation charge, the profit and loss on disposal of properties, and the effects of the tax refund and change of PRC tax rate on the Group's deferred tax position, profit attributable to shareholders for the year stood at HK\$ 5,000,000, representing an increase of 5% over last year's HK\$ 4,750,000.

BUSINESS REVIEW

Apparel Business

China Mainland Market

The year-on-year growth in overall turnover for the apparel business in the China Mainland market was a dazzling 15%, or 10% even if excluding the effect of appreciation of the Renminbi (RMB). The impetus can be ascribed to a number of factors including the enhancement in the Group's product development and the economic boom on the Mainland.

Following years of efforts in perfecting and improving our product development, we have progressively turned our attention towards building up a collection rather than working on individual items. Our refreshingly new designs turned out by overseas designers recruited in the year, not to mention the quality materials, have proved to be well received by the market.

Coupled with upgraded design, reinforced monitoring and quality control mechanisms in the production process have ensured that our finished products meet the most stringent quality standards when they reach our customers.

At the retail end, the phased face-lift programme for our outlets as conceived by our Japanese designers in the year and the Key Shop Plan, that has been pursued for years to improve the layout and visual appeal of our major outlets have paid off to secure for the Group a firm foothold in the market.

On top of these, the Group's sales have benefited from Mainland's spiraling spending power fueled by its robust economy and bullish capital market.

Singapore and Malaysia Markets

The Group's performance in the apparel market of Singapore was equally satisfactory. Total sales rose sharply by 0% over the last year, or even at local currency. This was the fourth time in the last five years that a double-digit growth was reported, an indication of our continual expansion in the local market.

The growth was in part due to the favourable local economic condition where unemployment was at its lowest in recent years. High consumer spending power and buoyant retail market have combined to contribute to the surge in the Group's sales.

At the end of the year, the Group directly operated - Goldlion outlets in Singapore, or one outlet more than last year. Some of our outlets have further expanded in terms of floor area. Sales for our major comparable outlets all compared favourably with those of the previous year.

To keep up with our pragmatic expansion strategy, two new specialty boutiques were opened in the year to realize our potential at shopping malls. We have also sought to bring our products to the next level by continuing to improve our product design and overall quality.

Information technology systems for our local operation were upgraded in the second half of the year for bringing in automated stock control and financial management functions. With the software installed, the Group can now strengthen its internal management, speed up financial reporting with higher level of accuracy, and improve the efficiency of sourcing and stock management.

The number of Camel Active outlets remained to be six at the end of the year. The line sold well in the year, boosting turnover by about 0%, but the relative small size of the outlets have prevented it from contributing significantly towards overall sales in the market.

Prudence continued to guide our operation in Malaysia. To meet business needs, outlets were increased to at the end of the year, or seven more than that of last year. At local currency, sales climbed by approximately %.

Hong Kong Market

During the year under review, the Hong Kong retail market suffered generally from high rentals and escalating operating costs. Mindful of the unfavourable conditions, the Group did not venture to launch ambitious expansion plan in the year but rather concentrated our efforts to improving our brand image and maintaining our profile in the market. At the end of the year, the number of outlets directly under the Group dropped to four with sales slipping accordingly by approximately 0%.

Licensing Income

Licensing income in the year totaled HK\$ 5,000, increasing by approximately 5% over that of the previous year. The increase was mainly due to the progressive increases in licensing income as provided in existing agreements and the appreciation of the RMB. At present, licenses granted by the Group are primarily confined to leather goods, shoes, jewellery products, undergarments and woolen sweaters within the China Mainland market.

Property Investment and Development

Property investment continued to provide the Group with satisfactory yield during the year. Due to the strong RMB and the stable Mainland and Hong Kong property markets, fair value gain on investment properties stood at HK\$ 5,000,000 for the year as compared with HK\$-0,000 for last year.

Rental income for the year amounted to HK\$ 5,000,000, or a sharp increase of 5% over that of last year.

A major source of our rental income for the year was the Goldlion Digital Network Centre in Tianhe, Guangzhou. The acquisition of Joint Corporation Limited at an aggregate consideration of HK\$ 5,000,000 and 5,000,000 ordinary shares of the Company was completed by the end of April 00. This has placed under the Group office spaces totaling 5,000 square meters in floor area and the whole car parking spaces by the end of the year. With the increase in leasable area, rental income rose accordingly by 5%. Even when the increase in area is excluded, the growth for the building as a whole still reached 0%. Besides, the Group has provided quality building management services to tenants of the building through its property management subsidiary since end of 00-. The said property management subsidiary recorded a building management income of HK\$ 5,000 and was able to achieve breakeven during the year.

Over in Shenyang, the stable leasing position of Goldlion Commercial Building saw rental income rising by approximately 5% when compared to last year. The building currently enjoys almost full occupancy.

In Hong Kong, spurred by optimism in the local rental market, not only occupancy but also rentals have generally ascended, registering an overall increase of about 5% for the market as a whole.

Construction for our property development project in Meizhou, Guangdong, proceeded on schedule during the year. The project will yield saleable area totaling 0,50 square meters, comprising approximately5, square meters of residential units, ,5, square meters of car parking spaces and , square meters of commercial spaces. The pre-sale of all the residential units started in October 00 and at the end of last year with approximately , square meters successfully sold for a total of HK\$ 0, ,000. The sold flats had already been delivered for possession starting from the end of March 00 and the Group would recognize the results of the sales simultaneously.

PROSPECTS

The Group takes pride to report that performance had been remarkable for not only our sales but also our profits during the year under review. Nevertheless, it is the long-term sustainable development that matters more greatly to the Group.

Despite uncertainties in the fringe market owing to the subprime mortgage problem, the Group remains optimistic about its major markets in the foreseeable future. In the China Mainland market, in particular, steady growth, although believed to be less drastic than the previous two years, is anticipated for the year in view of soaring consumer spending and the stimulating effects of the Beijing Olympics. To further extend our clientele, goals have been set to improve our product design and coordination among our individual products as we continue to strive for fashion sensitivity with an elitist design team.

As for the Singapore market, the overall rosy operating environment is expected to continue into 00 although somewhat overcast by the high operating costs and labour shortage. Given the opportunity, the Group will focus on our business expansion while keeping our operating costs well in check.

As far as the property investment business is concerned, demand for quality commercial premises is expected to be keen. Against this background, leasing of our Goldlion Digital Network Centre in Guangzhou is expected to remain stable. Naturally, the Group will continue to improve the quality and rental value of all of its investment properties in order to secure even more satisfactory returns.

Regarding the property development project in Meizhou, construction works have just completed and the sold units were delivered for possession starting from the end of March 00. Sale of the units is expected to gather momentum once intake begins. Depending on market sentiments, the remaining commercial and car parking spaces will be offered for sale at the opportune time.

FINANCIAL POSITION

As at 31st December 00, cash and bank balances held by the Group was approximately HK\$ - 5, ,000, which was HK\$, -5, ,000 lower than the balance at the end of last year. During the year, the Group recorded a net cash generated from operating activities of HK\$ 5, 0, ,000 and interest income of HK\$, - ,000. However, the Group also paid dividends of HK\$ 0 , 0, ,000, acquired Joint Corporation Limited with a cash consideration of HK\$,000,000 and paid for Meizhou property development project of approximately HK\$, - ,000 during the year. As at 31st December 00, the Group did not have any bank loans or overdrafts.

As at 31st December 2000, the Group's current assets and liabilities were HK\$ 5,000,000 and HK\$ 5,000,000 respectively, with current ratio at 1.0. Total current liabilities were only 5% of the average capital and reserves attributable to the Company's equity holders of HK\$ 100,000,000.

As at 31st December 2000, the Group did not have any material contingent liabilities and did not charge any of the Group's assets. As at 31st December 2000, the Group had capital commitments of HK\$ 5,000,000 mainly for the remaining construction contract sum of the Meizhou property development project contracted but not provided for.

HUMAN RESOURCES

At 31st December 2000, the Group had approximately 1,000 employees. Staff costs including directors' emoluments of the year amounted to HK\$ 5,000,000. The Group ensures that employees' remuneration packages are competitive and are determined mainly on factors including job nature, market conditions, individual performance, qualification and experience. The Group also provides other benefits to its employees and training as and when required.

CLOSURE OF REGISTER OF MEMBER

For the purpose of determining shareholders' entitlement to the proposed final dividend, the Register of Members of the Company will be closed from 31st May 2000 to 1st May 2000 (both days inclusive), during which period no transfer of shares will be registered.

In order to qualify for the proposed final dividend of the year, all transfers accompanied by the relevant shares certificates must be lodged by 5.00 p.m. on Tuesday, 30th May 2000 with the Company's Registrars, Computershare Hong Kong Investor Services Limited, at shops 1801-1802, 18th floor, Hopewell Centre, 18 Queen's Road East, Hong Kong.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company did not redeem any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

CORPORATE GOVERNANCE

The Company has complied with the Code Provisions in Code on Corporate Governance Practices as set out in Appendix 10 of the Rules Governing the Listing of Securities (the Listing Rules) on the Stock Exchange of Hong Kong Limited (the Stock Exchange) throughout the year except that all of the non-executive Directors of the Company have not been appointed for a specific term but are subject to retirement by rotation and re-election at the Annual General Meeting of the Company in accordance with the Articles of Association of the Company.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the Model Code) as set out in Appendix 10 of the Listing Rules. During the year, all the Directors have complied with the relevant requirements under the Model Code regarding their dealing in the securities of the Company.

AUDIT COMMITTEE

The Company has formed an Audit Committee to review and supervise the financial reporting process and internal control procedures of the Group. At present, the Audit Committee has four members including Mr. Yin, Richard Yingneng (Chairman), Dr. Wong Ying Ho, Kennedy (Deputy Chairman) and Dr. Lau Yue Sun, all of them are independent non-executive Directors, and Mr. Ng Ming Wah, Charles, a non-executive Director of the Company.

REVIEW OF ACCOUNTS

The Group's consolidated accounts for the year ended 31st December 2000 have been reviewed by the Company's Audit Committee. Also, the figures in respect of this preliminary results announcement have been agreed by the Company's external auditors, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated accounts for the year ended 31st December 2000. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this preliminary results announcement.

PUBLICATION OF DETAILED FINANCIAL AND RELATED INFORMATION ON THE WEBSITE OF THE COMPANY AND THE STOCK EXCHANGE

This announcement is published on the website of the Company (www.goldlion.com) and the Stock Exchange (www.hkex.com.hk). The Company's 2000 annual report, containing all the information required by Appendix A of the Listing Rules, will be dispatched to shareholders and made available on the above websites in due course.

BOARD OF DIRECTORS

As at the date of this announcement, the Directors of the Company comprise Dr. Tsang Hin Chi, Mr. Tsang Chi Ming, Ricky and Madam Wong Lei Kuan as executive Directors, Mr. Ng Ming Wah, Charles as a non-executive Director and Dr. Lau Yue Sun, Dr. Wong Ying Ho, Kennedy and Mr. Yin, Richard Yingneng as independent non-executive Directors.

By order of the Board

Kam Yiu Kwok

Company Secretary

Hong Kong, 21 April 2000