



CONNECTED TRANSACTION



BEIJING DEVELOPMENT (HONG KONG) LIMITED

(Incorporated in Hong Kong with limited liability)

CONNECTED AND SHARE TRANSACTION

SUMMARY

The directors of Beijing Enterprises and Beijing Development are pleased to announce that, on 14 April, 2003, the Agreement was entered into between Beijing Enterprises and Beijing Development, pursuant to which Beijing Development has conditionally agreed to acquire, and Beijing Enterprises has conditionally agreed to sell, the entire issued share capital of 100 shares of US\$1.00 each in Business Net together with all the benefits and interest of and in the Shareholder's Loan for the Consideration of HK\$40,000,000, which has been determined after arm's length negotiations between Beijing Enterprises and Beijing Development with reference to an independent business valuation.

The Consideration payable will be satisfied as to (i) HK\$5,000,000 in cash; and (ii) HK\$35,000,000 by way of the issue and allotment of 35,000,000 Consideration Shares at an issue price of HK\$1.00 per Share, representing a premium of 13.63% to the closing market price of HK\$0.88 per Share quoted on the Stock Exchange on 14 April, 2003. Based on the closing market price of HK\$0.88 per Share quoted on the Stock Exchange on 14 April, 2003, the value of the Consideration Shares is HK\$30,800,000. The Consideration Shares represent approximately 7.63% and approximately 7.09% of the existing issued share capital of Beijing Development and the enlarged issued share capital of Beijing Development after the issue of the Consideration Shares respectively. Upon Completion, the shareholding in Beijing Development held by Beijing Enterprises will be increased from 52.44% to 55.81%.

The sole asset of Business Net is a 38% interest in the registered capital of BMAC, which is a sino-foreign equity joint venture formed by Beijing Enterprises, Beijing Public Transportation (北京市公共交通總公司), Beijing Mass Transportation (北京地鐵運營有限公司) and Beijing Bashi (北京巴士股份有限公司), BOE Technology (京東方科技集團股份有限公司) and Beijing Huaxun (北京華訊集團) for a term of 20 years from 23 October, 2000 to 22 October, 2020. BMAC is principally engaged in (1) the production and issuance of contactless multipurpose electronic payment cards, namely "Yikatong" (一卡通) and (2) the investment, operation and management of the "Yikatong" automated fee collection system and related facilities in Beijing. BMAC performs the functions of a clearing house for the "Yikatong" system, by collecting fees from the ultimate consumers who effect payments with "Yikatong" and allocating revenues to the service providers which utilize the "Yikatong" system.

BMAC is a company authorized by the Beijing Municipal governmental authorities to invest, construct, operate and manage the said electronic payment and settlement system for the public transportation network in Beijing, including but not limited to buses, taxis, subway and light railway. In this regard, the adoption of a multipurpose electronic card launched by BMAC helps to promote the concepts of "digital Beijing" and "hi-tech Olympic" and BMAC plans to extend such application from the public transportation network to other retail businesses. The directors of Beijing Enterprises consider that the Proposed Transaction is consistent with the business objective of Beijing Development to develop new products and services and so as to further consolidate its position as the information technology flagship of the Beijing Enterprises Group. Beijing Development believes that the Proposed Transaction represents an excellent opportunity for Beijing Development to capture the enormous business opportunities in connection with the revolutionized electronic payment system.

Pursuant to the Listing Rules, the Proposed Transaction constitutes a share transaction for Beijing Development as in satisfying the Consideration, it involves an issuance of new Shares. As Beijing Enterprises is the controlling shareholder of Beijing Development, the transactions contemplated under the Agreement also constitute connected transaction for Beijing Development. Accordingly, the Proposed Transaction is subject to, among other things, approval by the Independent Shareholders. In view of the interest of Beijing Enterprises in the Agreement, Beijing Enterprises and its associates will abstain from voting at the EGM in this regard. A circular containing, among other things, information on the Proposed Transaction, the letter from an independent financial adviser containing its advice to the Independent Board Committee in relation to the Proposed Transaction, the recommendation of the Independent Board Committee to the Independent Shareholders and a notice convening the EGM, will be despatched to the Shareholders as soon as practicable. Waterson Asia Limited has been appointed as the independent financial adviser to Beijing Development.

The Proposed Transaction also constitutes a connected transaction for Beijing Enterprises under the Listing Rules as it involves a transaction between Beijing Enterprises and its non-wholly-owned subsidiary (i.e. Beijing Development). Since the directors of Beijing Enterprises consider that the terms of the Proposed Transaction are on normal commercial terms and the total consideration for the Proposed Transaction does not exceed 3% of the book value of the net tangible assets of the Beijing Enterprises Group as disclosed in its latest published audited consolidated accounts, Beijing Enterprises will disclose further details of the Proposed Transaction in its next annual report and accounts in accordance with Rule 14.25(1) of the Listing Rules and Beijing Enterprises is not required to obtain independent shareholder's approval for the Proposed Transaction.

AGREEMENT DATED 14 APRIL, 2003

Parties

Vendor : Beijing Enterprises
Purchaser : Beijing Development

Asset to be acquired

Subject to the terms and conditions of the Agreement, Beijing Development has conditionally agreed to acquire:

- the Sale Shares; and
- all the benefits and interest of and in the Shareholder's Loan, free from all liens, charges, security interests, encumbrances, adverse claims, third party rights, adverse interests and equities of any kind whatsoever.

Consideration

The aggregate Consideration for the Proposed Transaction is HK\$40,000,000.

In satisfaction of the Consideration, Beijing Development shall upon Completion pay HK\$5,000,000 in cash to Beijing Enterprises or its nominee(s), and allot and issue to Beijing Enterprises or its nominee(s), credited as fully paid, 35,000,000 Consideration Shares. The Consideration Shares to be issued shall rank pari passu in all respects with the Shares in issue as at the Completion Date, including ranking for payment of any dividend declared after the Completion Date.

The cash consideration will be financed by Beijing Development Group's internal resources. Beijing Enterprises intends to use the cash consideration as general working capital.

The Consideration Shares will be issued pursuant to the specific mandate to be granted to the directors of Beijing Development at the EGM. The Consideration Shares represent approximately 7.63% of the existing issued share capital of Beijing Development or approximately 7.09% of the issued share capital of Beijing Development as enlarged by the Consideration Shares to be issued. Upon Completion, the shareholding in Beijing Development held by Beijing Enterprises will be increased from 52.44% to 55.81%.

The Consideration Share will be issued at HK\$1.00 per share, which was determined after arm's length negotiation between the parties to the Agreement, representing a premium of approximately 13.63% over the closing price of HK\$0.88 per Share as quoted on the Stock Exchange on 14 April, 2003, being the date of the Agreement, and a premium of approximately 16.82% to the average closing price of HK\$0.856 per Share over the last ten trading days from 1 April, 2003 to 14 April 2003. Based on the closing market price of HK\$0.88 per Share quoted on the Stock Exchange on 14 April, 2003, the value of the Consideration Shares is HK\$30,800,000.

The Consideration was determined after arm's length negotiations between all parties to the Agreement and by reference to the business valuation report of BMAC issued by Vigers Hong Kong Limited, which is an independent valuer. Vigers Hong Kong Limited has been conducting business valuation and intangible asset valuation in the Greater China region since 1993 and is permitted to conduct valuation of assets in the PRC. The fair market value of a 100% equity interest in BMAC as of 31 March, 2003 stated therein is RMB112 million (approximately HK\$105.66 million). The directors of Beijing Enterprises and Beijing Development consider that the terms of the Proposed Transaction are on normal commercial terms.

Conditions

The Agreement is conditional upon the following conditions being fulfilled, or (in the case of the conditions set out in paragraphs 1 to 5 below) waived by Beijing Development:

- the warranties set out in the Agreement remaining true and accurate and not misleading in any material respect at Completion as if repeated at Completion and at all times between the date of the Agreement and Completion;
- Beijing Development notifying Beijing Enterprises in writing that it is satisfied in reliance on the warranties set out in the Agreement and upon inspection and investigation as to:
 - the respective financial, contractual, taxation positions and trading positions of Business Net and BMAC;
 - the title of Business Net and BMAC to their respective assets;
- all necessary consents being granted by third parties (including governmental or official authorities) in connection with the transactions contemplated under the Agreement and no statute, regulation or decision which would prohibit, restrict or materially delay the sale and purchase of the Sale Shares, the assignment of the Shareholder's Loan or the operation of Business Net or BMAC after Completion having been proposed, enacted or taken by any governmental or official authority;
- Beijing Enterprises having complied fully with certain obligations specified in the Agreement and otherwise having performed in all material respects all of the covenants and agreements required to be performed by it under the Agreement;
- the provision of a PRC legal opinion to the satisfaction of Beijing Development regarding the due establishment and operation of BMAC, the proper transfer of the Sale Shares from Beijing Enterprises to Beijing Development, the issue of the Consideration Shares to Beijing Enterprises and the other transactions contemplated under the Agreement in accordance with all applicable laws, rules and regulations in the PRC;
- the Listing Committee of the Stock Exchange granting or agreeing to grant listing of and permission to deal in the Consideration Shares (either unconditionally or subject to such conditions which are acceptable to Beijing Enterprises and Beijing Development in their reasonable opinion); and
- the passing of all necessary resolutions by the shareholders of Beijing Development (other than persons who are prohibited from voting at such meeting under the Listing Rules) in the EGM, to approve the transactions contemplated under the Agreement, including the sale and purchase of the Sale Shares, the assignment of the Shareholder's Loan and the issue of the Consideration Shares to Beijing Enterprises.

Beijing Development may waive all or any of the conditions set out in paragraphs 1 to 5 above at any time by notice in writing to Beijing Enterprises.

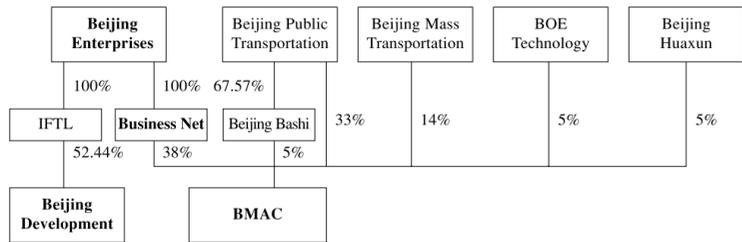
The parties to the Agreement shall use their reasonable endeavours to procure the fulfillment of the conditions set out in paragraphs 1 to 6 above on or before 31 August 2003 (or such later date as may be agreed between Beijing Enterprises and Beijing Development).

In the event that any of the conditions shall not have been fulfilled or waived (as the case may be) on 31 August 2003 (or such later date as may be agreed between Beijing Enterprises and Beijing Development), then Beijing Development shall not be bound to proceed with the purchase of the Sale Shares or the Shareholder's Loan and the Agreement shall cease to be of any effect save in respect of claims arising out of any antecedent breach of this Agreement.

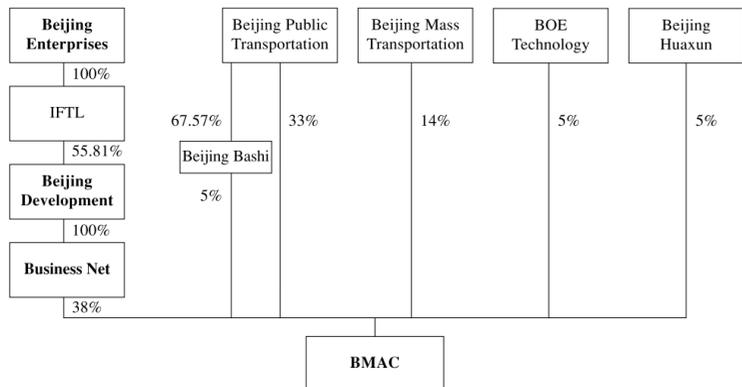
SHAREHOLDING STRUCTURE OF BUSINESS NET IMMEDIATELY PRIOR TO AND AFTER COMPLETION OF THE PROPOSED TRANSACTION

The following chart sets out the corporate structure of Business Net immediately prior to and after Completion:

Immediately prior to Completion



Immediately after Completion



INFORMATION ON BUSINESS NET

Business Net is a limited liability company incorporated in the BVI on 22 March, 2002 and is wholly-owned by Beijing Enterprises. Upon completion of an internal reorganization in November 2002, Beijing Enterprises transferred its interest in 38% of the registered capital together with its Shareholder's Loan in BMAC (北京市政交通—一卡通有限公司) to Business Net. At present, the sole asset of Business Net is its interest in 38% of the registered capital of BMAC.

The table sets out below shows the unaudited proforma loss before and after taxation and minority interest of Business Net:

	From 22 March, 2002 (date of incorporation) to 31 December, 2002	HKS (approx. in million)
Loss before and after taxation and minority interest	2.30	2.17
The unaudited consolidated net assets value of Business Net as at 31 December, 2002 was approximately RMB15.30 million (approximately HK\$14.43 million), after adjusting the Shareholder's Loan.		

INFORMATION ON BMAC

BMAC is a sino-foreign equity joint venture with a fully paid-up registered capital of RMB50 million (approximately HK\$47.17 million) formed by Beijing Enterprises, Beijing Public Transportation (北京市公共交通總公司), Beijing Mass Transportation (北京地鐵運營有限公司) and Beijing Bashi (北京巴士股份有限公司), BOE Technology (京東方科技集團股份有限公司) and Beijing Huaxun (北京華訊集團) for a term of 20 years from 23 October, 2000 to 22 October, 2020. BMAC is principally engaged in (1) the production and issuance of contactless multipurpose electronic payment cards, namely "Yikatong" (一卡通); and (2) the investment, operation and management of the "Yikatong" automated fee collection system and related facilities in Beijing. BMAC performs the functions of a clearing house for the "Yikatong" system, by collecting fees from the ultimate consumers who effect payments with "Yikatong" and allocating revenues to the service providers which utilize the "Yikatong" system.

BMAC is a company authorized by the Beijing Municipal governmental authorities, including Beijing Municipal Transportation Bureau (北京市交通總局), to invest, construct, operate and manage the said electronic payment and settlement system for the public transportation network in Beijing, including but not limited to buses, taxis, subway and light railway. In this regard, BMAC endeavors to promote the adoption of a multipurpose electronic card and the concepts of "digital Beijing" and "hi-tech Olympic" and extend such application from the public transportation network to other retail businesses. BMAC has already obtained a banking facility of RMB800 million (approximately HK\$754.72million) for a period of 10 years with effect from 20 February, 2001, to meet with its future capital needs and working capital requirements. Accordingly, the directors of Beijing Development believe that Beijing Development will not be required to provide capital support to BMAC in the near future.

BMAC plans to launch the "Yikatong" with different service providers including, public transport and car park operators, retailers such as convenience stores, fast food shops, self-served shops, leisure facilities, schools and access control facilities.

According to BMAC's joint venture agreement, its net profit will be shared among its shareholders in accordance with their respective equity interests in BMAC, and two out of nine board members of BMAC have been and will be appointed by Beijing Enterprises and Beijing Development before and after Completion respectively. BMAC continues and will become an associated company of Beijing Enterprises and Beijing Development respectively upon Completion.

The table sets out below shows the unaudited loss before and after taxation of BMAC:

	From 23 October, 2000 (date of incorporation) to 31 December, 2001	HKS (approx. in million)	For the year ended 31 December, 2002	HKS (approx. in million)
Loss before and after taxation	3.72	3.51	6.00	5.66

BMAC has not generated any revenue from 23 October, 2000, being the date of incorporation, to 31 December, 2002 and loss recorded during the period represented the set up cost incurred. The unaudited net assets value of BMAC as at 31 December, 2002 was approximately RMB40.28 million (approximately HK\$38 million).

REASONS AND BENEFITS OF THE PROPOSED TRANSACTION

In recent years, the PRC is striving to develop a sophisticated network system using IC Cards through the promotion of related applications and services. During the 10th Five-Year Plan period (2001-2005), the PRC will offer preferential policies to develop the IC Card industry.

Beijing Development is principally engaged in the provision of system integration services, internet and communications related services, restaurant operation and property investment. The directors of Beijing Enterprises consider that the Proposed Transaction is consistent with the business objective of Beijing Development to develop new products and services and so as to further consolidate its position as the information technology flagship of the Beijing Enterprises Group. Moreover, the directors of Beijing Enterprises are of the view that the Proposed Transaction will enable it to continue focusing on its other core businesses. The directors of Beijing Enterprises (including the independent non-executive directors) consider that the terms of the Proposed Transaction are on normal commercial terms and are fair and reasonable and are in the interest of the shareholders of Beijing Enterprises as a whole respectively.

Gain on disposal of investments amounting to approximately HK\$22 million in relation to the Proposed Transaction will be recorded in the books of Beijing Enterprises after Completion.

The directors of Beijing Development consider that "Yikatong" will have good prospects as "Yikatong" provides a convenient means of settlement with regard to daily personal consumption and public transportation usage. It is expected that Yikatong can create critical mass usage in Beijing. In addition, the other shareholders of BMAC include all the major public transportation companies in Beijing, namely, Beijing Public Transportation (北京市公共交通總公司), Beijing Mass Transportation (北京地鐵運營有限公司), Beijing Bashi (北京巴士股份有限公司), BOE Technology (京東方科技集團股份有限公司) and Beijing Huaxun (北京華訊集團), and each of these other shareholders is committed to implement the state policy of developing and maintaining an automated and secured fee collection system. Taking into account of the continuous development of the economy and thus the continuous increase in the living standard in Beijing, and the continued support from the Beijing Municipal Government, even though BMAC is currently in a loss-making position, Beijing Development believes that the Proposed Transaction represents an excellent opportunity for Beijing Development to capture the enormous business opportunities in connection with the revolutionized electronic payment system.

LISTING RULES IMPLICATIONS FOR BEIJING DEVELOPMENT

Pursuant to the Listing Rules, the Proposed Transaction constitutes a share transaction for Beijing Development as in satisfying the Consideration, it involves an issuance of new Shares. As Beijing Enterprises is the controlling shareholder of Beijing Development, the transactions contemplated under the Agreement also constitute connected transaction for Beijing Development. As a result, the Proposed Transaction is subject to, among other things, approval by the Independent Shareholders at the EGM. In view of the interest of Beijing Enterprises in the Agreement, Beijing Enterprises and its associates will abstain from voting at the EGM in this regard. A circular containing, among other things, (1) information on the Proposed Transaction and the issue of the Consideration Shares; (2) the letter from the independent financial adviser containing its advice to the Independent Board Committee in relation to the Proposed Transaction; (3) the recommendation of the Independent Board Committee to the Shareholders and (4) a notice convening the EGM regarding the aforesaid will be despatched to the Shareholders as soon as practicable. For this purpose, Waterson Asia Limited has been appointed as the independent financial adviser to Beijing Development.

LISTING RULES IMPLICATIONS FOR BEIJING ENTERPRISES

The Proposed Transaction also constitutes a connected transaction for Beijing Enterprises under the Listing Rules as it involves a transaction between Beijing Enterprises and its non-wholly-owned subsidiary (i.e. Beijing Development). Since the directors of Beijing Enterprises consider that the terms of the Proposed Transaction are on normal commercial terms and the total consideration for the Proposed Transaction does not exceed 3% of the book value of the net tangible assets of the Beijing Enterprises Group as disclosed in its latest published audited consolidated accounts, Beijing Enterprises will disclose further details of the Proposed Transaction in its next annual report and accounts in accordance with Rule 14.25(1) of the Listing Rules and Beijing Enterprises is not required to obtain independent shareholder's approval for the Proposed Transaction.

CHANGE IN BEIJING DEVELOPMENT'S SHAREHOLDING STRUCTURE

The following table sets out the change in the shareholding structure of Beijing Development as a result of the allotment and issue of the Consideration Shares:

	Immediately before Completion (Note 1) Shares (approx. '000)	%	Immediately after Completion (Note 1) Shares (approx. '000)	%
IFTL (Note 2)	240,675	52.44	275,675	55.81
Illumination Holdings Limited	58,618	12.77	58,618	11.87
Mr. Cao Wei (Note 3)	20,947	4.56	20,947	4.24
Mr. Zhong Yuan (Note 4)	10,474	2.28	10,474	2.12
Public shareholders	128,267	27.95	128,267	25.96
	458,981	100.00	493,981	100.00

Notes:

- The figures assume that other than the Consideration Shares, no new Shares will be issued or repurchased by Beijing Development after the date of this announcement and up to the date of Completion.
- IFTL is a direct wholly-owned subsidiary of Beijing Enterprises. It is intended that the Consideration Shares will be issued to IFTL upon Completion.
- Mr. Cao Wei is the director of Cyber Vantage and BETIT, which are subsidiaries of Beijing Development, his shareholding in Beijing Development is therefore not regarded as part of the public float.
- Mr. Zhong Yuan is the director of Cyber Vantage, which is a subsidiary of Beijing Development, his shareholding in Beijing Development is therefore not regarded as part of the public float.

LISTING AND DEALING

An application will be made to the Stock Exchange for the listing of and permission to deal in the Consideration Shares.

DEFINITIONS

The following words and phrases used in this announcement shall have the following meanings:

"Agreement"	the conditional sale and purchase agreement dated 14 April, 2003, entered into between Beijing Enterprises and Beijing Development for the acquisition by Beijing Development of the entire issued share capital in and the Shareholder's Loan due by Business Net
"associates"	have the meaning as defined in the Listing Rules
"Beijing Bashi"	Beijing Bashi Co., Ltd. (北京巴士股份有限公司)
"Beijing Development"	Beijing Development (Hong Kong) Limited (北京發展(香港)有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
"Beijing Development Group"	Beijing Development and its subsidiaries
"Beijing Enterprises"	Beijing Enterprises Holdings Limited (北京控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange and is the controlling shareholder of Beijing Development interested in its 52.44% of issued share capital as at the Latest Practicable Date
"Beijing Enterprises Group"	Beijing Enterprises and its subsidiaries
"Beijing Huaxun"	Beijing Huaxun Group (北京華訊集團), an independent third party not connected with any director, chief executive or substantial shareholder of Beijing Development or Beijing Enterprises or any of their respective subsidiaries or an associate of any of them
"Beijing Mass Transportation"	Beijing Mass Transportation Corporation (北京地鐵運營有限公司), formerly known as 北京市地下鐵道總公司, an independent third party not connected with any director, chief executive or substantial shareholder of Beijing Development or Beijing Enterprises or any of their respective subsidiaries or an associate of any of them
"Beijing Public Transportation"	Beijing Public Transportation Corporation (北京市公共交通總公司), an independent third party not connected with any director, chief executive or substantial shareholder of Beijing Development or Beijing Enterprises or any of their respective subsidiaries or an associate of any of them
"BETIT"	Beijing Enterprises Teleton Information Technology Co., Ltd. (北京控電信通信息技術有限公司), a wholly foreign owned enterprise established in the PRC on 20 February, 2001 and a wholly-owned subsidiary of Cyber Vantage
"BMAC"	Beijing Municipal Administration & Communications Card Co., Ltd. (北京市政交通—一卡通有限公司), a sino-foreign equity joint venture company established in the PRC on 23 October, 2000
"BOE Technology"	BOE Technology Group Co., Ltd. (京東方科技集團股份有限公司), formerly known as 北京東方電子集團股份有限公司, an independent third party not connected with any director, chief executive or substantial shareholder of Beijing Development or Beijing Enterprises or any of their respective subsidiaries or an associate of any of them
"Business Day"	any day other than a Saturday, Sunday or a day on which commercial banking institutions in Hong Kong are authorized or obligated by law or executive order to be closed
"Business Net"	Business Net Limited (商網有限公司), a company incorporated in BVI with limited liability on 22 March, 2002
"BVI"	the British Virgin Islands
"Completion"	the completion of the Agreement
"Completion Date"	the date which is 3 Business Days after the date on which all of the conditions set out in the Agreement have been satisfied or waived by Beijing Development (or such later date as Beijing Enterprises and Beijing Development may agree)
"Consideration"	the aggregate consideration of HK\$40,000,000 payable by Beijing Development to Beijing Enterprises for the acquisition of the Sale Shares and the Shareholder's Loan
"Consideration Shares"	the aggregate of 35,000,000 new Shares to be allotted and issued to Beijing Enterprises upon Completion
"Cyber Vantage"	Cyber Vantage Group Limited (網絡卓越有限公司), a company incorporated in BVI with limited liability and is wholly-owned by Beijing Development
"Director(s)"	the director(s) of Beijing Development
"EGM"	the extraordinary general meeting of Beijing Development to be convened for approving, amongst other things, the Proposed Transaction and the allotment and issue of the Consideration Shares
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IFTL"	Idata Finance Trading Limited is a company incorporated in the British Virgin Islands and a direct wholly-owned subsidiary of Beijing Enterprises
"Independent Board Committee"	independent committee of the board of directors to be appointed by the board of directors of Beijing Development to advise the Independent Shareholders in respect of the Proposed Transaction
"Independent Shareholder(s)"	the Shareholder(s) other than Beijing Enterprises and its associates
"IC Card(s)"	the integrated circuit card(s), which refer(s) to any plastic card with one or more embedded integrated circuit chips that allow data storage, encryption and processing
"Latest Practicable Date"	14 April, 2003, being the latest practicable date before the printing of this announcement for ascertaining certain information contained in this announcement
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan
"Proposed Transaction"	the acquisition of the Sale Shares and the Shareholder's Loan by Beijing Development from Beijing Enterprises pursuant to the Agreement
"Sale Shares"	the 100 shares of US\$1.00 each in the capital of Business Net, representing the entire issued share capital of Business Net
"Shareholder's Loan"	the loan amounting to RMB19,000,000 (approximately HK\$17.92 million) owing by Business Net to Beijing Enterprises in connection with the transfer of 38% of the registered capital of BMAC from Beijing Enterprises to Business Net on 22 November 2002
"Share(s)"	ordinary share(s) of HK\$1.00 each in the share capital of Beijing Development
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Yikatong"	"Yikatong" (一卡通) is an IC Card which is a contactless multi-purpose electronic payment card
"HKS"	Hong Kong dollars, the lawful currency of Hong Kong
"RMB"	Renminbi, the lawful currency of the PRC
"%"	per cent

By Order of the Board
Beijing Enterprises Holdings Limited
Xiong Da Xing
President

By Order of the Board
Beijing Development (Hong Kong) Limited
Ng Kong Fat, Brian
Managing Director

Hong Kong, 14 April, 2003

In this announcement, for information purpose only, certain amounts in RMB have been translated into HKS at RMB1 to HK\$0.9434. Such translation should not be construed as a representation that the RMB amounts have been, could have been or could be converted into HKS, as the case may be, at this or any other rates or at all.

Please also refer to the published version of this announcement in South China Morning Post, and Hong Kong Economic Times