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TOP GLORY INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

鵬利國際集團有限公司

Proposal for adjustment of nominal value of shares by way of reduction of capital

The Adjustment Proposal has been approved by the Shareholders at the EGM and confirmed by the sanction of an order of the Court dated 27th November, 2001.

Trading in the New Shares on the Stock Exchange is expected to commence on 28th November, 2001.

Reference is made to the announcement dated 25th September, 2001 in respect of the proposal for adjustment of nominal value of shares by way of reduction of capital (the "Announcement"). Capitalised terms used in this announcement shall have the same meanings as defined in the Announcement unless the context otherwise requires.

ADJUSTMENT PROPOSAL

The Board is pleased to announce that the Adjustment Proposal was approved by a special resolution passed on 2nd November, 2001 at the EGM by the Shareholders and was confirmed by the sanction of an order of the Court dated 27th November, 2001. An office copy of the Court order and the minute containing the particulars required under Section 61 of the Companies Ordinance are expected to be duly registered with the Registrar of Companies on 28th November, 2001 and therefore, all conditions of the Adjustment Proposal will be fulfilled. Immediately upon the Adjustment Proposal becoming effective, the authorised capital of Top Glory shall be HK\$5,000,000,000 divided into 50,000,000,000 New Shares of HK\$0.10 each of which 2,675,136,092 New Shares will be in issue as at 28th November, 2001. The Adjustment Proposal is expected to become effective on 28th November, 2001.

ARRANGEMENT FOR FREE EXCHANGE OF CERTIFICATES FOR NEW SHARES

Shareholders may submit existing certificates for the Shares (in pink colour) to the share registrar of Top Glory, Secretaries Limited, at 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong for exchange, at the expense of Top Glory, for certificates for the New Shares (in beige colour) up to four weeks from the date of this announcement. Subsequent exchange of certificates will incur a fee of HK\$2.50 (or such higher amount as may from time to time be allowed by the Stock Exchange) per certificate to the share registrar of Top Glory. All existing certificates for the Shares and the new certificates for the New Shares will be effective as documents of title for the New Shares and valid for trading, settlement and registration purposes.

TRADING ARRANGEMENTS

Trading in the New Shares is expected to commence on 28th November, 2001. The size of each board lot of the New Shares will remain the same as that of the Shares, namely 2,000 per board lot. There will not be any arrangement for parallel trading.

By Order of the Board
Top Glory International Holdings Limited
Xue Guoping
Vice-Chairman and Managing Director

Hong Kong, 27th November, 2001