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ORIENTAL METALS (HOLDINGS) COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1208)

ANNOUNCEMENT

The Directors announce that on 15th April, 2004, Parkfield together with two other shareholders representing in aggregate 85% of the registered capital of Zhangzhou JV had filed an application to the relevant PRC government authority in respect of the winding-up of Zhangzhou JV prior to the expiration of its joint venture agreement.

As at the date of this announcement, the Company does not consider that the Event would have any material adverse impact on the financial and operational position of the Company.

Shareholders of the Company and investors should exercise caution when dealing in the shares of the Company.

The Directors announce that on 15th April, 2004, Parkfield together with two other shareholders representing in aggregate 85% of the registered capital of Zhangzhou JV had filed an application to the relevant PRC government authority in respect of the winding-up of Zhangzhou JV prior to the expiration of its joint venture agreement on 16th September, 2004 pursuant to the termination clause stipulated in its Articles of Association (“Event”).

Zhangzhou JV is a joint venture company established on 16th September, 1989 under the laws of the PRC and held as to 60% indirectly by the Company through Parkfield and 40% by PRC parties independent of and not connected with the directors, chief executive or substantial shareholders of the Company, any of its subsidiaries or their respective associates. The principal activity of Zhangzhou JV is the production and sale of aluminium cans, container and packaging products.

Zhangzhou JV has been a loss-making company and was in net liabilities since 1997 and 2001 respectively. It still remained in net liabilities in 2003 in accordance with its unaudited accounts for the year ended 31st December, 2003. In recent years, because of the supply largely outstripped demand for aluminium cans in the PRC, Zhangzhou JV encountered intensifying marketing competition. In addition, its lack of working capital and bank borrowings, were all taken into account by the shareholders of Zhangzhou JV that it is very difficult to continue its operation.

The entire investment cost of and amount due from Zhangzhou JV in the amounts of approximately HK\$96,911,000 and HK\$15,576,000 respectively had been fully provided for by the Group since 2000. As at 31st December, 2003, the accumulated loss and net liabilities of Zhangzhou JV (after taking into account the HKGAAP adjustments) reflected in the Group’s unaudited consolidated accounts are

approximately HK\$264 million and HK\$68 million respectively. There is also no guarantee or outstanding capital commitment provided by the Group to Zhangzhou JV. Based on the unaudited accounts for the year ended 31st December, 2003, Zhangzhou JV is not considered a major subsidiary of the Company as its total assets, turnover and gross profit only accounted for 3.1%, 5.6% and 5% respectively when compared to the Group's total. It is estimated that the amount of gain on deconsolidation of Zhangzhou JV following the early termination of the joint venture agreement would be approximately HK\$73,000,000 and will be recorded as a profit in the Group's consolidated accounts when Zhangzhou JV is liquidated. In view of the above and as at the date of this announcement, the Company does not consider that the Event would have any material adverse impact on the financial and operational position of the Company.

The Company will keep shareholders and potential investors informed of the progress of this matter and make further announcement when there is further material development.

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DEFINITIONS

“Company”	Oriental Metals (Holdings) Company Limited, the shares of which are listed on The Stock Exchange of Hong Kong Limited
“Directors”	the board of directors including the independent non-executive directors of the Company
“Group”	the Company and its subsidiaries
“HKGAAP”	Hong Kong Generally Accepted Accounting Principles
“Parkfield”	Parkfield Far East Limited, a wholly-owned subsidiary of the Company
“PRC”	People's Republic of China
“Zhangzhou JV”	Zhangzhou International Aluminium Container Company Limited

As at the date of this announcement, the Directors of the Company comprise six directors, including four executive directors (namely Mr. Lin Xizhong, Mr. Xu Huizhong, Mr. Qian Wenchao and Mr. Tang Xiaojin) and two independent non-executive directors (namely Mr. Chan Wai Dune and Mr. Ting Leung Huel, Stephen).

By Order of the Board
Xu Huizhong
Director & President

Hong Kong, 15th April, 2004

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