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LUEN THAI HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 311)

DISCLOSEABLE AND CONNECTED TRANSACTION

Exercise of the Call Option

The Directors are pleased to announce that on 18 July 2007, the Purchaser, a wholly-owned subsidiary of the Company, exercised in full its rights in relation to the Call Option to require the Vendor to sell and transfer the Option Shares, representing 19% of the issued share capital of the Acquired Company, pursuant and subject to the terms of the Shareholders' Agreement, in consideration of HK\$1,000 (which includes the consideration for the granting of both the Novelwill Call Option and Trumpinvest Call Option). The Option Price in respect of the Call Option, which amounts to US\$5,904,619, shall be funded by the internal resources of the Group and paid by the Purchaser in full on Completion.

The terms of the Call Option under the Shareholders' Agreement were negotiated on an arm's length basis and the Directors consider that the Transaction is made on normal commercial terms and in the interests of the Group and the Company's shareholders as a whole.

The Vendor is a connected person of the Company by virtue of it being a wholly-owned company of Mr. Chan Tim Shing, who in turn is a director and a substantial shareholder of the Acquired Company.

As the Option Price in respect of the Call Option is more than HK\$10,000,000 and the applicable percentage ratios of the Transaction exceed 2.5%, the Transaction is subject to reporting, announcement and independent shareholders' approval requirements in accordance with Rule 14A.17 of the Listing Rules. The consideration paid for the Sale and Purchase Transaction, the premium paid for the Novelwill Call Option and the Trumpinvest Call Option, and the Option Price in respect of the Transaction, the Novelwill Put Option, and the Trumpinvest Put Option on an aggregate basis, also amount to more than HK\$10,000,000 and the applicable percentage ratios exceed 2.5%. However, pursuant to Rule 14A.43 of the Listing Rules, Capital Glory Limited, being the controlling shareholder of the Company, has given an irrevocable and unconditional written confirmation to the Company that it (a) approves the Transaction; (b) approves, confirms and ratifies the granting of the Options; and (c) approves the exercise of any of the Options (other than the Call Option and

the Put Option) in the event that the board of directors of the Purchaser shall deem as appropriate and/or necessary provided that such transactions(s) shall remain as a discloseable transaction(s) at the time of exercise. Based on this, the Company has applied to the Stock Exchange for a waiver to the Company from convening a general meeting of the Company's shareholders to approve the Transaction.

The Transaction also constitutes a discloseable transaction for the Company under the Listing Rules. It is therefore, also subject to the disclosure requirements under Chapter 14 of the Listing Rules.

A circular containing, among other things, further details of the Transaction will be despatched to the shareholders of the Company within 21 days from the date of publication of this announcement.

Granting of the Options

In addition to the Call Option, other options, namely, the Novelwill Call Option, the Novelwill Put Option, the Trumpinvest Call Option and the Trumpinvest Put Option were also granted at time of entering into the Shareholders' Agreement. These options may only be exercised by the Purchaser, Novelwill or Trumpinvest (as the case may be) on or after the cessation of employment of Mr. Wallace Wong or Mr. Sammy Wong (as the case may be), both of whom remain under the employment of the Acquired Group as at the date of this announcement. The Novelwill Put Option and the Trumpinvest Put Option were granted in consideration of each of Novelwill and Trumpinvest paying the Purchaser a sum of HK\$1,000, while the Novelwill Call Option and the Trumpinvest Call Option were granted in consideration the Purchaser paying an aggregate sum of HK\$1,000 (which includes the consideration for the granting of the Call Option).

The Option Price in respect of these options shall be funded by internal resources of the Group and paid by the Purchaser in the manner stipulated in the Shareholders' Agreement. The terms of these options under the Shareholders' Agreement were negotiated on an arm's length basis and the Directors consider that they were made on normal commercial terms and are in the interests of the Group and the Company's shareholders as a whole.

In the event that any of these options be exercised and constitute a discloseable transaction for the Company, the Company will continue to comply with applicable provisions of the Listing Rules at the relevant time.

I. EXERCISE OF THE OPTION SHARES

Date of exercise : 18 July 2007

Parties : (1) The Vendor
(2) The Purchaser

The Purchaser has exercised in full its rights in relation to the Call Option to require the Vendor to sell and transfer the Option Shares, representing 19% of the issued share capital of the Acquired Company, pursuant and subject to the terms of the Shareholders' Agreement, in consideration of

HK\$1,000 (which includes the consideration for the granting of both the Novelwill Call Option and the Trumpinvest Call Option). As disclosed in the 2005 Announcement, the Company entered into and completed the Sale and Purchase Agreement on 3 May 2005, pursuant to which the Company acquired a 71% interest in the issued share capital of the Acquired Company from the Vendor. Up and until the date of this announcement, the Purchaser has paid an aggregate sum of US\$14,785,388 to the Vendor for the Sale and Purchase Transaction. For further details of the terms of the Sale and Purchase Agreement, please refer to the 2005 Announcement.

On 3 May 2005, the Shareholders' Agreement was also entered into among the Acquired Company, the Vendor, the Purchaser, Trumpinvest and Novelwill.

Pursuant and subject to the Shareholders' Agreement, in consideration of HK\$1,000, the Vendor has unconditionally and irrevocably granted the Call Option to the Purchaser in respect of the purchase of the Option Shares, which may be exercised by the Purchaser at any time on or after 31 December 2006. At the time of the entering into the Sale and Purchase Agreement, it was intended that Mr. Chan would remain in the management of the Acquired Company to ensure stability and continuity of its business and also continue to provide value to the Acquired Company by virtue of his expertise and in-depth knowledge of its operations. The Shareholders' Agreement was then entered into pursuant to which the Call Option and the Put Option were granted by the Purchaser or the Vendor (as the case may be) to define and regulate the relationship between, amongst others, the Purchaser and Mr. Chan (via the Vendor which is wholly-owned by Mr. Chan). Through arm's length negotiations, it was also concluded that Mr. Chan should be given a reasonable period of time to prove his value towards the Acquired Company and hence, this resulted in a moratorium period of up to 31 December 2006. After the expiry of the moratorium period, it was mutually agreed by the Purchaser and the Vendor that the Call Option shall be exercised by the Purchaser.

The Option Price for the Option Shares, negotiated on an arms' length basis between the parties, shall be determined using the formula $19\% \times [(price\text{-}earnings\text{ multiple of } 5 \times \text{average of the audited and consolidated gross profit after expenses and tax (excluding any proceeds from the sale or otherwise disposal of certain excluded assets) of the Acquired Company for the year ended on 31 December 2005 (subject to certain adjustments in relation to the financial results recorded for the four months ended on 30 April 2005) and the audited and consolidated net profit of the Acquired Company for the year ended on 31 December 2006) + Agreed Value of the Assets}]$.

Payment of the Option Price in respect of the Call Option, which amounts to US\$5,904,619, shall be paid by the Purchaser in full in cash on Completion and funded by the internal resources of the Group.

Upon Completion, the Purchaser will continue to be a majority shareholder of the Acquired Company holding a 90% interest and the Acquired Company will continue to be a subsidiary of the Company. The exercise of the Call Option constitutes a discloseable transaction for the Company and is therefore subject to reporting, announcement and circular requirements under Chapter 14 of the Listing Rules. In addition, as the exercise of the Call Option also constitute a connected transaction for the Company, independent shareholders' approval is required to be obtained pursuant to Rule 14A.17 of the Listing Rules.

II. OTHER TERMS OF THE SHAREHOLDERS' AGREEMENT

Pursuant and subject to the Shareholders' Agreement, certain put options and other call options have also been unconditionally and irrevocably granted by or to the Purchaser (as the case may be), details of which are as follows:

Novelwill Call Option and Novelwill Put Option

Novelwill has unconditionally and irrevocably granted the Novelwill Call Option to the Purchaser whereas the Purchaser has unconditionally and irrevocably granted the Novelwill Put Option to Novelwill, in each case in respect of the purchase of the Novelwill Option Shares, which may be exercised by the Purchaser or Novelwill (as the case may be) at any time on or after the cessation of employment of Mr. Wallace Wong with the Acquired Company. These options were granted to regulate exit procedures in the event that the relationship between the Purchaser and Mr. Wallace Wong should breakdown or in the event that Mr. Wallace Wong's services should no longer be needed by the Acquired Company. As at the date of this announcement, Mr. Wallace Wong remains under the employment of Tien-Hu Knitters Limited, a wholly-owned subsidiary of the Acquired Company, as a managing director. The Novelwill Put Option was granted to Novelwill in consideration of Novelwill paying the Purchaser a sum of HK\$1,000, while the Novelwill Call Option was granted in consideration of the Purchaser paying a sum of HK\$1,000 (which includes the consideration for the granting of both the Call Option and the Trumpinvest Call Option).

The Option Price for the Novelwill Option Shares, negotiated on an arms' length basis between the parties, shall be determined using the formula $5\% \times [(price\text{-}earnings\text{ multiple of } 5 \times \text{ the unaudited but consolidated gross profit after expenses and tax (excluding any proceeds from the sale or otherwise disposal of certain excluded assets) of the Acquired Company for the 12 months immediately preceding the date of cessation of employment of Mr. Wallace Wong, which shall be reviewed by one of the "Big Four" accountant firms or a financial review to be agreed between the shareholders of the Acquired Company from time to time) + fair value of the assets of the Acquired Company as determined by an independent valuer or by such other arrangements as the parties may agree}]$.

Payment of the Option Price in respect of the Novelwill Call Option shall be paid in full in cash and funded by the internal resources of the Group.

Payment of the Option Price in respect of both the Novelwill Call Option and the Novelwill Put Option shall be made in the following manner:

- (a) in the event that Mr. Wallace Wong shall have voluntarily resigned from the Acquired Company, the Option Price for each of the Novelwill Call Option and the Novelwill Put Option shall be paid:
 - (i) as to 60% in equal quarterly instalments during the first 12 months immediately after the date of completion of the sale and purchase of the Novelwill Option Shares, with the first instalment being paid on the date of completion of the sale and purchase of the Novelwill Option Shares; and
 - (ii) as to 40% in equal quarterly instalments during the second 12 months immediately after the date of completion of the sale and purchase of the Novelwill Option Shares.
- (b) in the event that the employment of Mr. Wallace Wong shall be terminated or not being renewed by the Acquired Company, the Option Price for the Novelwill Call Option shall be paid in equal quarterly instalments during the 12 months immediately after the date of completion of the sale and purchase of the Novelwill Option Shares with the first instalment being paid on the date of completion of the sale and purchase of the Novelwill Option Shares.

Upon completion of the sale and purchase of the Novelwill Option Shares, the Purchaser will continue to be a majority shareholder of the Acquired Company holding a 95% interest (assuming none of the Trumpinvest Call Option and the Trumpinvest Put Option have been exercised) and the Acquired Company will continue to be a subsidiary of the Company. The exercise of the Novelwill Call Option and the Novelwill Put Option may constitute a discloseable transaction for the Company, in which case the Company will continue to comply with applicable provisions of the Listing Rules at the relevant time.

Trumpinvest Call Option and Trumpinvest Put Option

Trumpinvest has unconditionally and irrevocably granted the Trumpinvest Call Option to the Purchaser whereas the Purchaser has unconditionally and irrevocably granted the Trumpinvest Put Option to Trumpinvest, in each case in respect of the purchase of the Trumpinvest Option Shares, which may be exercised by the Purchaser or Trumpinvest (as the case may be) at any time on or after the cessation of employment of Mr. Sammy Wong with the Acquired Company. These options were granted to regulate exit procedures in the event that the relationship between the Purchaser and Mr. Sammy Wong should breakdown or in the event that Mr. Sammy Wong's services should no longer be needed by the Acquired Company. As at the date of this announcement, Mr. Sammy Wong remains under the employment of two of the Acquired Company's wholly-owned subsidiaries, namely, Tien-Hu Trading (Hong Kong) Limited and Tien-Hu Knitting Factory (Hong Kong) Limited, as a managing director. The Trumpinvest Put Option was granted to Trumpinvest in consideration of Trumpinvest paying the Purchaser a sum of HK\$1,000, while the Trumpinvest Call Option was granted in consideration of the Purchaser paying a sum of HK\$1,000 (which includes the consideration for the granting of both the Call Option and the Novelwill Call Option).

The Option Price for the Trumpinvest Option Shares, negotiated on an arms' length basis between the parties, shall be determined using the formula $5\% \times [(price\text{-}earnings\text{ multiple of } 5 \times \text{ the unaudited but consolidated gross profit after expenses and tax (excluding any proceeds from the sale or otherwise disposal of certain excluded assets) of the Acquired Company for the 12 months immediately preceding the date of cessation of employment of Mr. Sammy Wong, which shall be reviewed by one of the "Big Four" accountant firms or a financial review to be agreed between the shareholders of the Acquired Company from time to time) + fair value of the assets of the Acquired Company as determined by an independent valuer or by such other arrangements as the parties may agree}]$.

Payment of the Option Price in respect of the Trumpinvest Call Option shall be paid in full in cash and funded by the internal resources of the Group.

Payment of the Option Price in respect of both the Trumpinvest Call Option and the Trumpinvest Put Option shall be made in the following manner:

- (a) in the event that Mr. Sammy Wong shall have voluntarily resigned from the Acquired Company, the Option Price for each of the Trumpinvest Call Option and the Trumpinvest Put Option shall be paid:
 - (i) as to 60% in equal quarterly instalments during the first 12 months immediately after the date of completion of the sale and purchase of the Trumpinvest Option Shares, with the first instalment being paid on the date of completion of the sale and purchase of the Trumpinvest Option Shares; and
 - (ii) as to 40% in equal quarterly instalments during the second 12 months immediately after the date of completion of the sale and purchase of the Trumpinvest Option Shares.
- (b) in the event that the employment of Mr. Sammy Wong shall be terminated or not being renewed by the Acquired Company, the Option Price for the Trumpinvest Call Option shall be paid in equal quarterly instalments during the 12 months immediately after the date of completion of the sale and purchase of the Trumpinvest Option Shares with the first instalment being paid on the date of completion of the sale and purchase of the Trumpinvest Option Shares.

Upon completion of the sale and purchase of the Trumpinvest Option Shares, the Purchaser will continue to be a majority shareholder of the Acquired Company holding a 95% interest (assuming none of the Novelwill Call Option and the Novelwill Put Option have been exercised) and the Acquired Company will continue to be a subsidiary of the Company. The exercise of the Trumpinvest Call Option and the Trumpinvest Put Option may constitute a discloseable transaction for the Company, in which case the Company will continue to comply with applicable provisions of the Listing Rules at the relevant time.

The exercise of the Novelwill Call Option and the exercise of the Novelwill Put Option are mutually exclusive. The same also applies to the exercise of the Trumpinvest Call Option and the Trumpinvest Put Option.

Given that the key subject matter of the Sale and Purchase Transaction was the acquisition of the 71% interest, the Directors did not consider at the time that the defensive mechanism (in the forms of the Options) were material or relevant to the Sale and Purchase Transaction which warranted disclosure in the Company's announcement dated 4 May 2005. Even had such disclosures had been made and the relevant aggregation had taken place, the aggregated transaction would still have been a discloseable transaction. On these bases, the Directors consider that the Company was compliant with Rule 2.13 of the Listing Rules at the time.

III. INFORMATION ON THE ACQUIRED COMPANY

As at the date of this announcement, the Acquired Company is a private company duly incorporated under the laws of the British Virgin Islands on 8 March 2005 having an authorised share capital of US\$50,000 divided into 50,000 Shares, 1,000 of which have been issued and are fully paid up. Out of the 1,000 issued Shares, 710 Shares (representing 71% of the entire issued capital of the Acquired Company) are beneficially owned by the Purchaser. The remaining 290 issued Shares (representing 29% of the entire issued capital of the Acquired Company) are held by the Vendor as to 190 Shares (representing 19% of the entire issued capital of the Acquired Company), by Trumpinvest as to 50 Shares (representing 5% of the entire issued capital of the Acquired Company) and by Novelwill as to 50 Shares (representing 5% of the entire issued capital of the Acquired Company). The Acquired Company is an investment holding company. However, its three wholly-owned subsidiaries, namely, Tien-Hu Knitters Limited, Tien-Hu Knitting Factory (HK) Limited and Tien-Hu Trading (HK) Limited, are principally engaged in the business of manufacturing and trading of sweaters. These three subsidiaries have been in operation since the 1980s.

As at 31 December 2006, the audited consolidated net asset value of the Acquired Group amounted to approximately HK\$112,752,339.

Based on the audited consolidated financial statements of the Acquired Group for the two financial years ended 31 December 2006, the Acquired Group recorded an audited consolidated net profit (before taxation and extraordinary items) of approximately HK\$51,809,122 and approximately HK\$66,123,624 respectively and an audited consolidated net profit (after taxation and extraordinary items) of approximately HK\$46,620,081 and approximately HK\$53,915,874 respectively.

IV. REASONS FOR THE TRANSACTION

The Directors believe that the Transaction is in line with the Group's multi-product strategy to expand its apparel product categories by way of selective acquisitions and joint ventures. Upon Completion, the Transaction will further strengthen the Group's significant presence in the sweater segment and will further consolidate the Group's leading position in the apparel industry. The Group's experience in acquiring and managing GJM (its sleepwear division) and Tomwell Limited (the ladies career wear division) shows the Group's proven track record as an industry leader and consolidator.

On the basis that the Transaction was negotiated on an arms' length basis and that the price-earnings ratio used in the calculation of the Option Price to be paid is in line with industry average, the Directors consider that the Transaction is made on normal commercial terms, that its terms are fair and reasonable, and that the Transaction and its terms are in the interests of the Group and the Company's shareholders as a whole.

V. LISTING RULES IMPLICATIONS

The Vendor is a connected person of the Company by virtue of it being a wholly-owned company of Mr. Chan Tim Shing, who in turn is a director and a substantial shareholder of the Acquired Company.

As the Option Price is more than HK\$10,000,000 and each of the applicable percentage ratios of the Transaction exceeds 2.5%, the Transaction is subject to reporting, announcement and independent shareholders' approval requirements in accordance with Rule 14A.17 of the Listing Rules. The consideration paid for the Sale and Purchase Transaction, the premium paid for the Novelwill Call Option and the Trumpinvest Call Option, and the Option Price in respect of the Transaction, the Novelwill Put Option, and the Trumpinvest Put Option on an aggregate basis, also amount to more than HK\$10,000,000 and the applicable percentage ratios exceed 2.5%. However, pursuant to Rule 14A.43 of the Listing Rules, written approval from the Company's independent shareholders holding more than 50% of the voting rights in respect of the Transaction may be accepted in lieu of the holding of a general meeting for purposes of obtaining independent shareholders' approval.

Capital Glory Limited is a wholly-owned subsidiary of Helmsley Enterprises Limited, which in turn is held by a number of trusts. None of the Directors is a legal owner of the shares of Capital Glory Limited. Details of the Director's beneficial interests in Capital Glory Limited will be disclosed in the Company's circular in respect of the Transaction. Capital Glory Limited is the controlling shareholder of the Company holding 614,250,000 Shares, which represents approximately 61.89% interest in the issued capital of the Company, and entitled to vote and attend at the general meeting of the company in relation to the granting and proposed exercise of the Options including the Transaction, has irrevocably and unconditionally confirmed to the Company in a written confirmation dated 2 August 2007 that it (a) approves the Transaction; (b) approves, confirms and ratifies the granting of the Options; and (c) approves the exercise of any of the other Options (other than the Call Option and the Put Option) in the event that the board of directors of the Purchaser shall deem as appropriate and/or necessary provided that such transactions(s) shall remain as a discloseable transaction(s) at the time of exercise, and shall vote in favour of the foregoing at any general meeting to be convened (if necessary) by the Company in relation to the foregoing. Capital Glory Limited has further confirmed to the Company that, save for its shareholding in the Company and its common directors with the Company:

- (a) it and its associates do not have any interest in the Transaction; and
- (b) it is not an associate (as defined under the Listing Rules) nor related to the Vendor.

On the basis of the above and that no shareholder of the Company is required to abstain from voting on the granting and proposed exercise of the Options including the Transaction, pursuant to Rule 14A.43 of the Listing Rules, the Company has applied to the Stock Exchange for a waiver from convening a general meeting of the Company's shareholders to approve the granting and proposed exercise of the Options including the Transaction. Accordingly, no general meeting will therefore be convened for approval of the granting and proposed exercise of the Options including the Transaction by the Company's independent shareholders.

The Transaction also constitutes a discloseable transaction for the Company under the Listing Rules. It is therefore, also subject to the disclosure requirements under Chapter 14 of the Listing Rules.

VI. GENERAL

The Group is principally engaged in the manufacture and trading of garment and textile products, and the provision of freight forwarding and logistics service.

The Vendor is an investment holding company.

A circular containing, among other things, further details of the Transaction will be despatched to the shareholders of the Company within 21 days from the date of publication of this announcement.

VII. DEFINITIONS

“Acquired Company”	Partner Joy Group Limited, a private company incorporated under the laws of the British Virgin Islands;
“Acquired Group”	the Acquired Company and its subsidiaries;
“Agreed Value of the Assets”	US\$1,410,000 (which represents the aggregate market value of the machineries owned by the Acquired Company which were negotiated on an arm's length basis between the Purchaser and the Vendor) less depreciation and amortisation for the period commencing from 3 May 2005, being the date of the Sale and Purchase Agreement, up to and including 18 July 2007, being the date on which the Purchaser exercised the Call Option, as may be shown on the management accounts of the same period;
“Call Option”	a call option granted by the Vendor to the Purchaser under the Shareholders' Agreement, in respect of the purchase of the Option Shares;
“Company”	Luen Thai Holdings Limited, the shares of which are listed on the Stock Exchange;
“Completion”	completion of the sale and purchase of the Option Shares in accordance with terms and conditions under the Shareholders' Agreement;

“connected person”	shall have the meaning as ascribed to it under the Listing Rules;
“Directors”	directors of the Company for the time being;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
Mr. Chan	Mr. Chan Tim Shing
Mr. Sammy Wong	Mr. Wong Chung Ping, Sammy
Mr. Wallace Wong	Mr. Wong Che Ping, Wallace
“Novelwill”	Novelwill International Limited, a company incorporated in the British Virgin Islands and wholly-owned by Mr. Wallace Wong;
“Novelwill Call Option”	a call option granted by Novelwill to the Purchaser under the Shareholders’ Agreement, in respect of the purchase of the Novelwill Option Shares;
“Novelwill Option Shares”	the 50 Shares to be purchased or sold by the Purchaser or Novelwill (as the case may be) representing a 5% interest in the issued share capital of the Acquired Company;
“Novelwill Put Option”	a put option granted by the Purchaser to Novelwill under the Shareholders’ Agreement, in respect of the sale of the Novelwill Option Shares;
“Options”	the Call Option, the Put Option, the Novelwill Call Option, the Novelwill Put Option, the Trumpinvest Call Option and the Trumpinvest Put Option
“Option Shares”	the 190 Shares to be purchased by the Purchaser and sold by the Vendor representing a 19% interest in the issued share capital of the Acquired Company;
“Option Price”	the exercise price to be determined, and paid by the Purchaser for the Option Shares, the Novelwill Call Option and the Trumpinvest Call Option (as the case may be), in accordance with the terms and conditions of the Shareholders’ Agreement;

“Purchaser”	Fortune Investment Overseas Limited, a company incorporated under the laws of the British Virgin Islands and a wholly-owned subsidiary of the Company;
“Put Option”	a put option granted by the Purchaser to the Vendor under the Shareholders’ Agreement, in respect of the sale of the Option Shares;
“Sale and Purchase Agreement”	a sale and purchase agreement dated 3 May 2005 entered into between the Vendor, the Purchaser, Tien-Hu Enterprise Limited (as warrantor) and Luen Thai Overseas Limited (as guarantor);
“Sale and Purchase Transaction”	the acquisition of 71% interest in the issued share capital of the Acquired Company by the Purchaser from the Vendor pursuant and subject to the terms of the Sale and Purchase Agreement;
“Share” or “Shares”	a share (or shares) of US\$1.00 each in the capital of the Acquired Company;
“Shareholders’ Agreement”	a shareholders’ agreement dated 3 May 2005 entered into between the Vendor, the Purchaser, the Acquired Company, Trumpinvest and Novelwill;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Transaction”	the acquisition of a 19% interest in the issued capital of the Acquired Company;
“Trumpinvest”	Trumpinvest Holdings Limited, a company incorporated in the British Virgin Islands and wholly-owned by Mr. Sammy Wong;
“Trumpinvest Call Option”	a call option granted by Trumpinvest to the Purchaser under the Shareholders’ Agreement, in respect of the purchase of the Trumpinvest Option Shares;
“Trumpinvest Option Shares”	the 50 Shares to be purchased or sold by the Purchaser or Trumpinvest (as the case may be) representing a 5% interest in the issued share capital of the Acquired Company;
“Trumpinvest Put Option”	a put option granted by the Purchaser to Trumpinvest under the Shareholders’ Agreement, in respect of the sale of the Trumpinvest Option Shares; and
“Vendor”	New Trillion Consultants Limited, a company incorporated under the laws of the British Virgin Islands.

“2005 Announcement” the Company’s announcement dated 4 May 2005

By order of the Board of Directors
Luen Thai Holdings Limited
Henry Tan
Executive Director & Chief Executive Officer

Hong Kong, 7 August 2007

As at the date of this announcement, the executive directors of the Company are Mr. Tan Siu Lin (Chairman), Mr. Tan Henry, Mr. Tan Cho Lung, Raymond, Mr. Tan Sunny and Ms. Mok Siu Wan, Anne; the non-executive director is Mr. Tan Willie; and the independent non-executive directors are Mr. Chan Henry, Mr. Cheung Siu Kee and Mr. Seing Nea Yie.

Website: www.luenthai.com