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VISION TECH INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

RELEASING THE UNAUDITED FINAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2002 & DELAY OF RELEASING THE FINAL RESULTS AND INTERIM RESULT

The publication of announcement of the audited final results of the Group for the year ended 31st March 2002 will be expected to publish on or before 31st January 2003 and the dispatch of the annual report to approximately three weeks thereafter. The publication of the interim result of the Group for the six months ended 30 September 2002 will be expected to publish on or before 28th February 2003 and the dispatch of interim report to approximately three weeks thereafter.

The delay in the publication of the audited final results and dispatch of the audited final report constitute a breach of paragraphs 8(1), 8(2), 11(1) of appendix 7b of the Listing Rules. The delay in the publication of the interim results and dispatch the interim report constitute a breach of paragraphs 10(1), 11(6) of appendix 7b of the Listing Rules. In this regard, the Stock Exchange has reserved its right to take appropriate action against the Company and/or its directors.

Investors are advised to exercise caution when dealing in the shares of the Company

Reference is made to the announcements dated 13th August 2002 (the “1st Delay Announcement”), 23rd September 2002 (the “2nd Delay Announcement”), 13th November 2002 (the “3rd Delay Announcement”) and 17th December, 2002 respectively. In the 3rd Delay Announcement, the Board advised the shareholders of the Company that the unaudited result of the Company will be reviewed by the Company’s audit committee and will be published on or before 16th December 2002. The audited final results of the Company and its subsidiaries (the “Group”) for the year ended 31st March 2002 (the “Audited Final Result”) will be expected to publish on or before 31st January 2003 and the dispatch of the annual report to approximately three weeks thereafter. The reasons of the delay was due to fact that several changes of the Board caused the financial records of the Group are not yet finalized to a stage suitable for the audit to be commenced and hence the auditors of the Company, Moores Rowland , who was appointed by the Company in October was unable to commence the audit. It is expected the financial records the Group will be ready by 27th December 2002 and the audit of the Group will be commenced thereafter. As a result in the delay in the announcement of the Audited Final Result, the announcement of the interim results of the Group for the half year ended 30 September 2002 will be postponed to be published on 28th February 2003 with the dispatch of the interim report approximately three weeks later.

The delay in the publication of the audited results and dispatch of the audited final results constitute a breach of paragraphs 8(1), 8(2), 11(1) of appendix 7b of the Listing Rules at the material time. The delay in the publication of the interim results and dispatch of the interim report constitute a breach of paragraphs 10(1), 11(6) of appendix 7b of the Listing Rules. In this regard, the Stock Exchange of Hong Kong (the “Stock Exchange”) has reserved its right to take appropriate action against the Company and/or its directors.

In observation and compliance with rule A3 of Appendix 10 of the Listing Rules, the directors of the Company, with the exception of Mrs. Pei Chen Chi Kuen, Delia in connection with the acquisition of shares in the Company by Arko Resources Limited as mentioned in the 1st Delay Announcement have respectively confirmed that they have not dealt in the shares of the Company since 1st July 2002 and have undertaken to the Stock Exchange that they will not deal in the shares of the Company until the audited final results for the year ended 31st March 2002 are released and published.

The board of directors of the Company hereby announces the unaudited final results of the Group for year ended 31st March 2002.

The Group’s unaudited final results with comparative figures for the previous corresponding year are as follows, and the unaudited figures have been reviewed by the audit committee of the Company.

| | | (Unaudited) 31st March 2002 <i>HK\$'000</i> | (Audited) 31st March 2001 <i>HK\$'000</i> |
|-------------------------------------|-------|---|---|
| | Notes | | |
| Turnover | | 70,181 | 147,672 |
| Direct Costs | | <u>(68,975)</u> | <u>(141,533)</u> |
| Gross Profit | | 1,206 | 6,139 |
| Other revenue | | 1,794 | 1,795 |
| General and administrative expenses | | <u>(15,566)</u> | <u>(48,810)</u> |
| Loss from operations | | (12,566) | (40,876) |
| Finance costs | | <u>(483)</u> | <u>(6,658)</u> |
| Loss before taxation | 1 | (13,049) | (47,534) |
| Taxation | 2 | <u>0</u> | <u>217</u> |
| Loss after taxation | | (13,049) | (47,317) |
| Minority interests | | <u>294</u> | <u>1,960</u> |
| Loss attributable to shareholders | | <u>(12,755)</u> | <u>(45,357)</u> |
| Loss per shares | | | |
| - Basic | 3 | <u>HK5.1 cents</u> | <u>HK22.2 cents</u> |

Notes:

1. Loss before taxation included in loss from operations:

| | 2002 <i>HK\$'000</i> | 2001 <i>HK\$'000</i> |
|------------------------|--------------------------------|--------------------------------|
| Auditors' remuneration | <u>600</u> | <u>614</u> |

2. Taxation

| | 2002 HK\$'000 | 2001 HK\$'000 |
|--|------------------|------------------|
| Hong Kong Profits Tax | 0 | 0 |
| Overseas Taxation | 0 | 0 |
| Over-provision in prior years | <u>0</u> | <u>(217)</u> |
| | 0 | (217) |
| Share of taxation attributable to jointly controlled entities | <u>0</u> | <u>0</u> |
| | 0 | (217) |
| Deferred taxation | <u>0</u> | <u>(0)</u> |
| | <u>0</u> | <u>(217)</u> |

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group did not have any assessable profit for the year.

3. Loss per share

The calculation of the basic loss per share is based on the loss for the year of approximately HK\$12,755,000 (2001: HK\$45,357,000) and on the weighted average of 246,964,231 (2001: 204,274,000) shares in issue throughout the year.

No diluted loss per share has been presented because there were no diluting events existed for the year ended 31st March 2002 and 31st March 2001 respectively.

Financial position

The unaudited consolidated net asset value of the Group as at 31st March, 2002 was approximately HK\$112,058,000 (2001: HK\$112,104,000). The gearing ratio as at 31st March, 2002 was 0.14.

Brief management discussion and analysis

The financial year under review for the Group was still a difficult year as reflected in the decrease in the turnover from HK\$ 147,672,000 to HK\$70,181,000. The decrease was due to a fallen in the selling price of the audio visual products as well as fierce competitions from other manufacturers in the nearby area. The loss for the year approximately HK\$ 12,775,000 was due to the fact insufficient gross profit was generated from the shrinking turnover to cover the fixed overhead of the Group. In the forthcoming year, the management intend to diversify the Group operation and to invite suitable potential investors and strategic partners to the Company should an opportunity arise.

Shareholders and investors are reminded to exercise caution in interpreting the unaudited final results which may subject to changes and differ from the finalized audited consolidated annual results of the Group.

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

By Order of the Board
Vision Tech International Holdings Limited
Mrs Pei Chen Chi Kuen, Delia
Chairman

Hong Kong, 19th December 2002

Please also refer to the published version of this announcement in China Daily.