

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



WAH YUEN HOLDINGS LIMITED

華 園 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2349)

ANNOUNCEMENT

The Board has noted the recent increase in the trading volume of the shares and wish to state that save as disclosed in this announcement, they are not aware of any reason for such increase.

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

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**).

The board (the **"Board"**) of directors (each a **"Director"**) of Wah Yuen Holdings Limited (the **"Company"**) has noted the recent increase in the trading volume of the shares of the Company and wish to state that it is not aware of any reasons for such increase save and except that the Company has been informed by Mr. But Ching Pui, an executive Director, and Ms. Leung Wai Ling, a non-executive Director and the spouse of Mr. But Ching Pui, who together sold a total of 8,000,000 shares of the Company (the **"Sale Shares"**) (representing 4% of the existing issued share capital of the Company) at a price of HK\$0.36 per share in the market on 2 December 2004 (the **"Disposal"**).

Immediately before the Disposal, Mr. But Ching Pui and Ms. Leung Wai Ling were holding a total of 14,000,000 shares of the Company, representing 7% of the existing issued share capital of the Company. Immediately after the Disposal, Mr. But Ching Pui and Ms. Leung Wai Ling are holding 6,000,000 shares of the Company, representing 3% of the existing issued share capital of the Company.

To the best knowledge of Mr. But Ching Pui and Ms. Leung Wai Ling, the Sale Shares were sold to independent third parties not connected with the Company, any directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or their respective associates (as defined under the Rules (the **"Listing Rules"**) Governing the Listing of Securities on the Stock Exchange). The closing price per share of the Company as quoted on the Stock Exchange on 2 December 2004 was HK\$0.38.

Save as mentioned above, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisation which are discloseable under rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 13.09 of the Listing Rules, which is nor may be of a price-sensitive nature.

Made by the order of the Board, the Directors of which individually and jointly accept responsibility for the accuracy of this announcement.

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

By Order of the Board
But Ka Wai
Chairman

Hong Kong, 2 December 2004

As at the date of this announcement, Mr. But Ching Pui, Mr. But Ka Wai, Mr. But Chai Tong, Mr. Lai Wing Kuen and Mr. Chu Kin Wah are executive Directors, Ms. Leung Wai Ling and Mr. Ngai Chun Kong, Stephen are non-executive Directors, and Mr. Cheung Yu Yan, Tommy, Mr. Ip Shing Tong, Francis and Mr. Ku Siu Fung, Stephen are the independent non-executive Directors.