



PME GROUP LIMITED

必美宜集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 379)

ANNOUNCEMENT

Announcement in respect of increase in the turnover of the shares of the Company.

This statement is made at the request of The Stock Exchange of Hong Kong Limited.

The directors of PME Group Limited (the “Company”) have noted the recent increase in the turnover of the shares of the Company and wish to state that, saved as the followings, we are not aware of any reason for such increase.

The Company was informed by its substantial shareholder, PME Investments (BVI) Co., Ltd. (“PME Investments”) that PME Investments has today disposed 60,000,000 shares of the Company at the price of HK\$0.24 per share to an institutional investor which is an existing shareholder of the Company. The shareholding of PME Investments in the Company’s issued share capital decreased from 37.62% to 31.37%. The entire issued share capital of PME Investments is beneficially owned as to one-third by each of Mr Cheng Kwok Woo, Mr Cheng Kwong Cheong and Ms Cheng Wai Ying, all of them are executive directors of the Company. Each of Mr Cheng Kwok Woo, Mr Cheng Kwong Cheong and Ms Cheng Wai Ying personally holds approximately 5.67% of the issued share capital of the Company.

Saved as disclosed above, we also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board of the Company, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

By Order of the Board
PME GROUP LIMITED
Cheng Kwok Woo
Chairman

Hong Kong, 20 August 2004

* *For identification purpose only*

As at the date of this announcement, the Board comprises (1) Mr Cheng Kwok Woo, Mr Cheng Kwong Cheong, Ms Cheng Wai Ying, Mr Chow Yin Kwang, Ms Chan Yim Fan and Mr Chung Kam Fai Raymond as executive directors; (2) Mr Zheng Jin Hong as non-executive director; and (3) Messrs Anthony Francis Martin Conway and Li Kin Kent as independent non-executive directors.

“Please also refer to the published version of this announcement in the International Herald Tribune”