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SNP CORPORATION LTD
*(Incorporated in Singapore with limited liability
Registration number: 197300555N)*



SNP LEEFUNG HOLDINGS LIMITED
利豐雅高印刷集團有限公司*
*(Incorporated in Bermuda with limited liability)
(Stock code: 623)*

**PROPOSED PRIVATISATION OF SNP LEEFUNG HOLDINGS LIMITED
BY SNP CORPORATION LTD
BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 99 OF THE COMPANIES ACT OF BERMUDA
AND
APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

Financial Adviser to SNP Corporation Ltd

CIMB

CIMB-GK Securities (HK) Limited

The Company was notified by SNP Corp on 24 June 2006 that SNP Corp entered into the Sale and Purchase Agreement with the Vendors on the same date to acquire in aggregate 23,324,000 Shares, representing approximately 4.63% of the entire issued share capital of the Company at a total consideration of HK\$39,184,320. Completion shall take place on 7 July 2006 or at such other time as the parties shall agree.

As at the Latest Practicable Date, SNP Corp was interested in approximately 70.93% of the Company. Upon Completion, SNP Corp will be interested in approximately 75.56% of the entire issued share capital of the Company. On this basis, the public float of the Company (after excluding the shareholding interests of Mr. Yang) will amount to approximately 20.98% as at the date of Completion. Application has been made by the Company to the Stock Exchange from strict compliance with Rule 8.08(1) of the Listing Rules on the 25% minimum public float until the date of the withdrawal of the listing of the Shares on the Stock Exchange or such other date as considered appropriate by the Stock Exchange.

On 24 June 2006, SNP Corp requested the Board to put forward the Share Proposal to the Scheme Shareholders for a proposed privatisation of the Company by way of a scheme of arrangement under Section 99 of the Companies Act. The Board has reviewed the Share Proposal and has agreed to put it forward to the Scheme Shareholders.

Pursuant to the Share Proposal, all Scheme Shares will be cancelled in exchange for the Share Offer Price. As at the Latest Practicable Date, the Scheme Shareholders (excluding the Vendors) are interested in 123,026,662 Scheme Shares, representing approximately 24.44% of the issued share capital of the Company.

The Share Offer Price represents a premium of approximately 66.34% and 60.00% over the 30-day Average Pre-announcement Price of HK\$1.01 per Share and the closing price of HK\$1.05 per Share as quoted on the Stock Exchange on the Last Trading Day respectively.

SNP Corp will also make the Option Proposal to purchase the Outstanding Options, for cancellation in exchange for cash for each Outstanding Option, subject to and conditional upon the Scheme becoming effective.

As at the Latest Practicable Date, save and except for the Outstanding Options, there were no outstanding options, warrants, derivatives or other securities issued by the Company that carried a right to subscribe for or which were convertible into the Shares.

Upon the Scheme becoming effective, the Company will become a wholly owned subsidiary of SNP Corp. Application will be made to withdraw the listing of the Shares on the Stock Exchange if the Scheme is implemented. The Scheme is conditional upon the fulfilment or waiver, as applicable, of the conditions described in the section entitled "Conditions of the Proposals" below. All conditions will have to be fulfilled or waived, as applicable, on or before 31 December 2006, (or such later date as SNP Corp and the Company may agree or as the Supreme Court of Bermuda may direct and as may be permitted by the Takeovers Code), otherwise the Scheme will lapse.

An Independent Board Committee, comprising Mr. Joseph, Lai Ming and Ms. Alice, Kan Lai Kuen, both independent non-executive directors of the Company, has been appointed to advise Independent Shareholders and Optionholders in respect of the Share Proposal and the Option Proposal, respectively. The remaining independent non-executive Directors, namely Mr. Edmund, Cheng Wai Wing and Mr. John Robert Walter are not deemed to be independent because they are also directors of SNP Corp. The Independent Board Committee has approved the appointment of Somerley Limited as the independent financial adviser to advise the Independent Board Committee in respect of the Proposals.

The Scheme Document will be despatched to the Shareholders and to Optionholders in due course and in compliance with the requirements of the Takeovers Code. The Scheme Document will include, among other things, further details of the Proposals and the Scheme, the expected timetable, the recommendations of the Independent Board Committee in respect of the Proposals, a letter of advice from Somerley Limited to the Independent Board Committee, an explanatory statement as required under the Companies Act, and notices of the Court Meeting and the Special General Meeting.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 26 June 2006 pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 29 June 2006.

Shareholders, Optionholders and/or potential investors in the Company should be aware that the implementation of the Proposals are subject to the conditions set out below being fulfilled or waived, as applicable, and thus the Proposals may or may not become effective. They are advised to exercise caution when dealing in Shares and/or Options.

INTRODUCTION

The Company was notified by SNP Corp on 24 June 2006 that SNP Corp entered into the Sale and Purchase Agreement with the Vendors on the same date to acquire in aggregate 23,324,000 Shares, representing approximately 4.63% of the entire issued share capital of the Company at a total consideration of HK\$39,184,320. The consideration was arrived at after arm's length negotiation amongst SNP Corp and the Vendors. Based on the total consideration paid by SNP Corp under the Sale and Purchase Agreement, the implied consideration paid by SNP Corp is equivalent to approximately HK\$1.68 per Share.

Subject to the fulfilment (or waiver) of the condition that the Vendors are the beneficial owners of and shall sell and procure to be sold and SNP Corp shall purchase the Sale Shares, such to be sold free from any option, charge, lien, equity, encumbrance, rights of pre-emption or any other third party rights and together with all rights attached to them at the date of Completion or subsequently becoming attached to them, Completion shall take place on 7 July 2006 or at such other time as the parties shall agree.

Following Completion, the Vendors will not have any interests in the issued share capital of the Company.

Save for the Sale and Purchase Agreement, neither SNP Corp nor any parties acting in concert with it has dealt in any Shares or any other securities convertible into Shares, including warrants, options or subscription rights, during the six months prior to the date of this announcement.

As at the Latest Practicable Date, SNP Corp was interested in approximately 70.93% of the Company. Upon Completion, SNP Corp will be interested in approximately 75.56% of the Company. On this basis, the public float of the Company (excluding the 3.46% interests held by Mr. Yang) will amount to approximately 20.98% as at the date of Completion. Application has been made by the Company to the Stock Exchange from strict compliance with Rule 8.08(1) of the Listing Rules on the 25% minimum public float until the date of the withdrawal of the listing of the Shares on the Stock Exchange or such other date as considered appropriate by the Stock Exchange.

On 24 June 2006, SNP Corp requested the Board to put forward the Share Proposal (detailed below) to the Scheme Shareholders for cancellation of the Scheme Shares to effect the privatisation of the Company by way of a scheme of arrangement under Section 99 of the Companies Act and informed the Board that it will make the Option Proposal to Optionholders for the cancellation of Outstanding Options in exchange for cash. Having reviewed the Share Proposal, the Board has agreed to put the Share Proposal forward to the Scheme Shareholders and the Option Proposal to the Optionholders.

If approved, the Scheme will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the Special General Meeting.

THE PROPOSALS

The Proposals will be made on the following basis:

The Share Proposal

For each Scheme Share HK\$1.68 in cash

The Option Proposal

For each Outstanding Option with exercise price of:

HK\$1.029 HK\$0.651 in cash

HK\$1.140 HK\$0.54 in cash

HK\$1.421 HK\$0.259 in cash

HK\$1.597 HK\$0.083 in cash

The Share Proposal

The Share Proposal is to privatise the Company by way of the Scheme involving the cancellation of all the Scheme Shares which will result in a reduction of the issued share capital of the Company under Section 46 of the Companies Act. In consideration for the cancellation, Scheme Shareholders will be entitled to receive the Share Offer Price, being HK\$1.68 per Scheme Share, in cash.

Comparison of Value

The Share Offer Price represents:

- a premium of approximately 66.34% over the 30-day Average Pre-announcement Price of HK\$1.01 per Share;

- a premium of approximately 60.00% over the closing price of HK\$1.05 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 43.59% over the average closing price of approximately HK\$1.17 per Share based on the daily closing prices as quoted on the Stock Exchange over the 90 trading days prior to the Last Trading Day;
- a premium of approximately 43.59% over the average closing price of approximately HK\$1.17 per Share based on the daily closing prices as quoted on the Stock Exchange over the 180 trading days prior to the Last Trading Day;
- an implied price to earnings multiple of 10.82 times, based on the basic earnings per Share of HK15.52 cents for the year ended 31 December 2005 and 503,408,647 Shares in issue; and
- a premium of approximately 12.75% to the audited consolidated net tangible asset value per Share of approximately HK\$1.49 as at 31 December 2005 based on 503,408,647 Shares in issue.

The Option Proposal

In accordance with the terms of the Share Option Scheme, Optionholders are entitled to exercise their Options, which confer rights to subscribe for Shares at a price range of HK\$1.029 to HK\$1.597 per Share, in full or in part at any time up to the Record Date. Shares issued upon exercise of the Options in accordance with the terms of the Share Option Scheme will form part of the Scheme Shares. Options which are not exercised in accordance with the terms of the Share Option Scheme, or in relation to which the Option Proposal is not accepted within the relevant time period, will lapse.

Under the Option Proposal, SNP Corp will offer to purchase Outstanding Options, for cancellation in exchange for cash (being the difference between the exercise price and the Share Offer Price) for each Outstanding Option, subject to and conditional upon the Scheme becoming effective. Further information on the Option Proposal will be set out in the Scheme Document to be despatched to the Optionholders.

Total Consideration

On the basis of the Share Offer Price of HK\$1.68 per Scheme Share and 503,408,647 Shares in issue, of which 123,026,662 were Scheme Shares (excluding the Sale Shares) as at the Latest Practicable Date, the Scheme Shares are valued at approximately HK\$206.68 million.

Save for the Options, there are no outstanding options, warrants, derivatives or other securities issued by the Company that carried a right to subscribe for or which are convertible into Shares. Assuming none of the Options is exercised prior to the Record Date in accordance with the terms of the Share Option Scheme and on the basis of the respective Option Offer Prices, the Option Proposal is valued at approximately HK\$2.80 million. Assuming all Options are exercised in full by the Optionholders in accordance with the terms of the Share Option Scheme prior to the Record Date, no consideration will be payable under the Option Proposal.

The total amount of cash required to effect the Proposals is approximately HK\$206.68 million if none of the Options is exercised prior to the Record Date in accordance with the terms of the Share Option Scheme. This amount would increase to an aggregate of approximately HK\$218.08 million if all Options are exercised, increasing the total issued share capital of the Company by 6,801,250 Shares to 510,209,897 Shares, prior to the Record Date.

SNP Corp has arranged internal resources and/or external borrowings to effect the Proposals. SNP Corp's financial adviser, CIMB-GK Securities (HK) Limited, is satisfied that sufficient financial resources are available to SNP Corp for the full implementation of the Proposals.

CONDITIONS OF THE PROPOSALS

The Share Proposal will become effective and binding on the Company and all Scheme Shareholders subject to fulfilment or waiver (as applicable) of the following conditions:

- (a) the approval of the Scheme by a majority in number of the Scheme Shareholders, representing not less than three-fourths in value of the Scheme Shares, present and voting either in person or by proxy at the Court Meeting, provided that:
 - the Scheme is approved by at least 75% of the votes attaching to Scheme Shares held by Independent Shareholders that are cast either in person or by proxy at the Court Meeting (by way of poll); and
 - the number of votes cast against the resolution to approve the Scheme at the Court Meeting (by way of poll) is not more than 10% of the votes attaching to all Scheme Shares held by Independent Shareholders;
- (b) the passing at an extraordinary general meeting of a resolution by the shareholders of SNP Corp approving the making of the Proposals or the obtaining of a waiver from the Singapore Exchange Securities Trading Ltd. that no such approval is required;
- (c) the passing of a special resolution to approve and give effect to the cancellation of the Scheme Shares and the reduction of the relevant portion of the issued share capital of the Company by a majority of at least three-fourths of the votes cast by the Shareholders present and voting in person or by proxy, at the Special General Meeting;
- (d) the sanction of the Scheme (with or without modifications) by the Supreme Court of Bermuda and the delivery to the Registrar of Companies in Bermuda of a copy of the order of the Supreme Court of Bermuda for registration;
- (e) the compliance with the procedural requirements of Section 46 of the Companies Act in relation to the reduction of the issued share capital of the Company as regards the Scheme Shares;
- (f) all other Authorisations in connection with the Share Proposal having been obtained from the Relevant Authorities in Bermuda, Hong Kong and other relevant jurisdictions;
- (g) all Authorisations remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no requirement having been imposed by any Relevant Authorities which is not expressly provided for in these conditions, or is in addition to the requirements expressly so provided for, in relevant laws, rules, regulations or codes in connection with the Share Proposal or any matters, documents (including circulars) or things relating thereto, in each aforesaid case up to and at the time when the Scheme becomes effective; and
- (h) all necessary third party consents which are required under contractual obligations of the Company and/or any of its subsidiaries having been obtained.

SNP Corp reserves the right to waive condition (h) either in whole or in part in respect of any particular matter. In the event that condition (f) or (g) is not fulfilled by reason of an Authorisation not having been obtained, SNP Corp reserves the right to assess the materiality of such non-fulfillment and to waive the fulfillment of such condition(s) to such extent where it considers appropriate. Conditions (a) to (e) cannot be waived in any event. SNP Corp may only invoke any or all of conditions (f) to (h) as a basis for not proceeding with the Scheme if the provisions of Note 2 to Rule 30.1 of the Takeovers Code are satisfied. Note 2 to Rule 30.1 of the Takeovers Code provides that an offeror should not invoke any condition (other than the acceptance condition) so as to cause the offer to lapse unless the circumstances which gives rise to the right to invoke the condition are of material significance to SNP Corp in the context of the offer. The waiver or invoking by SNP Corp of any condition in accordance with the terms of this paragraph shall not be subject to the Company's agreement, approval or consent. The Company has no right to waive any of the conditions.

All of the above conditions will have to be fulfilled or waived, as applicable, on or before 31 December 2006 (or such later date as SNP Corp and the Company may agree or (to the extent applicable) as the Supreme Court of Bermuda may direct and as may be permitted by the Takeovers Code), failing which the Scheme will lapse.

The implementation of the Option Proposal will be conditional upon the Share Proposal becoming effective.

SCHEME DOCUMENT

The Scheme Document containing, among other things, further details about the Proposals and the Scheme, the expected timetable, the recommendations of the Independent Board Committee in respect of the Proposals, the letter of advice from Somerley Limited, the independent financial adviser to the Independent Board Committee, an explanatory statement as required under the Companies Act, and notices of the Court Meeting and the Special General Meeting will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code. A further announcement will be made regarding the expected timetable for the Proposals.

INFORMATION ON THE GROUP

The principal activities of the Group comprise printing books, magazines, pop-up books and packaging products.

The Group is primarily involved in printing books, magazine and packaging products. It has diversified printing and packaging operations that offers one-stop service to its customers, offering pre-press printing to post printing and related distribution services. The major businesses of the Group include case-bound books, children books, pop-up books, colour magazines, commercial printing and corrugated box. Headquartered in Hong Kong, the Group owns and operates unique production facilities in various cities in the PRC and Thailand.

A summary of the audited consolidated results of the Group for the two years ended 31 December 2005 is set out below:

<i>HK\$ in millions</i>	For the year ended 31 December	
	2005	2004
Turnover	1,700.06	974.15
Net profit attributable to shareholders	70.37	50.22

The audited consolidated net assets of the Group were approximately HK\$918.82 million as at 31 December 2005.

Shareholding Structure

As at the Latest Practicable Date, there are 503,408,647 Shares in issue. SNP Corp and parties acting in concert with it are beneficially interested in 380,381,985 Shares (including the Sale Shares), representing approximately 75.56% of the issued share capital of the Company. The table below sets out the shareholding structure of the Company as at the Latest Practicable Date and immediately after the Scheme becoming effective and the listing of Shares on the Stock Exchange is withdrawn:

Shareholders	As at the Latest Practicable Date		Upon Completion		Immediately after the Scheme becoming effective	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
SNP Corp	357,057,985	70.93	380,381,985	75.56	380,381,985	100.00
Vendors	23,324,000	4.63	–	–	–	–
Scheme Shareholders:						
Mr. Yang	17,414,867	3.46	17,414,867	3.46	–	–
Other Scheme Shareholders	105,611,795	20.98	105,611,795	20.98	–	–
Total	503,408,647	100.00	503,408,647	100.00	380,381,985 (<i>Note</i>)	100.00

Note: Immediately after the Scheme becoming effective, the Scheme Shares will be cancelled and the issued share capital of the Company will be reduced accordingly pursuant to Section 46 of the Companies Act.

The Company has 6,801,250 Outstanding Options as at the Latest Practicable Date. Each Option, on exercise, will entitle the Optionholder to be allotted with one Share. As at the Latest Practicable Date, parties acting in concert with SNP Corp held in aggregate 1,725,000 Options. The table below sets out details of the Options as at the Latest Practicable Date:

Optionholders	Number of Options
Yeo Chee Tong, an executive Director (<i>Note</i>)	1,725,000
Other employees of the Company	5,076,250
Total	6,801,250

Note: Yeo Chee Tong is presumed to be acting in concert with SNP Corp as he is a director of SNP Corp.

Save as disclosed above, there were no outstanding options, warrants, derivatives or other securities issued by the Company that carried a right to subscribe for or which were convertible into Shares and no other director of the Company had any interest in Shares, as at the Latest Practicable Date. Upon the Scheme becoming effective and the withdrawal of listing of Shares on the Stock Exchange, the Company will become a wholly owned subsidiary of SNP Corp.

Independent Board Committee

An Independent Board Committee, comprising two independent non-executive Directors, namely Mr. Joseph, Lai Ming and Ms. Alice, Kan Lai Kuen has been established to advise Independent Shareholders in relation to the Proposals. The remaining independent non-executive Directors, namely Mr. Edmund, Cheng Wai Wing and Mr. John Robert Walter are not deemed to be independent because they are also directors of SNP Corp. The Independent Board Committee has approved the appointment of Somerley Limited to advise the Independent Board Committee in relation to the Proposals.

INFORMATION ON SNP CORP

SNP Corp is a leading regional printing company based in Singapore whose shares are listed on Singapore Exchange Securities Trading Limited.

In addition to the operations of the Group, SNP Corp and its other subsidiaries are principally engaging in security, financial as well as commercial printing. The product range includes smart cards, passports, financial circulars/prospectuses and cheques.

The shares of SNP Corp are listed on the mainboard of the Singapore Exchange Securities Trading Ltd. For the year ended 31 December 2005, SNP Corp recorded audited revenue of S\$468.81 million (equivalent to approximately HK\$2,291.35 million) and audited net profit after taxation attributable to shareholders of S\$15.19 million (equivalent to approximately HK\$74.24 million). Its audited net asset value was S\$185.76 million (equivalent to approximately HK\$907.92 million) as at 31 December 2005.

SNP Corp is beneficially owned as to i) 54.27% by Green Dot Capital Pte Ltd, a wholly-owned subsidiary of Temasek Capital (Private) Ltd, which, in turn, is wholly-owned by Temasek Holdings (Private) Limited, ii) 5.25% owned by Mr. Seow Kui Lim, and iii) the remaining 40.48% by public shareholders.

The board of directors of SNP Corp comprises Messrs. John Robert Walter (*also an independent non-executive director of the Company*), Yeo Chee Tong (*also an executive director of the Company*), Edmund, Cheng Wai Wing (*also an independent non-executive director of the Company*), Edmund, Koh Kian Chew and Alexander, Chan Meng Wah.

REASONS FOR AND BENEFITS OF THE PROPOSALS

The average monthly trading volume of the Shares has been thin recently, resulting in the low liquidity of the Shares. The average daily trading volume for the month preceding the date of this announcement of approximately 68,111 Shares has been less than 0.01% of the total issued share capital of the Company. Since SNP Corp already owns approximately 75.56% of the Company (including the Sale Shares) as at the date of this Announcement, the directors of SNP Corp believe that it is unlikely that the Scheme Shareholders will receive any other general offer from a third party to acquire the Scheme Shares, as such offer would not succeed without the approval of SNP Corp. In addition, Shareholders should note that no discussion has been taken place (or are taking place) with any third party regarding the disposal of any of the Shares held by SNP Corp and SNP Corp intends to continue the Company's businesses.

In addition, SNP Corp believes that the ability of the Company to take advantage of being a listed company to raise funds from the equity market is limited and any such fund raising exercise would result in an unattractive level of dilution for all Shareholders. Furthermore, SNP Corp believes that the costs associated with the maintenance of the Company's listing on the Stock Exchange and the Company's status as a publicly listed company are no longer justified.

As the Share Offer Price represents a premium of approximately 60.00%, approximately 66.34%, approximately 43.59% and approximately 43.59% over the 1-day, 30-day, 90-day and 180-day average closing price per Share respectively, the directors of SNP Corp believe that the Proposal will provide an opportunity for all Scheme Shareholders to realise their investment in the Company at a premium to the prevailing market price of the Shares. SNP Corp also believes that the Share Offer Price is also significantly in excess of any price Scheme Shareholders may obtain from open market sale under current market conditions. In the absence of the Share Proposal, SNP Corp considers it unlikely that market sentiment towards the Shares will improve significantly in the foreseeable future.

FUTURE INTENTIONS AND WITHDRAWAL OF LISTING OF SHARES

As at the Latest Practicable Date, SNP Corp was deemed interested in approximately 75.56% (including the Sale Shares) of the issued share capital of the Company. Accordingly, the public float of the Company (after excluding the 3.46% interests held by the Directors) was approximately 20.98% as at the date of this announcement. Application has been made by the Company from strict compliance with Rule 8.08(1) of the Listing Rules on the 25% minimum public float until the date of the withdrawal of the listing of the Shares on the Stock Exchange or such other date as considered appropriate by the Stock Exchange.

As soon as practicable after the Scheme becomes effective, the Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange pursuant to Rule 6.15 of the Listing Rules. Scheme Shareholders will be notified by way of a press announcement of the exact dates on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. SNP has no intention to seek listing of the Shares on other stock exchange upon implementation of the Schemes and withdrawal of listing of the Shares from the Stock Exchange.

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and share certificates for the Scheme Shares will cease to have effect as documents of evidence of title and should be returned to the Company for cancellation.

Intentions regarding the Company

It is the intention of SNP Corp to maintain the existing businesses of the Group upon successful privatisation of the Company. SNP Corp does not intend to introduce any major changes to the existing operating and management structure of the Group, or to cause major disruption to the employment of any employees of the Group, as a result of the implementation of the Proposals. SNP Corp will, however, be solely responsible for the funding or procuring funding for the on-going requirements of the Group's business after the successful implementation of the Proposals. SNP Corp intends to retain the Company's existing senior management team to manage the Company after completion of the Proposals.

INTERESTS OF SNP CORP AND ITS CONCERT PARTIES IN THE COMPANY

As at the Latest Practicable Date, SNP Corp and parties acting in concert with it were beneficially interested in 380,381,985 Shares (including the Sale Shares), representing approximately 75.56% of the issued share capital of the Company. Such Shares held by SNP Corp will not form part of the Scheme Shares. SNP Corp and parties acting in concert with it cannot vote at the Court Meeting but will vote or will procure the voting of their beneficial interests in the Company in favour of the special resolution to be proposed at the Special General Meeting to approve and give effect to the cancellation of the Scheme Shares and the reduction of the relevant portion of the issued share capital of the Company.

TRADING IN SHARES

At the request of the Company, trading in Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 26 June 2006 (Hong Kong time), pending the issue of this announcement. Application has been made by the Company to resume trading in Shares with effect from 9:30 a.m. on 29 June 2006.

OVERSEAS SHAREHOLDERS AND OVERSEAS OPTIONHOLDERS

The making of the Share Proposal and the Option Proposal to Scheme Shareholders and Optionholders, respectively, who are not resident in Hong Kong may be subject to the laws of the relevant jurisdictions in which such Scheme Shareholders and Optionholders are located. Such Scheme Shareholders and Optionholders should observe any applicable legal and regulatory requirements. It is the responsibility of any overseas Scheme Shareholder wishing to accept the Share Proposal and any overseas Optionholder wishing to accept the Option Proposal to satisfy itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction.

WARNING

Shareholders, Optionholders and/or potential investors in the Company should be aware that the implementation of the Proposals is subject to the conditions as set out above being fulfilled or waived, as applicable, and thus the Proposals may or may not become effective. They are advised to exercise caution when dealing in Shares and/or Options.

SNP Corp and the Company hereby remind their respective associates of the dealing restrictions under the Takeovers Code and to disclose their permitted dealings, if any, in any securities of the Company.

DEALINGS DISCLOSURE

The respective associates of SNP Corp and the Company are reminded to disclose their dealings in the securities of the Company under Rule 22 of the Takeovers Code.

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“30-day Average Pre-Announcement Price”	HK\$1.01 per Share, being the average-closing price of Shares as quoted on the Stock Exchange over the 30 trading days prior to the Pre-announcement Date
“acting in concert”	has the meaning given to it in the Takeovers Code
“associate(s)”	has the meaning given to it in the Takeovers Code
“Authorisations”	all necessary authorisations, registrations, filings, rulings, consents, permissions, approvals, waivers or exemptions required from any Relevant Authorities or other third parties which are necessary in connection with the Share Proposal or for the implementation of the Scheme
“Board”	the board of directors of the Company
“Company”	SNP Leefung Holdings Limited, a company incorporated in Bermuda with limited liability, whose ordinary shares are listed on the Stock Exchange
“Completion”	Completion of the Sale and Purchase Agreement

“Companies Act”	the Companies Act 1981 (as amended) of Bermuda
“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Supreme Court of Bermuda at which the Scheme will be voted upon
“Directors”	the Directors of the Company
“Executive”	the executive director of the corporate finance division of the Securities and Futures Commission of Hong Kong or any of his delegates
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company established for the purpose of advising the Independent Shareholders in relation to the Share Proposal and Optionholders in relation to the Option Proposal, and comprising the two independent non-executive directors of the Company, namely Mr. Joseph, Lai Ming and Ms. Alice, Kan Lai Kuen. The remaining independent Directors, namely Mr. Edmund, Cheng Wai Wing and Mr. John Robert Walter are not deemed to be independent because they are also directors of SNP Corp
“Independent Shareholders”	Shareholders, other than SNP Corp and parties acting in concert with it
“Last Trading Day”	23 June 2006, being the last trading day of the Shares immediately before suspension of trading of the Shares prior to release of this announcement
“Latest Practicable Date”	28 June 2006, being the latest practicable date for obtaining certain information contained in this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Yang”	Mr. Peter, Yang Sze Chen, a director of the Company interested in 17,414,867 Shares representing approximately 3.46% of the issued share capital of the Company as at the Latest Practicable date
“Option(s)”	options granted under the Share Option Scheme and outstanding (being, as at the date of this announcement, 6,801,250 Options conferring rights to subscribe for 6,801,250 Shares at price ranges from HK\$1.029 to HK\$1.597 per Share)
“Option Offer Price”	the cancellation price payable in cash by SNP Corp to the Optionholders pursuant to the Option Proposal
“Option Proposal”	the proposal to Optionholders for cancellation of all Outstanding Options
“Optionholders”	holder(s) of one or more Options
“Outstanding Options”	Options not exercised as at the Record Date
“PRC”	The People’s Republic of China, excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan

“Proposals”	the Share Proposal and the Option Proposal
“Record Date”	two Business Days prior to the day of the Court Meeting and the Special General Meeting
“Relevant Authorities”	relevant governments and/or governmental bodies, regulatory bodies, courts or institutions
“Sale & Purchase Agreement”	the unconditional agreement dated 24 June 2006 for the sale and purchase of 23,324,000 Shares between SNP Corp and the Vendors
“Sale Shares”	23,324,000 Shares, representing 4.63% of the issued share capital of the Company
“Scheme”	a scheme of arrangement under Section 99 of the Companies Act to cancel all the Scheme Shares
“Scheme Document”	the document to be issued to all the Shareholders containing, among other things, further details of the Proposals and the Scheme, the recommendations of the Independent Board Committee in respect of the Proposals, the letter of advice from the independent financial adviser to the Independent Board Committee, an explanatory statement as required under the Companies Act, the expected timetable, and the notices convening the Court Meeting and the Special General Meeting
“Scheme Share(s)”	Share(s) held by the Scheme Shareholders
“Scheme Shareholder(s)”	Shareholder(s) other than SNP Corp
“Share(s)”	share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholders”	registered holders of Shares
“Share Offer Price”	HK\$1.68 per Scheme Share, being the cancellation price payable in cash by SNP Corp to the Scheme Shareholders under the Scheme
“Share Option Scheme”	the Share Option Scheme adopted by the Company on 28 August 2003 and as it may from time to time be amended or supplemented
“Share Proposal”	the proposal to Scheme Shareholders for the cancellation of all Scheme Shares pursuant to the Scheme
“SNP Corp”	SNP Corporation Ltd, a company incorporated in Singapore with limited liability whose shares are listed on the Singapore Exchange Securities Trading Limited
“Special General Meeting”	the special general meeting of the Company to be held to consider and approve, among other matters, the capital reduction arising as a result of the Scheme, or any adjournment thereof
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

“Vendors”

i) Shaw Kwei & Partners (Asia) Ltd.; ii) Asian Value Investment Fund, L.P.; iii) Shaw Kwei & Partners Ltd.; iv) S. Lachlan Hough; v) Hui Shing Leong; and vi) Pegasus Capital II, L.P., whom including their beneficial owners, are, to the best knowledge and belief of SNP Corp., third parties independent of the Company and connected persons of the Company

By order of the Board
SNP CORPORATION LTD
Yeo Chee Tong
Director

By order of the Board
SNP LEEFUNG HOLDINGS LIMITED
Yeo Chee Tong
Director

Hong Kong, 28 June 2006

As at the date of this announcement, the board of directors of SNP Corp comprises Messrs. John Robert Walter, Yeo Chee Tong, Edmund, Cheng Wai Wing, Edmund, Koh Kian Chew and Alexander, Chan Meng Wah.

As at the date of this announcement, the Board comprises Messrs. Peter, Yang Sze Chen and Yeo Chee Tong as executive directors, Messrs. John Robert Walter, Edmund, Cheng Wai Wing, Joseph, Lai Ming and Alice, Kan Lai Kuen as independent non-executive directors.

The directors of SNP Corp jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than as specified above) have been arrived at after due and careful consideration and there are no facts (other than those relating to the Group) not contained in this announcement, the omission of which would make any statements in this announcement misleading.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to SNP Corp) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than as specified above) have been arrived at after due and careful consideration and there are no facts (other than those relating to SNP Corp) not contained in this announcement, the omission of which would make any statements in this announcement misleading.

* *For identification purposes only*

“Please also refer to the published version of this announcement in The Standard”