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CHANCE PROFIT INVESTMENTS LIMITED
(incorporated in the British Virgin Islands with limited liability)

LUEN TAI GROUP LIMITED
（聯大集團有限公司）*
(incorporated in Bermuda with limited liability)

JOINT ANNOUNCEMENT

Despatch of composite offer and response document relating to the mandatory unconditional cash offer by Kingsway SW Securities Limited on behalf of Chance Profit Investments Limited to acquire all the issued shares of Luen Tai Group Limited other than those already owned by Chance Profit Investments Limited and parties acting in concert with it and appointment of directors

The Composite Document regarding the Offer will be despatched to Shareholders on 28th August, 2002.

With effect from 28th August, 2002 and immediately after the despatch of the Composite Document, Mr. Lu Zhiming and Mr. Cheung Wai Yin, Wilson will be appointed to the Board and will become executive directors of the Company.

Reference is made to the announcement dated 1st August, 2002 jointly issued by the directors of Chance Profit Investments Limited (the "Offeror") and Luen Tai Group Limited (the "Announcement"). Unless the context otherwise requires, terms and expressions defined in the Announcement shall have the same meaning when used in this announcement.

DESPATCH OF THE COMPOSITE DOCUMENT

The composite offer and response document (the "Composite Document") relating to the Offer containing, among other things, the terms and details of the Offer, the letter from the independent board committee of the Company containing its recommendation to the Independent Shareholders in respect of the Offer and a letter of advice from Yu Ming Investment Management Limited, the independent financial adviser to the independent board committee, in respect of the Offer, will be despatched to the Shareholders on 28th August, 2002.

The Offer will commence on 28th August, 2002 and unless the Offer has previously been revised or extended in accordance with the Takeovers Code, all acceptances must be received by 4:00 p.m. on 18th September, 2002 and the Offer will close on 18th September, 2002.

Independent Shareholders are strongly advised to read the Composite Document, in particular the letter of advice from Yu Ming Investment Management Limited contained therein before deciding whether or not to accept the Offer.

APPOINTMENT OF DIRECTORS

As stated in the Announcement, the Offeror proposes to nominate Mr. Lu Zhiming and Mr. Cheung Wai Yin, Wilson to the Board immediately after the despatch of the Composite Document.

With effect from 28th August, 2002 and immediately after the despatch of the Composite Document, Mr. Lu Zhiming and Mr. Cheung Wai Yin, Wilson will be appointed to the Board and will become executive directors of the Company.

By Order of the Board
Chance Profit Investments Limited
Zhou Yiming
Director

By Order of the Board
Luen Tai Group Limited
Kwok Tat Kwong
Chairman

Hong Kong, 27th August, 2002

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those relating to the Offeror) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement (other than those relating to the Offeror), the omission of which would make any statement in this announcement misleading.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those relating to the Company) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement (other than those relating to the Company), the omission of which would make any statement in this announcement misleading.

* *for identification purpose only*

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