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This announcement, for which the directors (the “Directors”) of Sau San Tong Holdings (Cayman Islands) Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to the Company. The directors of the Company, have made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on the bases and assumptions that are fair and reasonable.



Sau San Tong Holdings (Cayman Islands) Limited

修身堂控股(開曼群島)有限公司*

(incorporated in the Cayman Islands with limited liability)

CLARIFICATION ANNOUNCEMENT REGARDING THE 2003-2004 3RD QUARTERLY FINANCIAL REPORT OF THE COMPANY

The Directors wish to clarify certain points contained in the Report as follows. The Errors were due to the miscommunication between the officer of the Company and the printer on not publishing the final version of the Report prepared by the Company. The Directors apologise for such inadvertent mistakes. The Stock Exchange reserves its right to take appropriate action against the Company and/or its Directors in this regard.

The amended Report will be distributed to the shareholders of the Company on 18 February 2004 and will be posted on the GEM website with the domain name of www.hkgem.com. The information contained in the quarterly results announcement of the Company for the three months ended 31 December 2003 dated 12 February 2004 are accurate.

The Directors noted certain errors (the “Errors”) on page 3 and page 5 in the English version of the 2003-2004 3rd quarterly financial report of the Company (the “Report”).

The Directors would like to clarify that: -

1. with regard to the section heading “Condensed consolidated income statement” on page 3 of the Report, (i) the general and administrative

expenses of the Company for the quarter ended 31 December 2003 should be “HK\$7,888,000” but not “HK\$1,888,000”; (ii) the finance costs of the Company for the quarter ended 31 December 2003 should be “HK\$24,000” but not “HK\$29,000”; (iii) the turnover of the Company for the nine months ended 31 December 2003 should be “HK\$114,288,000” but not “HK\$119,288,000”; (iv) the selling and distribution costs of the Company for the nine months ended 31 December 2003 should be “HK\$44,308,000” but not “HK\$49,308,000”; (v) the general and administrative expenses of the Company for the nine months ended 31 December 2003 should be “HK\$17,991,000” but not “HK\$11,991,000”; (vi) the profit attributable to shareholders of the Company for the nine months ended 31 December 2003 should be “HK\$24,830,000” but not “HK\$21,830,000”; and

- with regard to note 5 under of the heading of “Earnings per share” of the “Condensed consolidated income statement” on page 5 of the Report, the unaudited net profits attributable to shareholders for the nine months ended 31 December 2003 should be approximately “HK\$24,830,000” instead of “HK\$29,830,000” as stated in the third paragraph of this note.

The Errors were due to the miscommunication between the officer of the Company and the printer on not publishing the final version of the Report prepared by the Company. The Directors apologise for such inadvertent mistakes. The Stock Exchange reserves its right to take appropriate action against the Company and/or its Directors in this regard.

Save and except for the above, the contents of the Report are accurate. The amended Report will be distributed to the shareholders of the Company on 18 February 2004 and will be posted on the GEM website with the domain name of www.hkgem.com. The information contained in the quarterly results announcement of the Company for the three months ended 31 December 2003 dated 12 February 2004 are accurate.

By Order of the Board
Sau San Tong Holdings (Cayman Islands) Limited
Cheung Yuk Shan, Shirley
Chairman

Hong Kong, 17 February 2004

This announcement will remain on the GEM website with the domain name of www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting.

* *For identification purpose only*