

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

HSBC 
The HSBC China Fund Limited

(Incorporated as an exempted company in the Cayman Islands with limited liability)

**DISTRIBUTION OF SHARES IN
A-S CHINA PLUMBING PRODUCTS LIMITED**

Reference is made to an announcement of the Company dated 30 September, 2002, a letter (the "Letter") from the board of directors of the Company to the shareholders of the Company dated 11 October, 2002 and an announcement of the Company dated 2 December, 2002. Terms and expressions defined in the Letter shall have the same meanings when used in this announcement.

As of 30 April, 2003, the Revised Conditions in respect of the proposed distribution in specie of shares in A-S China have not been satisfied. The Revised Conditions which have not been satisfied are the approval of the GEM Listing Committee for the listing of A-S China Shares on GEM, delivery of the Listing Document to the Stock Exchange pursuant to Rule 12.24(2) of the GEM Listing Rules and completion of the A-S China Reorganisation. In view of this, the Directors will consider the options in respect of realising the Company's investment in A-S China, including extending the deadline for which the Revised Conditions must be satisfied for the purpose of the Distribution to a later date. An announcement will be made by the Company as soon as possible after the Directors have made a decision.

By order of the Board
Samantha Suen
Company Secretary
Hong Kong, 30 April, 2003