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SUN MAN TAI HOLDINGS COMPANY LIMITED

(新 萬 泰 控 股 有 限 公 司 *)

(Incorporated in Bermuda with limited liability)

DELAY IN PUBLICATION OF THE RESULTS OF THE GROUP FOR THE YEAR ENDED 31 DECEMBER 2002 AND DESPATCH OF THE ANNUAL REPORT

The publication of announcement of the Audited Final Results of the Group for the year ended 31 December, 2002 is postponed to on or before 31 May, 2003 and the Annual Report of the Company is expected to be distributed to its shareholders within two weeks thereafter.

The Directors acknowledge that the above postponement constitutes breaches of paragraph 8(1) of the Listing Agreement which requires dispatch of the annual report to its shareholders within four months of the year end and paragraph 11(1) of the Listing Agreement which requires publication of press announcement of the audited final results not later than four months after its financial year end respectively. The Stock Exchange reserves its right to take action against the Company and the Directors in relation thereto.

Shareholders and investors are advised to exercise caution when dealing in the shares of the Company.

Postponement of releasing the Audited Final Results

The publication of announcement of the audited final results of Sun Man Tai Holdings Company Limited (the “Company”) and its subsidiaries (collectively the “Group”) for the year ended 31 December, 2002 (the “Audited Final Results”) is postponed to on or before 31 May, 2003 and the annual report of the Company for the year ended 31 December, 2002 (“Annual Report”) is expected to be distributed to its shareholders within two weeks thereafter.

Reason for delay in releasing the Audited Final Results

The reason of the delay in publication of the Audited Final Results of the Group for the year ended 31 December, 2002 and despatch of the Annual Report is due to fact that the change of the Chief Executive Officer of the Company on 1 April, 2003 caused the management require unexpected extra time to gather the information and evidence of some transactions of the Group including, inter alia, certain accounting records of the PRC subsidiaries of the Company, for the audit to be concluded. Against this background, the progress in the completion of the Audited Final Results was hindered tremendously. The directors of the Company (the “Directors”) expect that the outstanding matters could be resolved in the near future.

Breach of Listing Agreement

The Directors acknowledge that the postponement of the publication of Audited Final Results and distribution of Annual Report constitutes breaches of paragraph 8(1) of the Listing Agreement which requires dispatch of the annual report to its shareholders within four months of the year end and paragraph 11(1) of the Listing Agreement which requires publication of press announcement of the audited final results not later than four months after its financial year end respectively. The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) reserves its right to take action against the Company and the Directors in relation thereto.

Expected date of release of the Audited Final Results

The board meeting of the Company is expected to be held on or before 29 May, 2003 to consider the Audited Final Results which are expected to be published on or before 31 May, 2003. The Annual Report of the Company will be despatched to its shareholders within two weeks after the publication of the Audited Final Results. Further announcement shall be made by the Company if there is any change in the publication date of the Audited Final Results and the despatch date of the Annual Report.

Unaudited Final Results

The unaudited final results of the Group for the year ended 31 December, 2002 (“Unaudited Final Results”) have been reviewed by the members of the audit committee of the Company, namely Messrs. Mu Xiangming and Cheng Chak Ho, who have agreed with the accounting treatment adopted on the particulars published herein. The Unaudited Final Results are as follows:–

	<i>Note</i>	2002 <i>HK\$'000</i>	2001 <i>HK\$'000</i>
Turnover		11,459	66,708
Cost of services/sales		<u>(638)</u>	<u>(52,876)</u>
		10,821	13,832
Other net income		14,111	54,831
Administrative expenses		<u>(16,901)</u>	<u>(17,081)</u>
Profit from operations		8,031	51,582
Finance costs		(3,225)	(4,190)
Share of result of an associate		<u>–</u>	<u>(5)</u>
Profit from ordinary activities before taxation		4,806	47,387
Taxation	<i>1</i>	<u>(3,720)</u>	<u>(2,086)</u>
Profit from ordinary activities after taxation		1,086	45,301
Minority interests		<u>817</u>	<u>(7,197)</u>
Profit attributable to shareholders		<u>1,903</u>	<u>38,104</u>
		HK Cents	HK Cents
Basic earnings per share	<i>2</i>	<u>0.08</u>	<u>1.76</u>

Notes:–

1. Taxation

	2002 <i>\$'000</i>	2001 <i>\$'000</i>
Provision for Hong Kong Profits		
Tax for the year	601	1,090
(Over)/underprovision in respect of prior years	<u>(180)</u>	<u>185</u>
	421	1,275
Taxation outside Hong Kong	<u>3,299</u>	<u>811</u>
	<u>3,720</u>	<u>2,086</u>

The provision for Hong Kong Profits Tax is calculated at 16% (2001: 16%) of the estimated assessable profits for the year ended 31 December, 2002. Taxation for subsidiaries outside Hong Kong is charged at the appropriate current rates of taxation prevailing in the countries in which the Group operates based on prevailing laws, practices and interpretations thereof.

2. Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to shareholders of \$1,903,000 (2001: \$38,104,000) and the weighted average of 2,509,532,340 (2001: 2,161,888,721) ordinary shares in issue during the year. There was no potential dilution of earnings per share during 2002 and 2001.

Directors' confirmation

The Directors confirm that they and their respective associates have not dealt in any of the shares of the Company during the past one month immediately preceding 22 April, 2003, being the date on which the Company's board meeting was originally scheduled to be held for the consideration of the Group's Audited Final Results, and thereafter. The Directors have undertaken to the Stock Exchange that they and their respective associates will not deal in the Company's shares before the publication of the Audited Final Results and the distribution of the Annual Report.

Since the Audited Final Results may differ from the Unaudited Final Results upon the finalisation of audit by the auditors of the Company, the Company's shareholders ("Shareholders") and investors are reminded to exercise caution in interpreting the Unaudited Final Results which may be subject to changes and differ from the Audited Final Results.

Shareholders and investors are also advised to exercise extreme caution when dealing in the shares of the Company.

By order of the Board
Sun Man Tai Holdings Company Limited
CHIU Yeung
Executive Director

Hong Kong, 29 April, 2003

* *For identification purpose only*

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