



香港交易所

THE STOCK EXCHANGE OF HONG KONG LIMITED

(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

24 February 2005

CRITICISM

of

**Hong Kong Pharmaceutical Holdings Limited ("Company")
for delays in publication and despatch of its annual and interim accounts and
failure to make up annual accounts within six months before
its annual general meeting**

The Exchange hereby publicly criticises the Company:

- (1) for failing to publish on time its accounts (i) for the year ended 31 March 2003 and (ii) for the six months ended 30 September 2003, thereby breaching Paragraphs 8(1), 10(1), 11(1), 11(3)(i)(c) and 11(6) of the Listing Agreement; and
- (2) for failing to make up its annual accounts for the year ended 31 March 2003 to a date falling not more than six months before the date of its annual general meeting, thereby breaching Paragraph 8(2) of the Listing Agreement.

Late publication and despatch of annual accounts for the year ended 31 March 2003

The Company was required to send to its shareholders its annual report and audited accounts, and to publish in the newspapers preliminary results in respect of its financial year end, within four months of the end of its financial year, i.e. on or before 31 July 2003. Where the Company was unable to publish its audited annual results within four months after its financial year end, it was required to announce its annual results based on unaudited financial results within four months after the end of its financial year, i.e. on or before 31 July 2003.

For the financial year ended 31 March 2003, the Company's annual results and annual reports (including audited accounts) were not published and sent to shareholders until 15 December 2003 and 22 December 2003 respectively, being four months and 15 days, and four months and 22 days after the prescribed deadlines. The Company's unaudited annual results were only published on 10 December 2003, with a delay of four months and 10 days.

As a result of the above delays, the Company failed to make up its annual accounts to a date falling not more than six months before the date of its annual general meeting. The Company's annual general meeting was held on 16 January 2004.

The Company has admitted breaching the provisions of Paragraphs 8(1), 8(2), 11(1), 11(3)(i)(c) of the Listing Agreement in force at the material time ("Listing Agreement").

Late publication and despatch of interim accounts for the six months ended 30 September 2003

The Company was required to send to its shareholders an interim report and to publish in the newspapers preliminary announcement in respect of its interim results no later than three months following the conclusion of the relevant period, i.e. on or before 31 December 2003.

For the six months ended 30 September 2003, the Company did not send and publish its interim reports and interim results until 19 January 2004, being 19 days after the prescribed deadlines. The Company admitted breaching Paragraphs 10(1) and 11(6) by reason of such delays.

Having considered the foregoing facts and the representations made by the parties concerned, the Listing Committee has concluded that the Company was in breach of Paragraphs 8(1), 8(2), 10(1), 11(1), 11(3)(i)(c) and 11(6) of the Listing Agreement.

Accordingly, the Listing Committee hereby publicly criticises the Company for its respective breaches mentioned above.

In making the above decision, the Listing Committee has noted that provisional liquidators have been appointed to the Company on 13 October 2004 and the respective breaches were committed in the period prior to the appointment of, and therefore no responsibility or fault in respect of such breaches has been attributed to, the provisional liquidators.

The Exchange confirms that this public statement involving criticism applies only to the Company and not to any past or present member of the Board of Directors or the provisional liquidators of the Company.