



漢寶集團(龍蝦大王)有限公司
Hon Po Group (Lobster King) Limited

(incorporated in the Cayman Islands with limited liability)

**FURTHER DELAY IN ISSUE OF 2002 AUDITED ANNUAL RESULTS ANNOUNCEMENT,
DESPATCH OF 2002 ANNUAL REPORT,
DELAY IN ISSUE OF 2003 INTERIM RESULTS ANNOUNCEMENT AND DESPATCH OF 2003 INTERIM REPORT**

Reference is made to the Group's announcement dated 10 June 2003 regarding an apparent inaccuracy in the pro forma combined financial statements set out in Appendix I to the Prospectus and the 2001 Annual Report and the unaudited consolidated financial statements in the 2002 Interim Report and further postponement in the issue of the 2002 Audited Annual Results Announcement and the despatch of the 2002 Annual Report. Reference is also made to the Group's announcements dated 31 July 2003, 4 September 2003, 11 September 2003 and 19 September 2003 regarding the further postponement in the issue of the 2002 Audited Annual Results Announcement and the 2002 Annual Report due to the matters set out in those announcements.

The Board announces that the remedial proposal in relation to the overstatement of the Special Dividend as mentioned in the announcement dated 19 September 2003 has been finalised by the Company and the same is being reviewed by the Auditors for the purpose of determining the corresponding accounting treatments and thereafter the finalisation of the audit of the annual accounts by them. The Board expects that the 2002 Audited Annual Results Announcement could be issued not later than three weeks from the date of this announcement.

The Directors and their respective associates (as defined in the Listing Rules) have respectively confirmed that they have not dealt in the shares of the Company up to 22 September 2003. The details of the dealings in the shares of the company by the Directors and their respective associates have already been disclosed in the Company's announcement dated 29 September 2003.

In respect of the Company's delay in publication of the 2002 Audited Annual Results Announcement and 2002 Annual Report and the failure to make up its annual accounts to a date falling not more than 6 months before the date of its annual general meeting, the Stock Exchange reserves its right to take action against the Company and / or the Directors regarding the breaches of paragraphs 8(1), 8(2) and 11(1) of the Listing Agreement by the Company.

Shareholders of the Company and the public are advised to exercise caution when dealing in the securities of the Company.

Reference is made to the Group's announcement dated 10 June 2003 regarding an apparent inaccuracy in the pro forma combined financial statements set out in Appendix I to the Prospectus and the 2001 Annual Report and the unaudited consolidated financial statements in the 2002 Interim Report.

Reference is also made to the Group's announcements dated 31 July 2003, 4 September 2003, 11 September 2003 and 19 September 2003 regarding the further postponement in the issue of the 2002 Audited Annual Results Announcement and the 2002 Annual Report due to the matters set out in those announcements. Reference is also made to the Group's announcement dated 29 September 2003 in relation to the delay in the issue of the 2003 Interim Results Announcement and 2003 Interim Report.

The Board hereby announces that the independent accountants' report has been completed on 15 October 2003 and the Board further announces that the remedial proposal as mentioned in the announcement dated 19 September 2003 has been finalised by the Company based on the findings in the independent accountants' report. The remedial proposal involves the adoption of a resolution by the Board acknowledging that the Special Dividend was erroneous and unlawful under Cayman Islands law to the extent of HK\$132,046,000 as it was paid from insufficient distributable reserves at the time the Company declared such Special Dividend, reciting the consent of Hon Po Investment Limited, the immediate holding company of the Company, to its reduction by that amount, rectifying and adjusting the amount of the special dividend and directing the Auditors to make the corresponding adjustments in the books of the Company.

As mentioned in the announcement dated 19 September 2003, the Board Meeting to approve the 2002 Annual Results Announcement has been postponed pending the finalisation of the remedial proposal by the Company and thereafter the finalisation of the audit of the annual accounts by the Auditors. The Board announces that the Board Meeting will be held after the Auditors have determined on the appropriate accounting treatments to be made as explained above and thereafter finalisation of the audit of the annual accounts by them.

The Board expects that the 2002 Audited Annual Results Announcement could be issued not later than three weeks from the date of this announcement.

As mentioned in the announcement dated 29 September 2003, the 2003 Interim Results Announcement and the 2003 Interim Report will be postponed to a further date to be announced by the Board due to the delay in the issue of the 2002 Audited Annual Results Announcement and the 2002 Annual Report. The Board expects that the 2003 Interim Results Announcement could be issued not later than two weeks after the issue of the 2002 Audited Annual Results Announcement.

The Board has used its best endeavours to speed up the finalisation of the remedial proposal mentioned above in the past month and will use its best endeavours to procure that the Auditors make the appropriate accounting treatments in the books of the Company and issue the 2002 Audited Annual Results Announcement, the 2002 Annual Report, the 2003 Interim Results Announcement and the 2003 Interim Report in the following weeks.

The Board confirmed that except as those disclosed in this announcement, there are no other reasons for the further delay in the 2002 Audited Annual Results Announcement, the 2002 Annual Report, the 2003 Interim Results Announcement and the 2003 Interim Report.

The Directors and their respective associates (as defined in the Listing Rules) have respectively confirmed that they have not dealt in the shares of the Company up to 22 September 2003. The details of the dealings in the shares of the company by the Directors and their respective associates have already been disclosed in the Company's announcement dated 29 September 2003.

In respect of the Company's delay in publication of the 2002 Audited Annual Results Announcement and 2002 Annual Report and the failure to make up its annual accounts to a date falling not more than 6 months before the date of its annual general meeting, the Stock Exchange reserves its right to take action against the Company and / or the Directors regarding the breaches of paragraphs 8(1), 8(2) and 11(1) of the Listing Agreement by the Company.

Shareholders of the Company and the public are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

"2001 Annual Report"	The annual report of the Group for the year ended 31 December 2001
"2002 Interim Report"	The interim report of the Group for the six months ended 30 June 2002
"2002 Annual Report"	The annual report of the Group for the year ended 31 December 2002
"2002 Audited Annual Results Announcement"	The audited annual results announcement of the Group for the year ended 31 December 2002
"2003 Interim Results Announcement"	The interim results announcement of the Group for the six months ended 30 June 2003
"2003 Interim Report"	The interim report of the Group for the six months ended 30 June 2003
"Auditors"	Auditors of the Company
"Board"	The Board of Directors of the Company
"Company"	Hon Po Group (Lobster King) Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Stock Exchange
"Directors"	The Directors of the Company
"Group"	The Company and its subsidiaries
"Listing Agreement"	The Listing Agreement signed between the Company and the Stock Exchange in accordance with Appendix 7B of the Listing Rules
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange
"Prospectus"	The prospectus of the Company dated 31 January 2002
"Special Dividend"	A special dividend in the sum of HK\$224,600,000 declared by the directors of the Company, which was conditional upon the listing of the Company's shares on the Stock Exchange pursuant to the written resolutions of the sole shareholder of the Company passed on 28 January 2002
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

By order of the Board
Hon Po Group (Lobster King) Limited
Cheung To Sang
Chairman and Managing Director

Hong Kong, 17 October 2003

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to the Group and confirm, having made all reasonable inquiries that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts concerning the Group not contained in this announcement, the omission of which would make any statement in this announcement misleading.