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HUDSON HOLDINGS LIMITED

德信控股（亞太）有限公司*

(Incorporated in Bermuda with limited liability)

POSTPONEMENT OF RELEASING THE AUDITED FINAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2002

The announcement of audited final results of the Group for the year ended 31st December, 2002 in newspaper is postponed to 26th May, 2003 and the annual report for the year ended 31st December, 2002 is expected to be despatched on or around 29th May, 2003.

The Directors and their respective associates (as defined in the Listing Rules) have not dealt in any Shares since 17th March, 2003 and have undertaken to the Stock Exchange that they will not deal in any Shares until the publication of the announcement of the Final Results.

The delay in publication of the audited Final Results and despatch of the Annual Report constitute breaches of paragraphs 11(1) and 8(1) of the Listing Agreement by the Company respectively. The Stock Exchange reserves its right to take action against the Company and/or the Directors regarding such breaches.

The Company advises its shareholders and investors to exercise caution when dealing in the Shares.

This announcement is made by the order of the Board and the Directors individually and jointly accept responsibility for the accuracy of this announcement.

The Board announces that the announcement of audited final results of the Group for the year ended 31st December, 2002 in the newspaper is postponed to 26th May, 2003 and the annual report for the year ended 31st December, 2002 is expected to be despatched on or around 29th May, 2003.

REASONS FOR POSTPONEMENT OF RELEASING THE FINAL RESULTS

The delay is an unfortunate repercussion of the outbreak of the contagious SARS. Although the audit work in the PRC office of the Company has commenced, the SARS outbreak has impeded the extent to which the Directors have been able to attend to the Company's office in the PRC to carry out the necessary review and discuss with the auditors the accounts of the principal operating subsidiary and the jointly-controlled entity of the Company whose principal operations are in the PRC. The audited turnover of the aforementioned subsidiary for the year ended 31st December, 2001 represents approximately 14.7% of the audited consolidated turnover of the Group for the same year, whereas the jointly-controlled entity contributed a net profit before tax of approximately HK\$46.5 million to the Group for the year ended 31st December, 2001. The outbreak of the SARS has also compounded the difficulties the Company has been experiencing in finalising the valuation of the major assets of the Company, including property interest in Wuhan, the PRC (which value represents approximately 67.9% of the total assets of the Group for the year ended 31st December, 2001) and certain significant account and other receivables (which value represents approximately 11.8% of the total assets of the Group for the year ended 31st December, 2001). As a result, the Company requires additional time in finalising the accounts of the PRC subsidiary and its interests in the jointly-controlled entity. Accordingly, the publication of the Final Results and despatch of the Annual Report have been postponed.

EXPECTED DATE OF RELEASE OF FINAL RESULTS

The Board meeting of the Company is expected to be held on 23rd May, 2003 to consider the Final Results which are expected to be published in the newspaper on 26th May, 2003. The Annual Report will be despatched to shareholders on or around 29th May, 2003.

BREACHES OF LISTING RULES

The Company is in breach of paragraph 8(1) of the Listing Agreement, which requires the Annual Report to be despatched to the Company's shareholders within four months of the year end of 31st December, i.e. 30th April, 2003. The Company is also in breach of paragraph 11(1) of the Listing Agreement which requires publication in the newspapers of the audited Final Results of the Group not later than four months after its financial year end of 31st December, i.e. 30th April, 2003. The Stock Exchange reserves its right to take appropriate action against the Company and/or the Directors in respect of the breaches of the Listing Rules.

DIRECTORS' CONFIRMATION AND UNDERTAKING

The Directors and their respective associates (as defined in the Listing Rules) confirm that they have not dealt in any Shares since 17th March, 2003 and have undertaken to the Stock Exchange that they will not deal in any Shares until the publication of the announcement of the audited Final Results.

UNAUDITED RESULTS

The Company's unaudited consolidated results for the year ended 31st December, 2002 with comparative figures for the previous corresponding year are set out below. **Shareholders and potential investors should note that the unaudited consolidated results of the Company for the year ended 31st December, 2002 are based on the unaudited management accounts prepared by the Company and may be subject to adjustments upon finalisation of the audit. The Company's audit committee which comprises the two independent non-executive directors appointed in December 2002 is yet to review the said accounts.**

	Unaudited for the year ended 31st December, 2002 <i>HK\$'000</i>	Audited for the year ended 31st December, 2001 <i>HK\$'000</i>
Turnover	73,710	121,746
Other revenue	3,811	4,398
Contract costs	(21,614)	(67,764)
Cost of properties sold	(41,120)	(19,766)
Cost of inventories sold	–	(18,118)
Depreciation	(2,656)	(3,071)
Provision against doubtful debts	(1,204)	(902)
Provision against amount due from associates	(1,762)	–
Revaluation deficits/Impairment of properties	–	(16,286)
Other operating expenses	(81,680)	(32,760)
Loss from operating activities	(72,515)	(32,523)
Finance costs	(23,336)	(24,685)
Share of profits and losses of : – Jointly-controlled entities	41,495	46,469
– Associates	(216)	(2,196)
Loss before tax	(54,572)	(12,935)
Tax	(15,324)	(17,172)
Loss before minority interests	(69,896)	(30,107)
Minority interests	5,753	31,486
Net profit/(loss) for the year	(64,143)	1,379

WARNINGS

In the meantime, shareholders and investors of the Company are advised to exercise caution when dealing in the Shares.

TERMS USED IN THIS ANNOUNCEMENT

“Annual Report”	the annual report of the Company for the year ended 31st December, 2002
“Board”	board of Directors
“Company”	Hudson Holdings Limited, a company incorporated in Bermuda with limited liability whose securities are listed on the Stock Exchange
“Directors”	directors of the Company
“Final Results”	the audited consolidated final results of the Group for the year ended 31st December, 2002
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong
“SARS”	Severe Acute Respiratory Syndrome (atypical pneumonia)
“Shares”	ordinary shares of HK\$0.10 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Hudson Holdings Limited
Choi Wai Him
Chairman

Hong Kong, 17th April, 2003

* *for identification only*

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