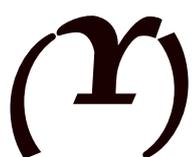


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萬 裕 國 際 集 團 有 限 公 司 *

MAN YUE INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 894)

Proposed conditional voluntary cash offer by



ASIAN CAPITAL

(CORPORATE FINANCE) LIMITED

卓亞(企業融資)有限公司

**on behalf of Man Yue International Holdings Limited
to repurchase up to 66,000,000 Shares at an offer price of
HK\$0.38 per Share
and
Whitewash Waiver**

The Company announces a proposed conditional voluntary cash offer to be made by Asian Capital on behalf of the Company to repurchase up to 66,000,000 Shares (representing approximately 17.67% of the total issued share capital of the Company as at the Latest Practicable Date) at the Offer Price of HK\$0.38 per Share payable in cash.

The Offer Price of HK\$0.38 represents a premium of approximately 26.67% over the closing price per Share of HK\$0.30 on 20 April 2004 (being the last trading day prior to the suspension of trading in the Shares on 21 April 2004).

Assuming that the Offer is being accepted in full, the total consideration for the Offer will amount to approximately HK\$25.08 million and will be financed by the internal resources of the Company.

Man Yue Holdings Inc., the controlling shareholder of the Company and Mr. Ko Pak On have undertaken that they and their Associates and any parties acting in concert with them will not accept the Offer in respect of any of the Shares owned by them. Accordingly, Qualifying Shareholders are assured of being able, if they so wish, to sell to the Company approximately 341 Shares out of every 1,000 Shares they own at the close of the Offer.

Assuming full acceptance of the Offer, the aggregate percentage shareholding held by Man Yue Holdings Inc., its Associates and any parties acting in concert with it in the Company will be increased from approximately 48.13% to approximately 58.46% of the reduced issued share capital of the Company immediately after closing of the Offer. Under Rule 6 of the Repurchase Code, such an increase in the shareholding of Man Yue Holdings Inc. in the Company would be treated as an acquisition for the purposes of the Takeovers Code. As this increase in the shareholding of Man Yue Holdings Inc. arising from the Offer would exceed the 2% creeper over the preceding 12-month period, Man Yue Holdings Inc. would be required by Rule 26.1(c) of the Takeovers Code to make a mandatory unconditional cash offer for all the issued Shares not already owned by it and/or parties acting in concert with it. Man Yue Holdings Inc. will apply to the Executive for a Whitewash Waiver. If the Whitewash Waiver is granted, Man Yue Holdings Inc.'s obligation to make a mandatory offer under Rule 26.1(c) of the Takeovers Code will be waived. If the Whitewash Waiver is not granted, the Company will not proceed with the Offer.

Man Yue Holdings Inc., its Associates and any parties acting in concert with it have not dealt with the Shares over the past six months from 20 April 2004, the last trading day prior to suspension of trading in the Shares pending the release of this announcement.

The Offer will be conditional upon the approval of the Offer and the approval of the Whitewash Waiver by the Independent Shareholders voting by poll at the SGM. If the resolutions to approve the Offer and the Whitewash Waiver are not passed by the Independent Shareholders, the Offer will not proceed.

At the request of the Company, trading in the Shares was suspended on the Stock Exchange with effect from 9:30 a.m. on 21 April 2004 pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 27 April 2004.

WARNING: The Offer is subject to the Conditions being fulfilled. Accordingly, it may or may not proceed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.

THE OFFER

Terms of the Offer

The Company announces a proposed conditional voluntary cash offer to be made by Asian Capital on behalf of the Company to repurchase up to 66,000,000 Shares, representing approximately 17.67% of the total issued share capital of the Company as at the Latest Practicable Date, at the Offer price of HK\$0.38 per Share, subject to the Conditions, on the following basis:

For every Share to be repurchased

under the Offer HK\$0.38 in cash

Man Yue Holdings Inc., the controlling shareholder of the Company, and Mr. Ko Pak On have undertaken to the Company that they will not, and will procure their respective Associates and parties acting in concert with them not to, accept the Offer in respect of the Shares owned by them. Accordingly, Qualifying Shareholders are assured of being able, if they so wish, to sell to the Company approximately 341 Shares out of every 1,000 Shares they own as at the close of the Offer. Qualifying Shareholders will be able to submit acceptances in respect of some or all of their holdings of Shares, but allocation of the number of Shares to be repurchased from each Qualifying Shareholder will be subject to scaling down in the manner described below under “Assured entitlements and scaling down”.

The amount to be paid by the Company under the Offer, if fully tendered, will be approximately HK\$25.08 million. The consideration for the Offer will be paid in cash and will be funded by internal resources of the Company.

The maximum number of Shares which will be repurchased under the Offer is 66,000,000 Shares, representing approximately 17.67% of the total issued share capital of the Company of 373,440,000 Shares as at the Latest Practicable Date.

All Shares repurchased under the Offer will be cancelled and will not rank for any dividends to be paid by reference to a record date which falls after the date of their cancellation. Assuming full acceptance of the Offer, the Company’s issued share capital will be reduced to 307,440,000 Shares.

The Company has not repurchased any Shares in the six month period prior to the date of this announcement, and, save for the Offer, will not conduct any repurchase from the date of this announcement up to and including the date on which the Offer closes, lapses or is withdrawn, as the case may be. Man Yue Holdings Inc., its Associates and any parties acting in concert with it have not dealt in any Shares in the six month period prior to the date of this announcement.

Assured entitlements and scaling down

The number of Shares which may be acquired from a particular Qualifying Shareholder who accepts the Offer may exceed his or her Assured Entitlement if any Qualifying Shareholder either tenders no acceptance in respect of the Offer or accepts the Offer in respect of fewer Shares than are represented by his or her Assured Entitlement.

In the event that the total number of Shares tendered to the Company under the Offer exceeds 66,000,000 Shares, the Company will take up Shares in excess of the Assured Entitlement from each relevant Qualifying Shareholder on a pro rata basis, based on the total number of Shares in respect of which the Offer is validly accepted by Qualifying Shareholders in excess of their respective Assured Entitlements. In such circumstances, any valid acceptance of the Offer in excess of a Qualifying Shareholder's Assured Entitlement will be scaled down and calculated in accordance with the following formula (save that the Company may in its absolute discretion round such figure up or down with the intention of avoiding (as far as practicable) Shares being held by Shareholders in odd lots or fractional entitlements):

$$\frac{(66,000,000 - A)}{B} \times C$$

- A = Total number of Shares in respect of which the Offer is validly accepted by all accepting Qualifying Shareholders and which form either all or part of their respective Assured Entitlements (as the case may be)
- B = Total number of Shares in respect of which the Offer is validly accepted by all accepting Qualifying Shareholders in excess of their respective Assured Entitlements
- C = Total number of Shares in respect of which the Offer is validly accepted by the relevant Qualifying Shareholder in excess of his or her Assured Entitlement

The decision of the Company as to any scaling down of acceptances of the Offer in excess of the Assured Entitlements and as to the treatment of fractions will be conclusive and binding on all Shareholders.

In the event that the total number of Shares tendered to the Company under the Offer is less than or equal to 66,000,000 Shares, acceptances of the Offer in excess of Assured Entitlement will be taken up in full.

Shareholders should note that, in the event of the Offer becoming unconditional, the Company will repurchase Shares from them equal to at least their respective Assured Entitlements. Any repurchase by the Company of Shares in excess of Shareholders' Assured Entitlements would depend upon the acceptance level under the Offer and cannot be guaranteed by the Company.

If the Offer becomes unconditional and a Qualifying Shareholder validly accepts the Offer for a number of Shares not exceeding his or her Assured Entitlement, all such Shares will be repurchased by the Company.

Valuation of the Offer

The Offer Price per Share values the entire issued share capital of the Company at approximately HK\$141.91 million. The Offer Price represents:

- (i) a premium of approximately 26.67% over the closing price per Share of HK\$0.30 on 20 April 2004 (the last trading day prior to the suspension of trading of the Shares on 21 April 2004);
- (ii) a premium of approximately 26.67% over the five-day average (ending on 20 April 2004) closing price per Share of approximately HK\$0.30;
- (iii) a premium of approximately 26.67% over the one-month average (ending on 20 April 2004) closing price per Share of approximately HK\$0.30;
- (iv) a premium of approximately 26.67% over the three-month average (ending on 20 April 2004) closing price per Share of approximately HK\$0.30;
- (v) a premium of approximately 26.67% over the six-month average (ending on 20 April 2004) closing price per Share of approximately HK\$0.30;
- (vi) a discount of approximately 45.71% to the audited consolidated net asset value per Share of approximately HK\$0.70 as at 31 December 2003; and
- (vii) a discount of approximately 50.00% to the unaudited adjusted consolidated net asset value per Share of approximately HK\$0.76 as at 31 December 2003 (please refer to the section headed “Financial effects of the Offer” for the calculation of the unaudited adjusted consolidated net asset value per Share as at 31 December 2003).

Odd lots

Qualifying Shareholders should note that acceptance of the Offer may result in their holding of odd lots of Shares. Accordingly, a designated broker will be appointed by the Company, who will agree to match sales and purchases of odd lot holdings of Shares in the market for a period of six weeks from the closing of the Offer. Details of the related arrangements will be included in the Circular.

Stamp duty

Shares will be repurchased free of commissions and dealing charges, but the seller's stamp duty at the rate of HK\$1.00 for every HK\$1,000 or part thereof due on the repurchase of Shares will be deducted from the amount payable to the relevant Qualifying Shareholders. The Company will hold the amount so deducted and will pay the same to the Stamp Duty Office in accordance with the Stamp Duty Ordinance.

Overseas Shareholders

In order to address concerns regarding the implications under securities laws in overseas jurisdictions in relation to the making of the Offer to Overseas Shareholders (which implications may include illegality, filing and registration requirements or the need for compliance with other requirements), subject to the prior consent of the Executive, the Offer will not be made to any Overseas Shareholder who is located in any jurisdiction the laws of which prohibit the making of the Offer to such Shareholder or otherwise require the Company to comply with additional requirements which are (in the opinion of the Directors) unduly onerous or burdensome, having regard to the number of Shareholders involved in that jurisdiction and their shareholdings in the Company, nor will the Offer be capable of being accepted by such Excluded Shareholders. The Company is in the process of seeking legal advice in this regard and if necessary, an application will be made to the Executive for such exclusion (such exclusion may or may not be granted by the Executive) under Note 3 to Rule 8 of the Takeovers Code and Rule 5.2 of the Repurchase Code and, if appropriate, a further announcement will be made in this respect.

As the Offer to persons not resident in Hong Kong may be affected by the laws of the relevant jurisdictions, Overseas Shareholders should inform themselves about, and observe, any applicable legal or regulatory requirements and, where considered necessary, seek legal advice.

It is the responsibility of each Overseas Shareholder who wishes to accept the Offer to satisfy himself or herself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consents which may be required or compliance with other necessary formalities or legal requirements.

Each of the Excluded Shareholders will be entitled to attend and vote at the SGM (whether in person or by proxy). A copy of the Circular will be sent to the Excluded Shareholders for the purpose of the SGM but no Form of Acceptance will be sent to them.

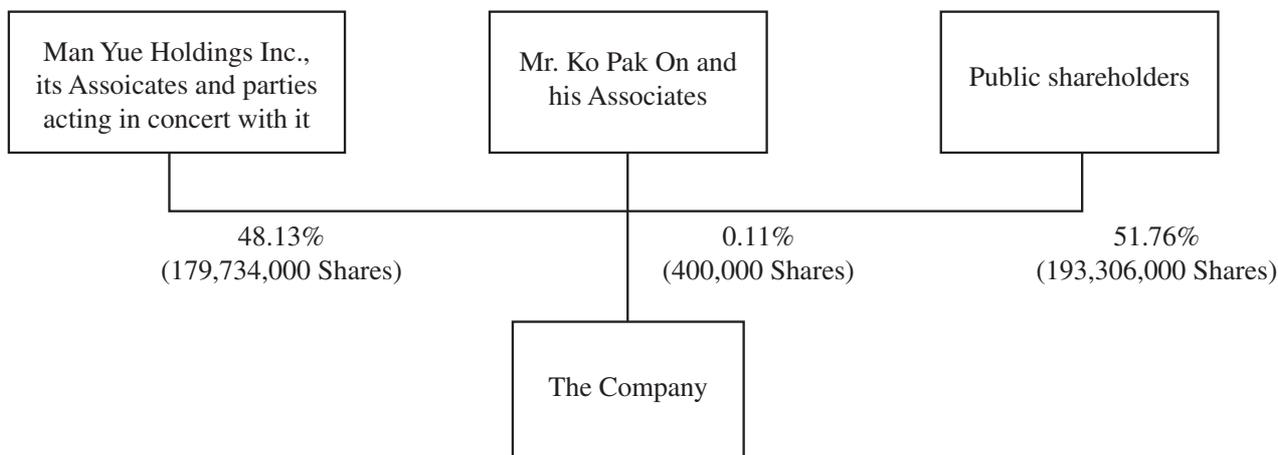
Nominee registration of Shares

To ensure equality of treatment of Shareholders, those Qualifying Shareholders who hold Shares as nominees for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. In order for beneficial owners of Shares, whose investments are registered in nominee names (including those whose interests in Shares are held through The Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited), to accept the Offer, it is essential that they provide instructions to their nominee agents of their intentions with regard to the Offer.

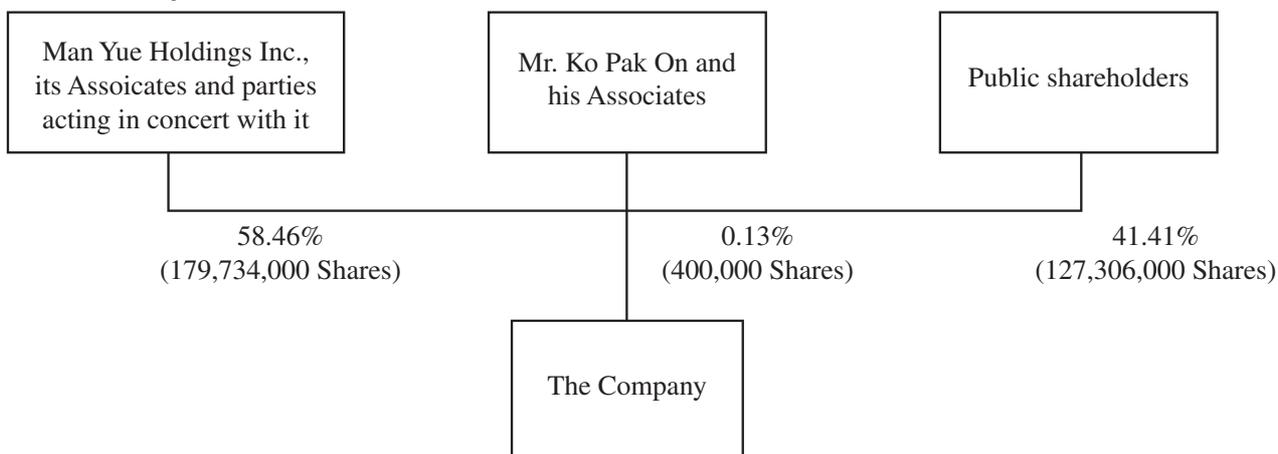
SHAREHOLDING STRUCTURE

Assuming full acceptance of the Offer by the Shareholders, the shareholding structure of the Company (assuming no Share Options would be exercised) prior to and immediately after closing of the Offer would be as follows:

Existing



Immediately after the Offer



Save as disclosed above, none of the Directors has any other shareholdings in the Company. Other than the outstanding 32,100,000 Share Options, the Company has no other convertible securities, warrants and derivatives in respect of the Shares.

WHITEWASH WAIVER

Man Yue Holdings Inc., its Associates and any parties acting in concert with it have undertaken that they will not accept the Offer in respect of any of the Shares owned by them as they are confident of the long term prospect of the Company and intend to continue to view their holdings as long-term investment. Assuming full acceptance of the Offer, the aggregate percentage shareholding held by Man Yue Holdings Inc., its Associates and any parties acting in concert with it in the Company will be increased from approximately 48.13% to approximately 58.46% of the reduced issued share capital of the Company immediately after closing of the Offer.

Under Rule 6 of the Repurchase Code, such an increase in the shareholding of Man Yue Holdings Inc. in the Company would be treated as an acquisition for the purposes of the Takeovers Code. As this increase in

the shareholding of Man Yue Holdings Inc. arising from the Offer would exceed the 2% creeper over the preceding 12-month period, Man Yue Holdings Inc. would be required by Rule 26.1(c) of the Takeovers Code to make a mandatory unconditional cash offer for all the issued Shares not already owned by it and/or parties acting in concert with it. Man Yue Holdings Inc. will apply to the Executive for a Whitewash Waiver. If the Whitewash Waiver is granted, Man Yue Holdings Inc.'s obligation to make a mandatory offer under Rule 26.1(c) of the Takeovers Code will be waived. If the Whitewash Waiver is not granted, the Company will not proceed with the Offer.

EXPECTED TIMETABLE

The expected timetable is indicative only and is subject to change. Any changes to the expected timetable will be announced separately by the Company. All references to time are Hong Kong time.

	2004
Offer period begins	26 April
Despatch of the Circular	17 May
SGM (<i>see Note 1</i>) and, if the Condition is satisfied, Offer becomes unconditional	1 June
Announcement in newspapers of the results of the SGM and whether the Offer has become unconditional	2 June
Latest time for lodging acceptances of the Offer (<i>see Note 2</i>)	4:00 p.m. on 15 June
Closing date of the Offer (<i>see Note 2</i>)	15 June
Announcement in newspapers of the results of the Offer (<i>see Note 2</i>)	16 June
Latest date for despatch of cheques to accepting Qualifying Shareholders and (if applicable) return of Share certificate(s) and other document(s) for Shares not taken up (<i>see Note 2</i>)	26 June

Note 1: There will be no record date for ascertaining entitlements to attend and vote at the SGM. The Company will consider all acceptance by the Qualifying Shareholders to be received before the latest time for lodging acceptances of the Offer, which is expected to be on or before 4:00 p.m. on 15 June 2004.

Note 2: Assuming the Offer is approved by the Shareholders and the Offer has become unconditional on 1 June 2004.

The full timetable of the Offer will be set out in the Circular.

CONDITIONS AND OTHER MAJOR TERMS OF THE OFFER

Completion of the Offer will be conditional upon the following:

- (1) the passing of an ordinary resolution by way of poll to approve the Offer by the Independent Shareholders, either voting in person or by proxy, at the SGM; and
- (2) the granting of a Whitewash Waiver by the Executive so that Man Yue Holdings Inc. is not obliged to make mandatory unconditional cash offer for all the issued Shares not already owned by it and its Associates and/or parties acting in concert with it. If the Whitewash Waiver is granted, it will be subject to the Independent Shareholders' approval by way of a poll at the SGM.

If the Whitewash Waiver is not granted, the Company will not proceed with the Offer.

If the Offer is approved by the Independent Shareholders, the Offer will remain open for acceptance for a period of 14 days after the date of the SGM. However, the Company reserves the right to extend the time for acceptance of the Offer in accordance with the provisions of the Repurchase Code.

Acceptances by Qualifying Shareholders under the Offer will be irrevocable and cannot be withdrawn after the Offer is declared unconditional.

Acceptance of the Offer by any person will be deemed to constitute a warranty by such person to Asian Capital and to the Company that the Shares are sold by such person free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the date of this announcement (including the right to all dividends and distributions (if any) declared, made or paid on or after the date of this announcement).

The Offer will not be conditional as to any minimum number of Shares tendered for acceptance.

The detailed terms and conditions of the Offer will be set out in the Circular and the Form of Acceptance.

FINANCIAL EFFECTS OF THE OFFER

The tables below summarise the financial effects of the Offer assuming full acceptance of the Offer by the Shareholders (except for Man Yue Holdings Inc. and Mr. Ko Pak On), based on the audited results of the Group for the year ended 31 December 2003 and assuming that the Offer had taken place on 31 December 2003. The tables below is prepared for illustrative purposes only and because of its nature, may not give a true picture of the Company's financial position or results. The auditors of the Company have reviewed the following tables which in their opinion, comply with Rule 4.29(7) of the Listing Rules.

A. Net asset value

	Audited figures per audited accounts as at 31 December 2003	Adjustments		Unaudited adjusted figures assuming full acceptance of the Offer
		Estimated cost of the Offer	Estimated expenses of the Offer (Note 1)	
Consolidated net asset value of the Group as at 31 December 2003 (HK\$ million)	259.62	(25.08)	(2.00)	232.54
Number of Shares in issue	373,440,000			307,440,000
Consolidated net asset value per Share	HK\$0.70			HK\$0.76
An increase of:				8.57%

Note 1: Comprises professional, legal and miscellaneous expenses of the Offer.

B. Earnings per share

	Audited figures per audited accounts for the year ended 31 December 2003	<u>Adjustment</u> Estimated expenses of the Offer <i>(Note 1)</i>	Unaudited adjusted figures assuming full acceptance of the Offer
Consolidated net profit of the Group for the year ended 31 December 2003 <i>(HK\$ million)</i>	37.05	(2.0)	35.05
Number of Shares in issue	373,440,000		307,440,000
Consolidated earnings per Share	9.92 cents		11.40 cents <i>(Note 2)</i>
An increase of:			14.92%

Note 1: Comprises professional, legal and miscellaneous expenses of the Offer.

Note 2: For pro forma purpose, the calculation of the unaudited adjusted consolidated earnings per Share is based on the assumed weighted average number of Shares in issue during the year ended 31 December 2003 of 307,440,000. Had the weighted average number of Shares in issue during the year been based on the assumption that the Offer had taken place on 31 December 2003, the weighted average number of Shares in issue during the year ended 31 December 2003 would have been 373,259,178 and the unaudited adjusted consolidated earnings per Share would be HK9.39 cents, representing a decrease of 5.34%.

C. Return on shareholders' funds

	Prior to the Offer <i>HK\$ million</i>	Assuming full acceptance of the Offer <i>HK\$ million</i>
Unaudited adjusted consolidated net profit of the Group (as calculated under (B) above)	37.05	35.05
Unaudited adjusted consolidated net asset value of the Group (shareholders' funds) (as calculated under (A) above)	259.62	232.54
Return on shareholders' funds	14.27%	15.07%
An increase of:		5.61%

REASONS FOR THE OFFER

The Directors have decided to make the Offer for the reasons set out below.

During the six month period ended 20 April 2004 (the last trading day prior to the suspension of trading in the Shares on 21 April 2004), the Share price has been trading within the range of HK\$0.25 and HK\$0.33 with an average price of HK\$0.30. The Offer Price represents a premium of approximately 26.67% over such average price. The Offer provides an opportunity for Shareholders to tender their Shares at a price above the prevailing market price.

During this period, liquidity in the Shares has been low with an average daily turnover of approximately 68,312 Shares. In light of the low liquidity in the Shares, the Offer also provides Shareholders with an opportunity to realise their investments in the Company other than through the stock market.

The Shares have been trading at prices substantially below the net asset value per Share over the past three years with the discount ranging from 46.11% to 84.84%. Based on the audited consolidated net asset value per Share as at 31 December 2003 and the closing price per Share on 20 April 2004 (the last trading day prior to the suspension of trading in the Shares on 21 April 2004), the discount was approximately 57.14%. Upon Completion of the Offer, the Company's adjusted net asset value per Share would be increased by approximately 8.57% as a result of the Offer. In addition, as set out in Table B of the section headed "Financial Effects of the Offer", the unaudited adjusted consolidated earnings per Share would also be increased by approximately 14.92 %.

The Company considers in contrast to paying a dividend, the Offer provides flexibility to Shareholders who can decide for themselves whether to cash in under the Offer or to enhance their shareholding in the Company for long term growth.

INTENTIONS OF THE GROUP

It is the intention of the Company to maintain the listing of its Shares on the Stock Exchange. Upon the closing of the Offer, the Directors intend to continue with the existing businesses of the Group. The Directors do not intend to introduce any major changes to the existing operations and management structure of the Group.

INFORMATION ON THE GROUP

The Company is incorporated in Bermuda with limited liability and its Shares are listed on the Stock Exchange. The Company is an investment holding company and its subsidiaries are principally engaged in the manufacture and trading of electronic components, the trading of electrical products, raw materials and production machinery.

The following table sets out a summary of the audited consolidated results of the Group for each of the two years ended 31 December 2003:

	For the twelve months ended 31 December	
	2002	2003
	<i>HK\$ million</i>	<i>HK\$ million</i>
Turnover	477.73	626.45
Profit before taxation	26.74	42.42
Profit attributable to shareholders	20.35	37.05

As at 31 December, 2003, the audited consolidated net asset value of the Company was approximately HK\$259.62 million or approximately HK\$0.70 per Share; the consolidated borrowings in respect of bank loans and finance leases of the Group were approximately HK\$202.51 million and the gearing and net gearing of the Group was approximately 78.00% and 60.20%. The nature of the business required a degree of operating leverage and the Company considers this level comfortable.

FUTURE PROSPECTS OF THE GROUP

In recent years, the Group has placed emphasis on the manufacture and selling of aluminium electrolytic capacitors. It has shifted its strategic focus from producing basic aluminium e-caps to high end items to sustain profitability. Despite the continuing weakness in the global economy and the outbreak of Severe Acute Respiratory Syndrome (“SARS”) in 2003, the Group was able to achieve satisfactory earnings growth, which has been attributable to the sales of high margin products and increasing market diversification. During 2003, sales to Taiwan showed substantial growth as a result of the Company’s expansion into the local computer motherboard and power supply segments.

To further expand customer base, the Group will participate in trade fairs to be held in Hong Kong and Germany in the fourth quarter of 2004. To expand the sales network, the Group has appointed several manufacturer representatives and distributors in the United States and South Korea, and will continue to appoint suitable representatives and distributors for different overseas territories.

In view of the uncertain global economy, the Group will maintain a prudent management approach with focus on further exploring new geographical markets and clientele, as well as producing high value added products.

SUSPENSION OF TRADING

At the request of the Company, trading in the Shares was suspended on the Stock Exchange with effect from 9:30 a.m. on 21 April 2004 pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 27 April 2004.

GENERAL

Asian Capital has been appointed to advise the Company with regard to the Offer. Asian Capital is satisfied that sufficient financial resources are available to the Company from internal resources to enable it to satisfy full acceptance of the Offer.

The Circular containing the terms of the Offer, together with the Form of Acceptance, will be despatched to the Qualifying Shareholders as soon as practicable, in accordance with the Listing Rules and the Repurchase Code.

An independent board committee of the Directors will be formed to advise the Independent Shareholders on the terms of the Offer and the Whitewash Waiver. An independent financial adviser will be appointed to advise such independent board committee in this regard. An announcement will be made in respect of such appointment as soon as practicable after the appointment is made. Man Yue Holdings Inc., its Associates and any parties acting in concert with it will abstain from voting at the SGM on the resolutions to approve the Offer and the Whitewash Waiver.

Shareholders and potential investors should be aware that the Offer is subject to the Conditions being fulfilled. Accordingly, it may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

In this announcement, the following expressions have the meanings set out below, unless the context otherwise requires:

DEFINITIONS

“Associates”	has the meaning ascribed thereto under the Listing Rules
“Assured Entitlement(s)”	is a rounded figure derived from the ratio of the total number of 66,000,000 Shares to be repurchased under the Offer to the total number of Shares held by Qualifying Shareholders (taking into account the undertaking not to accept the Offer by Man Yue Holdings Inc.), and represents entitlement(s) (rounded down to the nearest whole number of Shares) to be repurchased at approximately 341 Shares for every 1,000 Shares held by each Qualifying Shareholder
“Asian Capital”	Asian Capital (Corporate Finance) Limited, a corporation licensed under the SFO to perform types 1, 4, 6 and 9 regulated activities (as defined under the SFO) and the financial adviser to the Offeror

“Circular”	the circular to Shareholders (incorporating the Offer document, the notice of the SGM and the proxy form for voting at the SGM) to be issued in connection with the Offer
“Company”	Man Yue International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Conditions”	the conditions to which the Offer will be subject, as set out in the section headed “Conditions and other major terms of the Offer”
“Director(s)”	the director(s) of the Company
“Excluded Shareholder”	subject to the legal advice to be obtained by the Company and the prior consent of the Executive, any Overseas Shareholder whose address, as shown on the register of members of the Company as at the time of submission of his or her acceptance in respect of the Offer or at the latest time for submission of acceptances in respect of the Offer, is located in any jurisdiction the laws of which prohibit the making of the Offer to such Shareholder or otherwise require the Company to comply with additional requirements which are (in the opinion of the Directors) unduly onerous or burdensome, having regard to the number of Shareholders involved in that jurisdiction and their shareholdings in the Company
“Executive”	Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any delegate of the Executive Director
“Form of Acceptance”	the form of acceptance being issued together with the Circular to Qualifying Shareholders for the use of accepting the Offer
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholders”	Shareholders who are not involved in or interested in the application of the Whitewash Waiver, being all Shareholders other than Man Yue Holdings Inc., its Associates and any parties acting in concert with it
“Latest Practicable Date”	26 April 2004, being the latest practicable date prior to the release of this announcement for the purpose of ascertaining certain information contained herein

“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Man Yue Holdings Inc.”	a company incorporated in the Bahamas and as at the Latest Practicable Date held approximately 48.1% of the issued share capital of the Company, the entire issued share capital of which is ultimately beneficially owned by the family trust of Mr. Chan Ho Sing, chairman and an executive Director of the Company
“Mr. Ko Pak On”	an executive Director of the Company and a party not acting in concert with Man Yue Holdings Inc.
“Offer”	the proposed conditional voluntary cash offer to be made by Asian Capital, on behalf of the Company, to repurchase up to 66,000,000 Shares from all Qualifying Shareholders at the Offer Price, subject to the terms and conditions to be set out in the Circular and the Form of Acceptance
“Offer Price”	HK\$0.38 per Share
“Overseas Shareholders”	Shareholders whose addresses, as shown on the register of members of the Company, are outside Hong Kong
“Qualifying Shareholders”	Shareholders, other than Excluded Shareholders, whose names appear on the register of members of the Company as at the latest time for submission of acceptances in respect of the Offer
“Repurchase Code”	the Hong Kong Code on Share Repurchases
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Shareholders to be convened for approval of the Offer
“Share(s)”	Share(s) of HK\$0.10 each in the share capital of the Company
“Share Option(s)”	the share option(s) to subscribe for Share(s) under the share option scheme of the Company adopted on 13 February 1997
“Shareholder(s)”	registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Whitewash Waiver”	a waiver granted by the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code from the obligation of Man Yue Holdings Inc., and parties acting in concert with it, to make a mandatory unconditional cash offer for all the Shares not already owned or agreed to be acquired by any of them.

“HK\$”

Hong Kong dollars, the lawful currency of Hong Kong

On behalf of the Board

Man Yue International Holdings Limited

Chan Ho Sing

Chairman

Hong Kong, 26 April 2004

As at the date of this announcement, the board of directors of the Company comprises Mr. Chan Ho Sing and Mr. Ko Pak On as executive Directors, and Dr. Li Sau Hung, Eddy and Mr. Lo Kwok Kwei, David as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, the 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, the omission of which would make any statement in this announcement misleading.

* *For identification purposes only*

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