The Board of Directors (the "Directors") of Goldbond Group Holdings Limited (formerly known as Can Do Holdings Limited) (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2003. The unaudited interim result for the six months ended 30 September 2003 has been reviewed by the Company's Audit Committee and the Company's auditors, KPMG, whose review report is set out on page 17.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Note	Six months ended 30 September 2003 HK$'000 (unaudited)	2002 HK$'000 (unaudited/ restated)
Turnover	3	**12,944**	11,553
Direct outgoings		**(79)**	(137)
Gross profit		**12,865**	11,416
Other revenue		**366**	1,364
Other net loss	4	**(1,988)**	–
Surplus on revaluation of investment properties		**15,000**	–
Gain on disposal of interest in associates		**–**	56,859
Unrealised holding loss on short term investment		**–**	(51,688)
Administrative expenses		**(8,002)**	(2,513)
Profit from operations	5	**18,241**	15,438
Finance costs		**(2,795)**	(7,071)
Share of loss of an associate		**–**	(59)
Profit before taxation		**15,446**	8,308
Taxation	6	**(340)**	(700)
Net profit attributable to shareholders		**15,106**	7,608
Earnings per share – Basic	7	**$0.05**	$0.02

The notes on pages 5 to 16 form part of the interim financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Six months ended 30 September	
	2003	2002
	HK$'000	HK$'000
	(unaudited)	(unaudited/ restated)
Total equity at 1 April		
As previously reported	**135,491**	127,075
Prior period adjustments arising from changes in accounting policy for:		
– deferred taxation (Note 1)	**(2,468)**	(2,268)
As restated	**133,023**	124,807
Net profit for the period	**15,106**	7,608
Issue of shares, net of share issue expenses	**–**	59,960
Total equity at 30 September	**148,129**	192,375

The notes on pages 5 to 16 form part of the interim financial statements.

CONSOLIDATED BALANCE SHEET

	Note	As at 30 September 2003 HK$'000 (unaudited)	As at 31 March 2003 HK$'000 (audited/restated)
NON-CURRENT ASSETS			
Fixed assets	8	**351,136**	336,146
Other investments		**3,000**	3,000
		354,136	339,146
CURRENT ASSETS			
Trading securities	9	**–**	2,840
Accounts receivable	10	**3,911**	4,061
Prepayment, deposits and other receivables		**902**	1,466
Cash and cash equivalents		**17,968**	13,102
		22,781	21,469
CURRENT LIABILITIES			
Interest-bearing bank loan (secured)	11	**12,466**	10,992
Amounts due to related companies	12	**12,190**	13,616
Other payables and accruals		**15,846**	17,654
Taxation		**1,022**	950
		41,524	43,212
NET CURRENT LIABILITIES		**(18,743)**	(21,743)
TOTAL ASSETS LESS CURRENT LIABILITIES		**335,393**	317,403
NON-CURRENT LIABILITIES			
Interest-bearing bank loan (secured)	11	**(184,456)**	(181,912)
Deferred taxation		**(2,808)**	(2,468)
		(187,264)	(184,380)
		148,129	133,023
CAPITAL AND RESERVES			
Share capital	13	**39,989**	999,720
Reserves	14	**108,140**	(866,697)
		148,129	133,023

The notes on pages 5 to 16 form part of the interim financial statements.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Six months ended 30 September	
	2003	2002
	HK$'000	HK$'000
	(unaudited)	(unaudited)
NET CASH INFLOW FROM OPERATING ACTIVITIES	**2,691**	5,562
NET CASH INFLOW FROM INVESTING ACTIVITIES	**952**	–
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	**1,223**	(8,850)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**4,866**	(3,288)
Cash and cash equivalents at beginning of the period	**13,102**	127,096
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**17,968**	123,808
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	**17,968**	123,808

The notes on pages 5 to 16 form part of the interim financial statements.

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

(a) The interim financial statements (the "Interim Report") are unaudited, but have been reviewed by KPMG in accordance with Statement of Auditing Standards 700 "Engagements to review interim financial reports", issued by the Hong Kong Society of Accountants (the "HKSA"). KPMG's independent review report to the board of directors is included on page 17.

The Interim Report has been prepared in accordance with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"), including compliance with Statement of Standard Accounting Practice ("SSAP") 25 "Interim financial reporting" issued by the HKSA.

The financial information relating to the financial year ended 31 March 2003 included in the Interim Report does not constitute the Company's statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 March 2003 are available from the Company's registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 28 July 2003.

The same accounting policies adopted in the Group's annual financial statements for the year ended 31 March 2003 have been applied to the Interim Report except for the adoption of the revised SSAP 12 "Income taxes", which is effective for accounting periods commencing on or after 1 January 2003.

The notes on the Interim Report include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2003 annual financial statements.

1. **BASIS OF PREPARATION (Continued)**

(b) In prior years, deferred tax liabilities were provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenses, which were expected with reasonably probability to crystallise in the foreseeable future. Deferred tax assets were not recognised unless their realisation was assured beyond reasonable doubt. With effect from 1 April 2003, in order to comply with SSAP 12 (revised) issued by the HKSA, the Group has adopted a new policy for deferred taxation as follows:

Deferred tax assets and liabilities arise from deductible and taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the taxes respectively. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. The limited exceptions are temporary differences arising from goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable temporary differences, the Group controls the timing of reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible temporary differences, unless it is probable that they will reverse in the future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

The new accounting policy has been adopted retrospectively, with the opening balance of accumulated losses and the comparative information adjusted for the amounts relating to prior periods. As a result of the adoption of this accounting policy, the profit for the six months ended 30 September 2003 has been decreased by HK$340,000 (six months ended 30 September 2002: HK$100,000) and the net assets as at the period end have been decreased by HK$2,808,000 (at 31 March 2003: HK$2,468,000).

2. PRINCIPAL ACTIVITIES

The Company is an investment holding company.

The principal activities of its subsidiaries have not changed during the period and consisted of property investments and other investments in Hong Kong and the PRC.

3. TURNOVER AND SEGMENTAL INFORMATION

Turnover represents the gross rental income and management fees derived from the investment properties during the period.

The Group's operating results are almost entirely attributable to its property investment activities in Hong Kong. Accordingly, no segmental analysis is provided.

4. OTHER NET LOSS

	Six months ended 30 September	
	2003	2002
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Net realised loss on trading securities	**(1,988)**	–

5. PROFIT FROM OPERATING ACTIVITIES

Profit from operating activities is arrived at after charging/(crediting):–

	Six months ended 30 September	
	2003	2002
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Staff costs (including directors' remuneration)		
Wages and salaries	**3,390**	198
Retirement costs	**87**	7
	3,477	205
Depreciation	**50**	–
Provision for doubtful debts	**89**	–
Interest income	**(140)**	(956)

6. TAXATION

No provision for Hong Kong Profits Tax has been made as the Group did not have any assessable profits for the period.

Deferred taxation has been provided in full on temporary differences under the liability method using a principal taxation rate of 17.5% (2002: 16%).

	Six months ended 30 September	
	2003	2002
	HK$'000	HK$'000
	(unaudited)	(unaudited/ restated)
Current taxation		
Provision for Hong Kong Profits Tax for the period	**–**	600
Deferred taxation		
Origination and reversal of temporary differences	**108**	100
Effect of increase in tax rate on deferred tax	**232**	–
Total taxation	**340**	700

7. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the net profit attributable to shareholders for the period ended 30 September 2003 of HK$15,106,000 (2002: HK$7,608,000 (as restated)) and the weighted average of 331,488,000 (2002: 323,975,000 (as restated)) ordinary shares in issue during the period.

The exercise of the subscription rights conferred by the redeemable convertible preference shares would not have any dilutive effect on the earnings per share for the periods ended 30 September 2003 and 2002. There are no other potentially dilutive securities.

8. FIXED ASSETS

(a) Investment properties of the Group situated in Hong Kong were revalued by Chesterton Petty Limited, independent professional qualified valuers, who have amongst themselves members of the Hong Kong Institute of Surveyors, on an open market value basis at 30 September 2003. The increase in fixed assets during the current period substantially represents HK$15,000,000 increase in investment properties following the current valuation.

(b) Certain of the above investment properties with an aggregate carrying value of HK$350,000,000 (31 March 2003: HK$335,000,000) have been pledged to a bank for bank loans (note 11).

8. **FIXED ASSETS (Continued)**

(c) The Group leases out investment properties under operating lease arrangements, with leases negotiated for an initial period of one to four years. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the prevailing market conditions. None of the leases includes contingent rentals.

At 30 September 2003, the Group had total future minimum lease payments under non-cancellable operating leases receivable as follows:

	As at	
	30 September 2003 HK$'000 (unaudited)	31 March 2003 HK$'000 (audited)
Within one year	**19,915**	18,953
In the second to fifth years, inclusive	**11,320**	8,388
	31,235	27,341

9. **TRADING SECURITIES**

The trading securities represent the carrying value of 284 million ordinary shares in eCyber China Holdings Limited which were disposed of during the current period.

10. **ACCOUNTS RECEIVABLE**

The Group maintains a defined credit policy and normally allows an average credit period of 30 days to its tenants. An ageing analysis of accounts receivable, net of provisions for doubtful debts, is as follows:

	As at	
	30 September 2003 HK$'000 (unaudited)	31 March 2003 HK$'000 (audited)
Outstanding balances aged:		
– Within 1 month	**1,772**	1,675
– 1 to 3 months	**1,077**	1,179
– Over 3 months	**1,062**	1,207
	3,911	4,061

11. INTEREST-BEARING BANK LOAN

	As at 30 September 2003 HK$'000 (unaudited)	As at 31 March 2003 HK$'000 (audited)
Bank loan, secured	**196,922**	192,904
Portion classified as current liabilities	**(12,466)**	(10,992)
Long term portion	**184,456**	181,912

Bank loan

	30 September 2003 HK$'000 (unaudited)	31 March 2003 HK$'000 (audited)
The bank loan is repayable:		
Within one year	**12,466**	10,992
In the second year	**13,089**	11,383
In the third to fifth year, inclusive	**40,722**	30,261
Beyond five years	**130,645**	140,268
	196,922	192,904

The bank loans are secured by certain investment properties of the Group with an aggregate carrying value of HK$350,000,000 and an assignment of the rental income derived therefrom.

12. AMOUNTS DUE TO RELATED COMPANIES

Included in the amounts due to related companies is an unsecured loan of HK$11,696,000 obtained from a related company, which is under common directorship. The loan bears interest at a fixed rate of 3% per annum and is repayable on or before 27 February 2004.

13. SHARE CAPITAL

	As at 30 September 2003 Number of shares ('000)	As at 30 September 2003 HK$'000	As at 31 March 2003 Number of shares ('000)	As at 31 March 2003 HK$'000
Authorised:				
Ordinary shares of HK$0.10 each (Note)	25,000,000	2,500,000		
Ordinary shares of HK$0.25 each			10,000,000	2,500,000
'A' Redeemable convertible preferences shares of HK$0.10 each (Note)	40,000	4,000		
'A' Redeemable convertible preferences shares of HK$0.25 each			400,000	100,000
'B' Redeemable convertible preferences shares of HK$0.10 each (Note)	28,400	2,840		
'B' Redeemable convertible preferences shares of HK$0.25 each			284,000	71,000
Issued and fully paid:				
Ordinary shares				
At the beginning of the period/year	3,314,880	828,720	1,233,280	308,320
Issue of new shares	–	–	240,000	60,000
Open offer and bonus shares issued	–	–	1,841,600	460,400
Capital reorganisation (Note)	(2,983,392)	(795,571)	–	–
At the end of the period/year	331,488	33,149	3,314,880	828,720
'A' Redeemable convertible preferences shares of HK$0.10 each (Note)	40,000	4,000		
'A' Redeemable convertible preferences shares of HK$0.25 each			400,000	100,000
'B' Redeemable convertible preferences shares of HK$0.10 each (Note)	28,400	2,840		
'B' Redeemable convertible preferences shares of HK$0.25 each			284,000	71,000
		39,989		999,720

13. SHARE CAPITAL (Continued)

Note:

On 11 April 2003, special resolutions were passed at an extraordinary general meeting of the Company to implement a capital reorganisation which was approved by the Court on 26 June 2003, involved a reduction of the issued ordinary share capital of the Company of HK$828,720,000 divided into 3,314,880,000 shares of HK$0.25 each to HK$33,148,800 divided into 3,314,880,000 shares of HK$0.01 each and the issued preference share capital of HK$171,000,000 divided into 684,000,000 preference shares of HK$0.25 each to HK$6,840,000 divided into 684,000,000 preference shares of HK$0.01 each (the "Capital Reduction").

The following took effect immediately after the Capital Reduction:

(a) subdividing each authorised but unissued ordinary share of HK$0.25 into 25 ordinary shares of HK$0.01 each;

(b) increasing the authorised ordinary share capital to HK$2,500,000,000 by the creation of not less that 79,557,120,000 new ordinary shares of HK$0.01 each; and

(c) consolidating the 250,000,000,000 ordinary shares of HK$0.01 each and the 684,000,000 preference shares of HK$0.01 each into 25,000,000,000 ordinary shares of HK$0.10 each and 68,400,000 preference shares of HK$0.10 each respectively.

14. RESERVES

	Share premium HK$'000	Revaluation reserve HK$'000	General reserve HK$'000	Capital reserve HK$'000	Special capital reserve HK$'000	Accumulated losses HK$'000 (restated)	Total HK$'000 (restated)
At 1 April 2002	541,245	–	6,000	5,000	–	(904,490)	(352,245)
Profit for the period	–	–	–	–	–	7,608	7,608
Issue of shares	(40)	–	–	–	–	–	(40)
At 30 September 2002	541,205	–	6,000	5,000	–	(896,882)	(344,677)
At 31 March 2003 (audited)							
– as previously reported	98,223	3,000	6,000	5,000	–	(976,452)	(864,229)
– prior period adjustments							
– deferred taxation	–	–	–	–	–	(2,468)	(2,468)
As restated	98,223	3,000	6,000	5,000	–	(978,920)	(866,697)
Capital reorganisation (Note 13)	–	–	–	–	64,788	894,943	959,731
Profit for the period	–	–	–	–	–	15,106	15,106
At 30 September 2003	98,223	3,000	6,000	5,000	64,788	(68,871)	108,140

15. CAPITAL COMMITMENT

	As at 30 September 2003 HK$'000 (unaudited)	As at 31 March 2003 HK$'000 (audited)
Contracted, but not provided for		
Acquisition of a subsidiary	**400,000**	400,000

15. CAPITAL COMMITMENT (Continued)

In 2000, the Group entered into a conditional sale and purchase agreement with an independent third party for the acquisition of the entire issued share capital and the shareholders' loan of Growing China Limited ("Growing China"), a company incorporated in the British Virgin Islands, at a consideration of HK$400,000,000. The principal assets of Growing China are residential blocks and a commercial complex located at Chengdu in the Sichuan Province, the PRC. Part of the consideration of HK$340,000,000 is expected to be satisfied by the issue and allotment of approximately 301,000,000 new ordinary shares of the Company and the remaining balance of HK$60,000,000 in cash. The agreement has yet to become unconditional and parties to the agreement agreed on 19 December 2000 to extend the long stop date of the agreement to such date as the parties may agree in writing. In the opinion of the Directors, unless the parties mutually agree to complete the acquisition, no payment under the agreement will be made within the next 12 months from the date of this report.

16. RELATED PARTY TRANSACTION

During the six months ended 30 September 2003, interest expense payable to a related company in respect of an unsecured loan amounted to HK$176,000.

17. POST BALANCE SHEET EVENTS

(a) On 28 November 2003, an ordinary resolution was passed at an extraordinary general meeting to approve an open offer to the Company's qualifying shareholders of 1,325,952,000 shares on the basis of four offer shares for every existing share at a subscription price of HK$0.10 per share held at of that date. The net proceeds of the open offer, after deducting expenses, are expected to be approximately HK$131.7 million and are intended to be used as funding for any potential future investments (including PRC property investments) and general working capital of the Group.

(b) On 1 December 2003, Sino Dynasty Investments Limited, a wholly owned subsidiary of the Company, entered into a conditional sale and purchase agreement to acquire a 25% equity interest in南京國際商城建設有限公司 (Nanjing City Plaza Construction Co., Ltd.) ("Nanjing City Plaza") for a consideration of HK$91,000,000 to be satisfied as to HK$90,000,000 in cash and as to HK$1,000,000 by the issuance of 5,000,000 ordinary shares to be issued by the Company. Nanjing City Plaza is a sino-foreign joint venture company incorporated in the PRC. The principal asset of Nanjing City Plaza is a 51% equity interest in南京國際集團股份有限公司 (Nanjing International Group Co., Ltd.), a joint stock limited liability company incorporated in the PRC, which is principally engaged in property development in Nanjing, the PRC. The proposed acquisition is subject to the approval of the Shareholders at the extraordinary general meeting to be held in January 2004.

17. POST BALANCE SHEET EVENTS (Continued)

(c) On 11 December 2003, Dragon Express Investments Limited, a wholly owned subsidiary of the Company, entered into a subscription agreement to subscribe for 12 units of the Gobi Fund, Inc. ("Gobi Fund") at a consideration of US$6,000,000 (equivalent to approximately HK$46,800,000). Gobi Fund is a venture capital fund sponsored and managed by Gobi Partners, Inc., and mainly focuses on early stage investments in the PRC's digital media sector, such as telecommunications, internet and broadcasting. Gobi Fund is also co-sponsored by Tsinghua Venture Capital Co., Ltd., the venture capital arm of Tsinghua University, the PRC.

18. COMPARATIVE FIGURES

Certain comparative figures have been adjusted due to the adoption of SSAP 12 (revised) during the period as described in note 1 (b).

19. INTERIM DIVIDEND

The directors have resolved that no interim dividend will be declared in respect of the six months ended 30 September 2003 (2002: Nil).

20. CHANGE OF COMPANY NAME

Pursuant to a special resolution passed at the extraordinary general meeting held on 11 April 2003, the name of the Company was changed from "Can Do Holdings Limited (長發建業有限公司)" to "Goldbond Group Holdings Limited (金榜集團控股有限公司)" with effect from 9 May 2003.

21. APPROVAL OF INTERIM FINANCIAL REPORT

The interim financial report was approved by the Board on 17 December 2003.

INDEPENDENT REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
GOLDBOND GROUP HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

INTRODUCTION

We have been instructed by the Company to review the interim financial report set out on pages 1 to 16.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Statement of Standard Accounting Practice 25 "Interim financial reporting" issued by the Hong Kong Society of Accountants. The interim financial report is the responsibility of, and has been approved by, the directors.

It is our responsibility to form an independent conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

REVIEW WORK PERFORMED

We conducted our review in accordance with Statement of Auditing Standards 700 "Engagements to review interim financial reports" issued by the Hong Kong Society of Accountants. A review consists principally of making enquiries of group management and applying analytical procedures to the interim financial report and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the interim financial report.

REVIEW CONCLUSION

On the basis of our review which does not constitute an audit, we are not aware of any material modifications that should be made to the interim financial report for the six months ended 30 September 2003.

KPMG
Certified Public Accountants
Hong Kong, 17 December 2003

BUSINESS REVIEW AND FUTURE PLAN

The Group is engaged in property investment and other investments in Hong Kong and the PRC. For the period ended 30 September 2003, the Group recorded a net profit attributable to shareholders of approximately HK$15,106,000 which was mainly contributed by the surplus on revaluation of investment properties.

The turnover of the Group for the period of six months ended 30 September 2003 amounted to approximately HK$12,944,000 (2002: HK$11,553,000) which was mainly contributed by the rental income of Golden Plaza. As at 30 September 2003, almost all of the total gross floor area of Golden Plaza has been rented. Such rental income predominantly derived from Hong Kong amounted to approximately HK$23 million per year in the past three years.

With the recovery of economic and investment conditions in Hong Kong and the continuing prosperous of the economy in PRC, the Board considers that it would now be the opportune time for the Group to seek business diversification.

The property project in Nanjing comprises a site area of approximately 35,422 sq.m. and will be developed by two phases. Phase I, which comprises a commercial centre, service apartments and office premises, is under construction and is expected to be completed in 2006. Phase II, at a planning stage, is planned to include a 68-floor commercial building comprising a hotel and office premises.

Since the PRC officially joined the World Trade Organisation and won the right to host the 2008 Olympics in Beijing, PRC is committing to upgrade Beijing's infrastructure with approximately US$3.6 billion earmarked for IT projects which include telecommunications, digital broadcasting and digital TV. The Group's investment in Gobi Fund which is primarily focus on the digital media sector in PRC, being cooperated with other strategic partners such as NTT DoCo Mo, Inc., and IBM World Trade Corporation, the Board believes that the subscription provides an opportunity for the Group to participate in the investments in the fast growing digital media field in the PRC especially with investment experts such as Gobi Partners.

BUSINESS REVIEW AND FUTURE PLAN (Continued)

With the fund raised through the open offer, the Group can diversify its sources of income and further develop its existing business by exploring various business opportunities. The Board believes that the above proposed acquisitions would improve the Group's financial performance and broaden its earning bases.

In the meantime, the Board will continue to look for investment opportunities that have earning potentials, with a view to diversifying its sources of income and to developing its existing business. In particular, the Board will focus on the companies in Hong Kong and the PRC that either (i) have steady income and positive cashflow, or are in industries where the barrier of entry are relatively high; or (ii) are in fast growing industries.

It is the ultimate goal of the Board to make effective use of the Group's resources and maximise the value of the Company.

LIQUIDITY AND CAPITAL RESOURCES

As at 30 September 2003, the Group had outstanding borrowings of approximately HK$208,618,000 (31 March 2003: HK$204,600,000), comprising secured bank borrowings of approximately HK$196,922,000, and a loan due to a related party of approximately HK$11,696,000 million. The gearing ratio as at 30 September 2003, measured as total liabilities to total assets, was 60.7% (31 March 2003: 63.1%).

As at 30 September 2003, the Group had total cash and bank balances of approximately HK$17,968,000 (31 March 2003: HK$13,102,000).

DIRECTORS' INTERESTS IN SECURITIES

As at 30 September 2003, the interests and short positions of each Director and the chief executive in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) to be kept under section 352 of the SFO were as follows:

Directors	Corporate interests	Total interests as % of the issued share capital
Mr. Wong Yu Lung, Charles	37,591,380	11.34%
Mr. Ko Po Ming (Note)	13,176,360	3.97%
Ms. Loh Jiah Yee, Katherine (Note)	13,176,360	3.97%
Mr. Kee Wah Sze	26,740,260	8.07%

Note: The Shares are held by Sparkle Power Technology Limited, the share capital of which is owned as to 50% by Mr. Ko Po Ming and as to 50% by Ms Loh Jiah Yee, Katherine.

Save as disclosed herein, none of the Directors and the chief executive of the Company were interested, or were deemed to be interested in the long and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (as defined above) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; (c) were required, pursuant to the Code for Securities Transactions by the Directors adopted by the Company to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS

As at 30 September 2003, so far as it known to the Directors, the following parties, had an interest or short position in the shares and underlying shares which would fall to be disclosed to the Company under the provision of the Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company:

Name	Number of ordinary shares	Total interests as % of the issued share capital
Allied Luck	37,591,380	11.34%
Canasia	26,740,260	8.07%
Comax Resources Limited	29,586,600	8.93%

SHARE OPTION SCHEME

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants, including the Company's directors (including independent non-executive directors), other eligible employees of the Group, suppliers of goods or services to the Group, customers of the Group and any minority shareholders of the Company's subsidiaries. The scheme became effective on 18 September 2002 and, unless otherwise cancelled or amended, will remain in force for 10 years from that day. No option was outstanding during the period.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

EMPLOYMENT AND REMUNERATION POLICY

At 30 September 2003, the Group's total number of staff was 10. The Group remunerates its employees based on their performance, experience, and prevailing industry practices. The Group has set up shares option scheme to its employees linked to individual performance as recognition of and reward for value creation.

The Group operates a defined contribution mandatory provident fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme.

CODE OF BEST PRACTICE

In the opinion of the Directors, the company complied with the Code of Best Practice (the "Code") as set out in Appendix 14 of the Listing Rules of the Stock Exchange during the six months ended 30 September 2003, except that the independent non-executive directors of the Company are not appointed for specific terms as required by paragraph 7 of the Code but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with Company's Articles of Association.

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 accounting principles and practices including the review of the unaudited interim financial statements.

By Order of the Board
Loh Jiah Yee, Katherine
Executive Director

Hong Kong, 17 December 2003