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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)

ANNOUNCEMENT

The Company has been notified by Hon Po Investment that it has entered into a termination deed with the Purchaser on 29th November, 2003 to terminate the Sale and Purchase Agreements (as amended by the Second Supplemental Agreement).

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 20th November, 2003 pending the release of this announcement. Application has been made by the Company for resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 2nd December, 2003.

Reference is made to the joint announcements made by the Company and the Purchaser dated 29th September, 2003 and 14th October, 2003 in relation to, inter alia, the Sale and Purchase Agreements and the Offer (the “Joint Announcements”). Unless otherwise defined, terms used in the Joint Announcements have the same meanings when used in this announcement.

The Company has been notified by Hon Po Investment that it has entered into a termination deed with the Purchaser on 29th November, 2003 (“Termination Deed”) to terminate the Sale and Purchase Agreements (as amended by the Second Supplemental Agreement). The reason for the termination was that Hon Po Investment did not agree to a further extension of the Review Period which the Purchaser has requested. Pursuant to the terms of the Termination Deed, the proposed sale of 55.32% of the existing issued share capital of the Company by Hon Po Investment to the Purchaser will not proceed. Accordingly, the Company does not expect that the Offer will be made, and it has not received any notice from the Purchaser of its intention otherwise. The prolonged period of suspension of the Company’s Shares was due to protracted negotiations between Hon Po Investment and the Purchaser as to the terms of the Termination Deed. The Board is of the view that there will not be any significant impact on the trading and financial position of the Group as a result of the termination of the Sale and Purchase Agreements (as amended by the Second Supplemental Agreement).

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 20th November, 2003 pending the release of this announcement. Application has been made by the Company for resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 2nd December, 2003.

Hong Kong, 1st December, 2003

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

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

“Please also refer to the published version of this announcement in The Standard”