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香港藥業

Hong Kong Pharmaceutical Holdings Limited

香港藥業集團有限公司*

(Incorporated in Bermuda with limited liability)

FURTHER DELAY IN PUBLICATION OF ANNUAL RESULTS AND DESPATCH OF ANNUAL REPORT

Further to the Announcement, the Directors announce that the publication of the audited final results announcement of the Company and the despatch of the annual report of the Company for the year ended 31 March 2003 will be further delayed for the reasons set out below. The delay in publication of the said final results announcement and despatch of annual report constitute breaches of the Listing Agreement. The Stock Exchange reserves its right to take appropriate action against the Company and/or its directors as a result of such breaches.

Further to the announcement of the Company dated 30 July 2003 (the “**Announcement**”), the directors of the Company (the “**Directors**”) wish to announce that the publication of the audited final results announcement of the Company for the year ended 31 March 2003 (the “**Results**”) and the despatch of the annual report for the year ended 31 March 2003 (the “**Annual Report**”) have to be further delayed as the auditors of the Company still have not received all necessary information and supporting evidence they required for their audit purposes. Such information primarily includes the confirmations from the banks in the People’s Republic of China (“**PRC**”) and the Hong Kong Special Administrative Region of the PRC (“**Hong Kong**”) relating to the Company’s debt restructuring, which involves adjustment of the interest rates and extension of the repayment periods of the existing credit facilities. The purpose of the debt restructuring is to improve the Group’s gearing ratio. One of such banks in Hong Kong had sent independent auditors to inspect the books of the Company in the middle of August 2003 and such inspection had been completed in the beginning of September 2003. The Company was informed by that bank that it was waiting for the independent auditors to provide it with a report before it can provide the confirmation relating to the Company’s debt restructuring.

For the above reasons, the Directors do not consider it appropriate for the Company to publish the Results before 30 September 2003. The Directors estimate that the banks may need another 2 months to provide the confirmation relating to the Company’s debt restructuring and therefore expect that the Company will be in a position to publish the Results and to despatch the Annual Report on or around 30 November 2003 when all the abovementioned information and supporting evidence should have been obtained.

The delay in publication of the Results and despatch of the Annual Report and the omission of unaudited financial results in this announcement constitute breaches of paragraphs 8(1), 8(2), 11(1) and 11(3)(i)(c) of the Listing Agreement. The Stock Exchange reserves the right to take appropriate action against the Company and/or Directors in respect of such breaches. However, such delay and omission will not constitute a breach of the Bye-Laws of the Company or the applicable laws of Bermuda.

The Directors have confirmed that they have not dealt in the shares of the Company since 1 July 2003 and have also undertaken not to deal in the shares of the Company until the publication of the annual results announcement.

By Order of the Board of Directors
Hong Kong Pharmaceutical Holdings Limited
Huang Shuyun
Deputy Chairman and Managing Director

Hong Kong, 30 September 2003

* *For identification purpose only*

Please also refer to the published version of this announcement in The Standard dated on 2-10-2003.