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Unless otherwise defined herein, terms defined in the prospectus dated 30th June, 2004 issued by Luen Thai Holdings Limited (the "Company") shall have the same meanings when used in this announcement.

LUEN THAI HOLDINGS LIMITED

聯泰控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 311)

ANNOUNCEMENT

STABILISING ACTION AND END OF STABILISATION PERIOD

The Board announces that the stabilisation period in connection with the Share Offer ended on 7th August, 2004.

Stabilising actions were undertaken during the stabilisation period with a number of purchases of additional Shares at prices ranging from HK\$2.832 to HK\$2.975 per Share, with the last of such purchases having been made on 3rd August, 2004 at a price of HK\$2.975 per Share and the Over-allotment Option was partially exercised on 4th August, 2004 to require the Company to issue 2,300,000 additional Shares at the Offer Price of HK\$2.975 per Share.

The Board announces that the stabilisation period in connection with the Share Offer ended on 7th August, 2004. As advised by BNP Paribas Peregrine, the stabilising manager of the Share Offer, stabilising actions were undertaken during the stabilisation period with a number of purchases of additional Shares at prices ranging from HK\$2.832 to HK\$2.975 per Share, with the last of such purchases having been made on 3rd August, 2004 at a price of HK\$2.975 per Share and the Over-allotment Option was partially exercised on 4th August, 2004 to require the Company to issue 2,300,000 additional Shares at the Offer Price of HK\$2.975 per Share. The over-allocations in the Placing were satisfied by the Over-allotment Shares and Shares purchased in the market. Such Shares were returned by BNP Paribas Peregrine to Capital Glory pursuant to the stock borrowing arrangement. Details of the exercise of the Over-allotment Option are more particularly described in the Company's announcement dated 4th August, 2004.

By order of the Board

Tan Henry

Chief Executive Officer and President

Hong Kong, 11th August, 2004

As at the date of this announcement, the executive Directors are Mr. Tan Siu Lin, Mr. Tan Henry, Mr. Tan Willie and Mr. Tan Cho Lung, Raymond and the independent non-executive Directors are Mr. Chan Henry, Mr. Cheung Siu Kee and Mr. Fok Kwan Wing.

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