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ARNHOLD HOLDINGS LIMITED

安利控股有限公司*

(Incorporated in Bermuda with limited liability)
(Stock code: 102)

ANNOUNCEMENT DISCLOSURE OF RECEIVABLES PURSUANT TO RULES 13.13 AND 13.15 OF THE LISTING RULES

This announcement is made pursuant to Rules 13.13 and 13.15 of the Listing Rules to disclose the Group's total trade and retention receivables which exceed 8% of the Company's market capitalization as at 31 March 2004.

Pursuant to rules 13.13 and 13.15 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), a general disclosure obligation arises where the total advance to an entity from Arnhold Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") exceeds 8% of the Company's total market capitalization.

As at 31 March 2004, there were 224,496,000 shares of the Company in issue. Based on the average closing price of the Company's shares of HK\$0.62 as stated in the Stock Exchange's daily quotation sheets for trading days from 24 March 2004 to 30 March 2004 (both days inclusive), being the five business days immediately preceding 31 March 2004, the total market capitalization of the Company was HK\$139,187,520 as at 31 March 2004.

According to the latest management accounts of the Group, trade and retention receivables (the "Receivables") due from a group of customers which are affiliated companies of one another comprising Paul Y. – ITC Construction Limited, Paul Y. – ITC Construction & Engineering Co. Limited, Paul Y. – ITC General Contractors Limited and Paul Y. – ITC Interior Contractors Limited (collectively, the "Customers"), to certain subsidiaries of the Group amounted to HK\$19,511,559 as at 31 March 2004 which equals to approximately 14.02% of the total market capitalization of the Company. In accordance with rule 13.13 of the Listing Rules, a disclosure obligation arose.

The Customers are independent third parties not connected with any of the substantial shareholders, directors or chief executives of the Company or any of its subsidiaries or any of their respective associates. The Receivables which are unsecured, interest-free, with payment terms based on progressive certification of work done and credit terms of 30 to 60 days, were derived from sales of building materials and provision of marble contracting work to the Customers in the ordinary course of the business of the Company. As at the date of this announcement, approximately HK\$4,466,611 of the Receivables has just been overdue for approximately two weeks and the Company does not expect problem in recovering the amount in due course.

On behalf of the Board
Arnhold Holdings Limited
Michael John Green
Chairman

Hong Kong, 13 May 2004

As at the date of this announcement, the directors of the Company are:

Executive Directors:

Mr Michael John Green
Mr Daniel George Green
Mr Leung Tak Tong, Eric
Mr Woo Chun Yu, Adolf
Mr Lai Ka Tak, Patrick

Non-Executive Directors:

Mr Simon Murray
Mr Augustus Ralph Marshall

Independent Non-Executive Directors:

Mr Christopher John David Clarke
Mr V-Nee Yeh

* for identification purpose only