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**MANSION HOUSE GROUP LIMITED**  
**萬勝集團有限公司**

*(Incorporated in Hong Kong with limited liability)*

**FURTHER DELAY IN PUBLICATION OF  
THE RESULTS OF THE GROUP  
FOR THE YEAR ENDED 31 DECEMBER 2002  
AND DESPATCH OF THE 2002 ANNUAL REPORT**

Further to the Announcement, the Board announces that as more time is required for obtaining the financial information of the PRC Subsidiary in order for the auditors of the Company to finalise the audit of the Final Results, the meeting of the Board to consider the audited Final Results will further be postponed to on or before 20 June 2003, the publication of the audited Final Results will be postponed to on or before 23 June 2003 and the 2002 Annual Report is expected to be despatched to the shareholders of the Company on or before 30 June 2003.

The delay in publication of the audited Final Results of the Company and the delay in despatch of the 2002 Annual Report constitute a breach of paragraphs 8(1) and 11(1) of the Listing Agreement. The Stock Exchange has reserved its rights to take appropriate action against the Company and/or its directors.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

Unless the context otherwise requires, terms used in the announcement of the Company dated 28 April 2003 (“**Announcement**”) shall have the same meaning when used in this announcement.

Further to the Announcement, the Board announces that as more time is required for obtaining the financial information of the PRC Subsidiary in order for the auditors of the Company to finalise the audit of the Final Results, the meeting of the Board to consider the audited Final Results will further be postponed to on or before 20 June 2003, the publication of the audited Final Results will also be further postponed to on or before 23 June 2003 and the 2002 Annual Report is expected to be despatched

to the shareholders of the Company on or before 30 June 2003. Further announcements will be made if and when there is any change in the date of the Board meeting, the publication date of the audited Final Results and the despatch date of the 2002 Annual Report.

The audited financial statements of the PRC Subsidiary for the year ended 31 December 2002 have been obtained. The remaining outstanding audit works relate principally to the obtaining of outstanding accounting records of the PRC Subsidiary in relation to the sale of properties, accounts receivable, staff costs, other operating expenses, accounts payable, other payables and accrued charges.

The unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2002 are as follows:

		<b>2002</b>	2001
		<b>(unaudited)</b>	(audited)
	<i>Notes</i>	<i>HK\$</i>	<i>HK\$</i>
Turnover		<b>55,830,000</b>	57,173,508
Cost of properties sold		<b>(44,354,449)</b>	(25,597,995)
Gross profit		<b>11,475,551</b>	31,575,513
Loss from operations		<b>(82,140,098)</b>	(41,374,863)
Finance costs		<b>(6,773,553)</b>	(11,490,465)
Share of losses of associates		<b>(189,198)</b>	(779,212)
Loss before taxation		<b>(89,102,849)</b>	(53,644,540)
Taxation	<i>1</i>	—	(2,437,381)
Loss after taxation		<b>(89,102,849)</b>	(56,081,921)
Minority interests		<b>236,883</b>	(408,232)
Loss for the year		<b><u>(88,865,966)</u></b>	<u>(56,490,153)</u>
Loss per share			
Basic and diluted	<i>2</i>	<b><u>(12.52) cents</u></b>	<u>(15.14) cents</u>

## 1. TAXATION

	<b>2002</b> <b>(unaudited)</b> <b>HK\$</b>	2001 (audited) HK\$
The (charge) credit comprises:		
Hong Kong Profits Tax		
— overprovision in previous years	—	44,987
Tax in The People's Republic of China	—	(2,482,368)
	<u>—</u>	<u>(2,437,381)</u>

No provision for Hong Kong Profits Tax has been made as the Group incurred tax losses for each of the two years ended 31 December 2002 and 2001.

No provision for enterprise income tax in the People's Republic of China has been made as the Group incurred tax losses for the current year. In 2001, enterprise income tax was provided on profits from operations deemed to arise in the People's Republic of China at 33%.

A deferred tax asset of the Group of HK\$50,830,808 (2001: HK\$31,999,035) and of the Company of HK\$18,831,773 (2001: HK\$13,234,245) has not been recognised in the financial statements in respect of estimated tax losses available to offset future profits as it is not certain that estimated tax losses will be utilised in the foreseeable future.

Other than the above, there was no other significant amount of unprovided deferred taxation in respect of the Group and the Company at the balance sheet date.

## 2. LOSS PER SHARE

The calculation of basic loss per share is based on the loss for the year of HK\$88,865,966 (2001: HK\$56,490,153) and the weighted average number of 709,917,974 (2001: 373,169,481) shares in issue during the year.

The computation of diluted loss per share does not assume the exercise of the Company's options because their exercise prices were higher than the average market price of share for both years.

The unaudited consolidated results of the Group for the year ended 31 December 2002 set out above, which have been reviewed by the audit committee of the Company, may be subject to changes upon finalisation of the audit by the auditors of the Company.

The delay in publication of the audited Final Results of the Company and the delay in despatch of the 2002 Annual Report constitute a breach of paragraphs 8(1) and 11(1) of the Listing Agreement. The Stock Exchange of Hong Kong Limited (“Stock Exchange”) has reserved its rights to take appropriate action against the Company and/or its directors.

Each director of the Company is aware of and will comply with Rule A3 of Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange. The directors of the Company confirm that they have not dealt in the shares of the Company since 24 March 2003 and undertake with the Stock Exchange that they will not deal in the shares of the Company until the audited Final Results are released and published.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Mansion House Group Limited**  
**WONG Nam, Marian**  
*Company Secretary*

Hong Kong, 23 May 2003

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