



**Hong Kong Exchanges and Clearing Limited**  
**香港交易及結算所有限公司**

**The Stock Exchange of Hong Kong Limited**

*(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)*

(the “Exchange”)

**ANNOUNCEMENT**

**In relation to the matter of Yue Fung International Group Holding Limited**

**(provisional liquidators appointed)**

**(Stock Code: 965)**

**Proceeding to the third stage of the delisting procedures**

**as stipulated under Practice Note 17**

**of the Exchange Listing Rules**

The Exchange announces that effective from the date of this announcement, the Company will be put into the third stage of the Delisting Procedures.

Pursuant to the Delisting Procedures, the Company will have a final six months for the submission of a valid resumption proposal to the Exchange. If the Company does not put forward a valid resumption proposal by 9 December 2004, being six months from the date of this announcement, the Exchange intends to cancel the listing of the Company.

The Stock Exchange of Hong Kong Limited (the “Exchange”) announces that effective from the date of this announcement, Yue Fung International Group Holding Limited (provisional liquidators appointed) (the “Company”) will be put into the third stage of the delisting procedures in accordance with Practice Note 17 to the Exchange Listing Rules (“Delisting Procedures”). Practice Note 17 formalises the procedures to be adopted in dealing with long suspended companies.

Dealing in the shares of the Company has been suspended since 16 December 2002. The Company has been placed in the second stage of the delisting procedures pursuant to Practice Note 17 since 1 November 2003. Prior to the expiry of the second stage of the delisting procedures on 30 April 2004, the Company has not submitted a valid resumption proposal. A valid resumption proposal means a proposal that, if it were implemented, would enable an issuer to demonstrate that it complies with Rule 13.24 of the Exchange Listing Rules. Rule 13.24 of the Exchange Listing Rules requires an issuer to carry out, directly or indirectly, a sufficient level of operations or have tangible assets of sufficient value and/or intangible assets for which a sufficient potential value can be demonstrated to the Exchange to warrant the continued listing of the issuer’s securities on the Exchange.

In view of the absence of any valid resumption proposals prior to the expiry of the second stage of the delisting procedures and the Company’s continued failure to meet the requirements as stipulated under Rule 13.24 of the Exchange Listing Rules, the Company will now proceed to the third stage of the Delisting Procedures. The provisional liquidators of the Company however submitted on 22 April 2004 a resumption proposal setting out, in broad terms, the commercial terms of a proposal received from a potential investor in connection with the restructuring of the Company. The Company has yet to demonstrate that the proposal is a valid resumption proposal. The Company will have a final six months for the submission

of a valid resumption proposal to the Exchange. If the Company does not submit a valid resumption proposal by 9 December 2004, the Exchange intends to cancel the listing of the Company.

The Exchange will make a further announcement in due course if the delisting takes place.

Hong Kong, 10 June 2004

Please also refer to the published version of this announcement in South China Morning Post.