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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)

(the “Company”)

DISCLOSEABLE TRANSACTION — DISPOSAL OF PROPERTY

The Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Agreement on 14 May 2008 for the disposal of the Property to the Purchaser for a consideration of HK\$43,152,000 in cash.

The Purchaser is not connected with the Company, any directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or their respective associates.

The disposal under the Agreement constituted a discloseable transaction of the Company pursuant to Rule 14.06(2) of the Listing Rules. A circular giving details of the Agreement as required under the Listing Rules will be sent to shareholders as soon as practicable.

PROVISIONAL AGREEMENT FOR SALE AND PURCHASE DATED 14 MAY 2008 (THE “AGREEMENT”)

Parties:

Vendor: Man Yue Electronics Company Limited (the “**Vendor**”), an indirect wholly-owned subsidiary of the Company

Purchaser: New Era Group (China) Limited (the “**Purchaser**”). To the best of the knowledge, information and belief of the directors of the Company having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are independent of and not connected with the Company and any connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) of the Company.

Property to be disposed of:

The property to be disposed of under the Agreement (the “**Property**”) is situated at Twenty Sixth Floor, King Kong Commercial Center, No. 9 Des Voeux Road West, Hong Kong.

The Property is currently vacant and vacant possession of the Property will be delivered to the Purchaser on completion.

BMI Appraisals Limited (the “**Valuer**”), an independent valuer appointed by the Company, has assessed the value of the Property as being HK\$35,400,000 as at 31 December 2007.

Consideration:

HK\$43,152,000 in cash.

The consideration was arrived at after arm’s length negotiations and with reference to the above valuation of the Property by the Valuer. The valuation was carried out by the Valuer on an open market value basis. As at the date hereof, the net book value of the Property is approximately HK\$35,400,000. Accordingly, a gain of approximately HK\$7,752,000 will be accrued to the Company as a result of the disposal of the Property.

The directors of the Company (including the independent non-executive directors) consider that the terms for the disposal of the Property under the Agreement are fair and reasonable and in the interest of the Company and its shareholders as a whole.

Payment terms:

The consideration of HK\$43,152,000 shall be paid by the Purchaser in the following manner:

- (a) an initial deposit of HK\$2,157,600 has been paid on the date of the Agreement;
- (b) a further deposit of HK\$2,157,600 shall be paid upon signing of the formal sale and purchase agreement; and
- (c) the balance of HK\$38,836,800 shall be paid on completion.

Use of proceeds:

The proceeds arising from the disposal of the Property will be used as to approximately 50% to reduce the Company’s debts and as to approximately 50% to provide general working capital requirements of the Company and its subsidiaries (the “**Group**”).

Reasons for the disposal:

As explained in the 2007 annual report of the Company, the Company intended to dispose of the Property in order to improve the Group’s overall gearing ratio and to provide additional finances to fund some of the Group’s on going expansion plans. The entering into of the Agreement for the disposal of the Property is in line with the plan of the Company.

Information about the Group and the Purchaser:

The principal activities of the Group consist of the manufacturing and trading of electronic components; the trading of raw materials and the trading of equity investments.

The Purchaser has verbally confirmed to the Company that it is principally engaged in the information technology business. However, the Company is not in a position to verify the same. The Group has not involved in any previous transaction with the Purchaser or any of its associates.

General

Since the consideration ratio (as defined in the Listing Rules) is greater than 5% but less than 25%, the entering into of the Agreement constituted a discloseable transaction for the Company according to Rule 14.06(2) of the Listing Rules.

A circular giving details of the Agreement as required under the Listing Rules will be sent to shareholders as soon as practicable.

On behalf of the Board
Man Yue International Holdings Limited
Chan Ho Sing
Chairman

Hong Kong, 16 May 2008

As at the date of this announcement, the Board of the Company comprises Mr. Chan Ho Sing, Mr. Ko Pak On, Mr. Chan Yu Ching, Eugene and Mr. Tso Yan Wing, Alan as Executive Directors, and Dr. Li Sau Hung, Eddy, Mr. Lo Kwok Kwei, David and Mr. Mar, Selwyn as Independent Non-executive Directors.

* *For identification purpose only*