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**APPOINTMENT OF AUDITOR
AND
EXPECTED TIMETABLE OF RELEASING THE FINANCIAL RESULTS**

The Company refers to its announcement dated 7 August 2003 regarding the resignation of PricewaterhouseCoopers as the auditors of the Group on 30 July 2003, and is pleased to announce that Li, Tang, Chen & Co. was appointed on 19 August 2003 as the auditors of the Group to audit the financial statements of the Group for the year ended 31 December 2002 and thereafter.

The Company also refers to its announcements dated 27 June 2003 and 7 August 2003 respectively regarding the delay in releasing the financial results of the Group. The Directors currently expect that the unaudited and audited results of the Group for the year ended 31 December 2002 that were originally to be released on or before 31 August 2003 and 30 September 2003 respectively will now be released on or before 30 September 2003 and 17 October 2003 respectively. The annual report of the Company for the year ended 31 December 2002 will be dispatched thereafter as soon as possible.

The Directors acknowledge that the delay in publication of the audited results and unaudited results of the Company and the despatch of the annual report of the Company for the year ended 31 December 2002 constitute breaches of paragraphs 11(1), 11(3)(i)(c), 8(1) and 8(2) of the Listing Agreement of the Company respectively. The Stock Exchange reserves its rights to take appropriate actions against the Company and/or its Directors in respect of such breaches.

At the request of the Company, trading in the shares of the Company has been suspended since 24 April 2003 and will remain suspended until further notice.

APPOINTMENT OF AUDITOR

The Sun's Group Limited (the "Company", together with its subsidiaries, the "Group") refers to its announcement dated 7 August 2003 regarding the resignation of PricewaterhouseCoopers as the auditors of the Group on 30 July 2003, and is pleased to announce that Li, Tang, Chen & Co. was appointed on 19 August 2003 as the auditors of the Group to audit the financial statements of the Group for the year ended 31 December 2002 and thereafter.

EXPECTED TIMETABLE OF RELEASING THE FINANCIAL RESULTS OF THE COMPANY

Further to the announcements of the Company dated 27 June 2003 and 7 August 2003 respectively regarding the delay in releasing the results of the Group for the year ended 31 December 2002, the directors of the Company (the "Directors") currently expect that the unaudited and audited results of the Group for the year ended 31 December 2002 that were originally to be released on or before 31 August 2003 and 30 September 2003 respectively will now be released on or before 30 September 2003 and 17 October 2003 respectively. The annual report of the Company for the year ended 31 December 2002 will be dispatched thereafter as soon as possible.

The Directors acknowledge that the delay in publication of the audited results and unaudited results of the Company and the despatch of the annual report of the Company for the year ended 31 December 2002 constitute breaches of paragraphs 11(1), 11(3)(i)(c), 8(1) and 8(2) of the Listing Agreement of the Company respectively. The Stock Exchange reserves its rights to take appropriate actions against the Company and/or its Directors in respect of such breaches.

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By Order of the Board
The Sun's Group Limited
Yuen Wai Kuen
Company Secretary

Hong Kong, 27 August 2003

* *For identification only*

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