



# K & P INTERNATIONAL HOLDINGS LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 675)**

## ANNOUNCEMENT

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

The board (the “Board”) of directors (the “Directors”) of K & P International Holdings Limited (the “Company”) has noted the recent decrease in the price and increase in the turnover of the shares of the Company and wishes to state that the Company has entered into discussion with an independent third party (the “Independent Third Party”), which is not a connected person (as defined under the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange) of the Company regarding a possible disposal to such Independent Third Party of the Company’s indirect minority interest of 41% in an associated company of the Company. The said associated company is a subsidiary of the Independent Third Party. Although the said discussion is at an advanced stage, however the terms of the proposed transaction have not been finalized, and **such disposal may or may not materialize**. If and when any agreement is reached as to the disposal, which is expected to constitute a notifiable transaction under chapter 14 of the Listing Rules, an appropriate announcement will be made.

**Shareholders of the Company are advised to exercise caution when dealing in the shares of the Company.**

Save as disclosed above, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23, nor 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 announcement.

By Order of the Board  
**Chung Yik Cheung, Raymond**  
*Company Secretary*

Hong Kong, 4 July 2005

*As at the date of this announcement, the Board comprises Mr. Lai Pei Wor, Mr. Chan Yau Wah and Mr. Chung Yik Cheung, Raymond (being executive Directors) and Mr. Kung Fan Cheong and Mr. Leung Man Kay (being independent non-executive Directors).*

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