

UBS Warburg and Fidelity Visited Decca

Analysts from UBS Warburg LLC and Fidelity Management & Research Company visited Decca Holdings Limited's (Stock code: **HK997**) production facilities in Dongguan last week. The group was very impressed by the modern technologies and machineries employed by Decca and witnessed the high quality of the Company's goods coming out of the production line during their visit.

Mr. Tsang Chi Hung, Chairman and Managing Director of the custom furniture manufacturer and hotel and apartment interior fitting-out specialist, introduced to the group's Decca's history, markets and strategies. Mr. Tsang said, "After almost 30 years of hard work, we have established a solid foundation in the industry and have earned the reputation of top quality in the market. With such foundation and reputation, we were able to be awarded jobs for renowned hotels. In fact, we are currently working on the Four Seasons Hotel in Shanghai, the Roppongi Hotel in Japan and the Grand Stanford in Hong Kong. We are also working hard to complete the fitting-out contract at the presidential suite at the Harbour Plaza Hotel in Hunghom where President Jiang is expected to stay during the Reunion Holiday."

When asked about the market prospects, Mr. Tsang said, "The slowing down of the economy has a negative impact to a wide range of industries and that furniture and fitting-out industry is no exception. The market has been found to be more competitive and I think it is a fair projection that such conditions would continue for the next one or two years. In response to the current market conditions, we have set for ourselves the strategy to explore the markets in Europe and the US as well as a new series of furniture to be launched under the name Bolier & Co. We believe that these new markets and new products will place the Company at a better position to ride on the up-swinging momentum when the economy starts to recover."

The Company's financial year ends on 31 March and its annual results are expected to be released in July.

Corporate Information:

Decca, listed on the Stock Exchange of Hong Kong in March 2000, is a top-notch manufacturer of high quality custom made furniture and fitting-out contractor for luxurious hotels, serviced apartments and residences. The Group also manufactures and distributes under license from HBF of the United States and Svoboda of Austria, as well as its own brand name, Overtures, a range of office furniture in Asia. Decca is one of the largest specialized woodworking facilities in the world. The Group's manufacturing facilities in Dongguan cover 580,000 square feet and employs approximately 900 staff.

Decca Holdings Limited is the only company of its kind listed on the Hong Kong Stock Exchange. It has invested hundreds of millions in their production plant in Dongguan for the

Decca Holdings Limited

past ten years. Continuous upgrading of production technology has been the Group's long-standing policy and in fact, has been proven to be an effective weapon to defend the Group's leading position in the market. The Group's production plant is one of the largest specialized woodworking facilities in the world.