



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)

ANNOUNCEMENT

**In relation to the matter of 401 Holdings Limited
(In Compulsory Liquidation)
(Stock Code: 401)
Cancellation of listing
in accordance with Practice Note 17 to the
Rules Governing the Listing of Securities on
The Stock Exchange of Hong Kong Limited (the “Listing Rules”)**

The Exchange hereby announces that with effect from 9:30 a.m. on 21 June 2005, the listing of the shares of the Company will be cancelled in accordance with the Delisting Procedures.

By the end of the Deadline mentioned below, the Company has failed to provide a valid proposal for resumption. Therefore, the Exchange will cancel the listing of the Company’s shares in accordance with the Delisting Procedures.

The Stock Exchange of Hong Kong Limited (the “Exchange”) announces that the listing of the shares of 401 Holdings Limited (In Compulsory Liquidation) (the “Company”) will be cancelled with effect from 9:30 a.m. on 21 June 2005 in accordance with the delisting procedures stipulated in Practice Note 17 to the Listing Rules (the “Delisting Procedures”). Practice Note 17 to the Listing Rules formalises the procedures to be adopted to delist long-suspended companies.

Dealings in the Company’s shares have been suspended since 28 March 2003. Accordingly, dealings in the Company’s shares have effectively been suspended for over 26 months.

The Company was put into the third stage of the Delisting Procedures on 19 May 2004. Pursuant to the Delisting Procedures, at the end of the third stage which in the case of the Company was 18 November 2004 (the “Deadline”), where no valid proposals have been received for resumption, the listing of the Company’s shares will be cancelled. Following the suspension in trading in the Company’s shares and before the Deadline, two resumption proposals were submitted to the Exchange. However, the Exchange decided that the resumption proposals were not viable. By the end of the Deadline, the Company has failed to provide a valid proposal for resumption.

The Exchange has notified the Company of its obligation under paragraph 3.1 of Practice Note 17 to issue an announcement informing the public of the cancellation of the listing of its shares on the same day of this announcement.

The Exchange advises shareholders of the Company who have any queries about the implications of the delisting to obtain appropriate professional advice.

Hong Kong, 20 June 2005

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