



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 price of the shares of the Company.

The Shareholders of the Company and other investors should exercise caution in dealing in the shares of the Company.

This statement is made at the request of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The directors of PME Group Limited (the “Company”) have noted the recent increase in the price of the shares of the Company and wish to state that we are not aware of any reasons for such increase.

Reference is made to the Company’s announcements dated 5 December 2003 and 21 May 2004 respectively. The negotiations of the set-up of the respective proposed joint ventures in the PRC and cooperation with a manufacturer in Japan (the “Proposed JVs and Cooperation”) are still in progress. No binding agreements in relation to the Proposed JVs and Cooperation have been entered by the Company. The Proposed JVs and Cooperation may or may not proceed. The Company will keep the public informed by making further announcements on the progress of the Proposed JVs and Cooperation as appropriate.

Shareholders of the Company and other investors should exercise caution in dealing in the shares of the Company.

Saved as disclosed above, we confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 of the Rules Governing the Listing of Securities on the Stock Exchange (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, 23 December 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, Leung Yuen Wing and Lam Hon Ming Edward as independent non-executive directors.

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