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LUEN CHEONG TAI INTERNATIONAL HOLDINGS LIMITED

聯昌泰國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

FURTHER DELAY IN ANNUAL RESULTS ANNOUNCEMENT AND DISPATCH OF ANNUAL REPORT FOR THE YEAR ENDED 31 MAY 2001 AND DELAY IN INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 NOVEMBER 2001

The annual results announcement of Luen Cheong Tai International Holdings Limited (the "Company") for the year ended 31 May 2001 (the "Annual Results Announcement") will be further delayed for the sixth time to on or before 23 May 2002 and accordingly the dispatch of the annual report of the Company for that year (the "Annual Report") will be postponed to on or before 31 May 2002 for reasons set out below. It is anticipated that the publication of the unaudited interim results for the six months ended 30 November 2001 will also need to be postponed to on or before 10 June 2002.

The directors of the Company acknowledge that they have breached paragraphs 8(1), 10(1) and 11(1) of the Listing Agreement and that The Stock Exchange of Hong Kong Limited reserves its rights to take appropriate actions against the Company and its directors in respect of the breach.

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

Further to the Company's announcements of 27 September 2001, 12 October 2001, 21 November 2001, 24 December 2001, 16 January 2002 and 11 February 2002 regarding the Annual Results Announcement, the directors of the Company announce that there will be a further delay for the sixth time in the publication of the audited results of the Company and its subsidiaries (the "Group") for the year ended 31 May 2001.

The above further delay is due to the disagreement over the proposed terms of the professional fee between the Company and the auditors KPMG appointed on 29 October 2001. The Board is now in the process of changing the auditors for the Company and is actively negotiating with another prospective firm of Certified Public Accountants on the terms of their appointment as auditors. The appointment of the new auditors is expected to be finalized in two weeks' time.

In view of the above, the Board expects that the Annual Results Announcement will be postponed to on or before 23 May 2002 and the Annual Report is expected to be dispatched to its shareholders on or before 31 May 2002. The above target dates are set after careful discussion with the prospective new auditors, and are achievable and realistic in the view of the Directors.

The Directors regret for the repeated delay in the Annual Results Announcement due to circumstances outside their control, but will use their best endeavour to ensure that the final results will be released as early as possible. The Directors are of the view that more resources of the Group should be diverted towards the completion of the final results of the year ended 31 May 2001 and the finalisation of certain outstanding financial information for that year which may affect the results of the ensuing period. In view of the above, the unaudited interim results for the six months ended 30 November 2001 will have to be deferred to on or before 10 June 2002 to ensure that they are accurately compiled.

Pursuant to the Listing Agreement, the Annual Results Announcement is required to be published and the Annual Report of the Company dispatched to its shareholders on or before 30 September 2001, and the unaudited interim results for the six months ended 30 November 2001 is required to be released on or before 28 February 2002. The directors of the Company acknowledge that they have breached paragraphs 8(1), 10(1) and 11(1) of the Listing Agreement and that The Stock Exchange of Hong Kong Limited reserves its rights to take appropriate actions against the Company and its directors in respect of the breach.

The directors of the Company have respectively confirmed that they have not dealt in the shares of the Company since 24 August 2001 and have also undertaken not to deal in the shares of the Company until the publication of the Annual Results Announcement.

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

By Order of the Board
Luen Cheong Tai International Holdings Limited
Chan Man Chuen
Chairman