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MIDLAND IC&I LIMITED

美聯工商舖有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8090)

**LATEST DEVELOPMENT OF TRANSFER OF LISTING
FROM GEM TO THE MAIN BOARD OF
THE STOCK EXCHANGE OF HONG KONG LIMITED**

Reference is made to the announcement issued by the Company dated 3 April 2008 in relation to the Proposed Withdrawal and Proposed Introduction.

Further to the press release by the Stock Exchange dated 2 May 2008 setting out, inter alia, new transfer arrangements from GEM to Main Board, the Board would like to announce that the Company would proceed with the transfer to the Main Board under the streamlined transfer of listing arrangements, becoming effective on 1 July 2008, instead of the Proposed Withdrawal and Proposed Introduction. The Company will accordingly achieve its Main Board listing objective at a considerable lower cost.

There is no assurance that relevant permission will be obtained for the Transfer of Listing. Shareholders and potential investors should be aware that the Transfer of Listing is subject to the conditions set out under the revised Main Board Listing Rules, thus may or may not become effective. Accordingly, the Transfer of Listing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

INTRODUCTION

Reference is made to the announcement issued by the Company dated 3 April 2008 in relation to the Proposed Withdrawal and Proposed Introduction (the "Announcement"). Unless otherwise expressly defined, terms and expressions used in the Announcement shall have the same meanings herein.

* For identification purposes only

Further to the press release by the Stock Exchange dated 2 May 2008 setting out, inter alia, the new transfer arrangements from GEM to Main Board, the Board would like to announce that the Company would proceed with the transfer to the Main Board under the streamlined transfer of listing arrangements, under the revised Main Board Listing Rules, becoming effective on 1 July 2008 (the “Transfer of Listing Arrangements”). The Board considers that this is in the interests of the Company as it should allow the Company to achieve its Main Board listing objective, at a considerable lower cost, both financially and in terms of manpower resources. The amendments to the Main Board Listing Rules include, amongst others, the following:

- (i) The existing two steps, that is, the delisting on GEM and the new listing on Main Board, will be replaced by a one step method under the Transfer of Listing Arrangements;
- (ii) The prospectus/listing document will be replaced by regulatory announcements published electronically;
- (iii) Shareholders’ approval on the transfer itself will not be required under the Transfer of Listing Arrangements; and
- (iv) Sponsor(s) or financial advisor(s) will no longer be required under the Transfer of Listing Arrangements.

Given the above mentioned factors, the Company intends to make an application to the Stock Exchange for the transfer of listing of the Shares from GEM to the Main Board under the Transfer of Listing Arrangements, which will become effective on 1 July 2008 (the “Transfer of Listing”). The Proposed Introduction will no longer apply to the Company in the transfer of the listing to the Main Board. In addition, the Proposed Withdrawal and the related waiver of the minimum three months’ notice required under Rule 9.19(3) of the GEM Listing Rules will no longer be needed for such purposes, and hence approval by the Shareholders for them will no longer be sought as originally set out in the Announcement.

In connection with the Transfer of Listing, the Board proposes to seek the approval of Shareholders for the adoption of the 2008 Share Option Scheme and the adoption of new articles of association in substitution for the existing articles of association of the Company. The new 2008 Share Option Scheme and new articles of association will comply with the Main Board Listing Rules instead of the GEM Listing Rules. A circular containing, amongst other things, the adoption of the 2008 Share Option Scheme, the adoption of new articles of association in substitution for the existing articles of association and the notice of the EGM will be despatched to Shareholders as soon as practicable.

As the revised Main Board Listing Rules will become effective on 1 July 2008, the Directors would like to emphasise that the Transfer of Listing is at a preliminary stage and that the definitive timetable for the Transfer of Listing has not yet been finalised. There is no assurance that the Company will proceed with the Transfer of Listing.

There is no assurance that relevant permission will be obtained for the Transfer of Listing. Shareholders and potential investors should be aware that the implementation of the Transfer of Listing is subject to the conditions set out under the revised Main Board Listing Rules, thus may or may not become effective. Accordingly, the Transfer of Listing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

GENERAL

The Company will make further announcement(s) to keep the Shareholders and potential investors informed of the progress of the Transfer of Listing.

By order of the Board
Midland IC&I Limited
Wong Tsz Wa, Pierre
*Executive Director and
Chief Executive Officer*

Hong Kong, 21 May 2008

As at the date of this announcement, the Board comprises eight Directors, namely Mr. Wong Tsz Wa, Pierre, Ms. Ip Kit Yee, Kitty and Ms. Yuen Wing Kwan, Annie as executive Directors, Mr. Tsang Link Carl, Brian as non-executive Director, and Mr. Ying Wing Cheung, William, Mr. Koo Fook Sun, Louis, Mr. Sha Pau, Eric and Mr. Ho Kwan Tat, Ted as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, include particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website on the “Latest Company Announcements” page for at least seven days from the date of its posting and on the website of the Company at www.midlandici.com.hk.