Minglun
明倫集團
MINGLUN GROUP

WISDOM ON HOLDINGS LIMITED

(Incorporated in the British Virgin Islands with limited liability)

MINGLUN GROUP (HONG KONG) LIMITED
明倫集團(香港)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 346)

JOINT ANNOUNCEMENT

(1) Acquisition of shares in Minglun Group (Hong Kong) Limited by Wisdom On Holdings Limited
(2) Mandatory unconditional cash offers by

VINCO 域高 Grand Vinco Capital Limited

on behalf of
Wisdom On Holdings Limited
for all the issued shares in Minglun Group (Hong Kong) Limited
(other than those shares already owned by Wisdom On Holdings Limited and parties acting in concert with it)
and all outstanding options of Minglun Group (Hong Kong) Limited

(3) Proposed change of company name

FINANCIAL ADVISER TO WISDOM ON HOLDINGS LIMITED

VINCO 域高 Grand Vinco Capital Limited

INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT SHAREHOLDERS AND OPTIONHOLDERS

博大資本 博大資本國際有限公司
Partners Capital International Limited

On 27 August 2004, Wisdom On entered into the Sale and Purchase Agreement with the Vendor, pursuant to which Wisdom On agreed to purchase and the Vendor agreed to sell 750,000,000 Shares for a cash consideration of HK$75 million (equivalent to HK$0.10 per Share). The Sale Shares represent approximately 62.66% of the entire issued share capital of Minglun as at the date of this announcement.

Completion took place on 3 September 2004. As a result of the Completion, Wisdom On and parties acting in concert with it own in aggregate 750,000,000 Shares, representing approximately 62.66% of the issued share capital of Minglun as at the date of this announcement and is required under Rule 26.1 and Rule 13 of the Takeovers Code to make mandatory unconditional cash offers for all the issued Shares and all the outstanding Options not already owned by Wisdom On and parties acting in concert with it respectively. The principal terms of the Offers are set out under the section headed "Mandatory unconditional cash offers" below. Grand Vinco is satisfied that there are sufficient financial resources available to Wisdom On to satisfy the amount of funds required to meet the full acceptance of the Offers.

Within 21 days after the date of this announcement or such later date as the Executive may approve, Wisdom On is required to despatch the offer document containing the terms of the Offers, the form of acceptance and transfer of the Shares to the Shareholders as well as the form of acceptance of the outstanding Options to the Optionholders. Partners Capital has been appointed as the independent financial adviser to advise the independent Shareholders and Optionholders in respect of the Offers. Minglun is required to send the offeree document in relation to the Offers to the Shareholders and the Optionholders within 14 days of the posting of the offer document in accordance with the Takeovers Code.

At the request of Minglun, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 30 August 2004 pending the release of this announcement. Application has been made by Minglun for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 15 September 2004.

* *For identification purpose only*

It is proposed that the company name of Minglun will be changed from "Minglun Group (Hong Kong) Limited" to "Sino Union Petroleum & Chemical International Limited". Chinese name of "中聯石油化工國際有限公司" is also proposed to be adopted by Minglun to replace the existing Chinese name of "明倫集團(香港)有限公司" for identification purpose. A separate circular containing details of, among other things, the proposed change of company name will be despatched to the Shareholders as soon as practicable.

THE SALE AND PURCHASE AGREEMENT

Date:	27 August 2004
Vendor:	Chance Profit Investments Limited, a company wholly and beneficially owned by Mr. Zhou.
Purchaser:	Wisdom On, a company which is beneficially owned as to 55% by Dr. Hui and as to 45% by Mr. Chen Hua. Wisdom On and its ultimate beneficial owners are independent of and not connected with Minglun, the directors, chief executive or substantial shareholders of Minglun and the Vendor or any of their respective subsidiaries, or an associate of any of them. As at the date of this announcement, Wisdom On and its ultimate beneficial owners are not acting in concert (as defined in the Takeovers Code) with any shareholders of Minglun.
Guarantor:	Mr. Zhou

Pursuant to the Sale and Purchase Agreement, Mr. Zhou has unconditionally and irrevocably guaranteed with Wisdom On the due and punctual performance by the Vendor of its obligations under the Sale and Purchase Agreement, including the delivery of duly signed transfer documents of the Sale Shares and the resolutions of the Vendor's board of directors approving the entry of the Sale and Purchase Agreement, and has undertaken to indemnify Wisdom On against all liabilities, losses, damage, costs and expenses which Wisdom On may suffer or incur in connection with any omission, fraud or default on the part of the Vendor in the performance of any of its obligations and in the making of any compensation or payment of any sum under the Sale and Purchase Agreement. Both the Vendor and Mr. Zhou have performed their Completion obligations in accordance with the Sale and Purchase Agreement upon Completion. The representations and warranties given by the Vendor and Mr. Zhou under the Sale and Purchase Agreement shall continue to survive after Completion.

Sale Shares

750,000,000 Shares, representing approximately 62.66% of the issued share capital of Minglun as at the date of this announcement. The Sale Shares acquired by Wisdom On are free from all claims, charges, liens, encumbrances, equities and other third parties rights and were the entire Shares held by the Vendor and parties acting in concert with it in Minglun as at the date of the Sale and Purchase Agreement.

Consideration

HK$75 million (equivalent to HK$0.10 per Share), which was negotiated and determined on arm's length basis with reference to the audited consolidated net asset value per Share of approximately HK$0.14 as at 31 March 2004.

The purchase price of HK$0.10 per Share represents

(i) a discount of approximately 51.92% to the closing price of HK$0.208 per Share as quoted on the Stock Exchange on 27 August 2004, being the last trading day prior to the suspension of the trading in the Shares on 30 August 2004;

(ii) a discount of approximately 53.70% to the average closing price of approximately HK$0.216 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days prior to the suspension of the trading in the Shares on 30 August 2004;

(iii) a discount of approximately 53.92% to the average closing price of approximately HK$0.217 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days prior to the suspension of the trading in the Shares on 30 August 2004; and

(iv) a discount of approximately 26.21% to the audited consolidated net asset value per Share of approximately HK$0.14 as at 31 March 2004 based on the audited consolidated financial statements of the Group made up to 31 March 2004.

Completion of the Sale and Purchase Agreement

Completion took place on 3 September 2004. The Consideration was paid in cash by Wisdom On to the Vendor.

SHAREHOLDING STRUCTURE OF MINGLUN

The following table sets out the shareholding structure of Minglun immediately before and after the Completion:

	Before the Completion		After the Completion	
	No. of Shares	**Approximate %**	**No. of Shares**	**Approximate %**
Vendor	750,000,000	62.66	–	–
Wisdom On	–	–	750,000,000	62.66
Public	447,000,000	37.34	447,000,000	37.34
Total	1,197,000,000	100.00	1,197,000,000	100.00

MANDATORY UNCONDITIONAL CASH OFFERS

Immediately following the Completion, Wisdom On has become interested in 750,000,000 Shares, representing approximately 62.66% of the issued share capital of Minglun as at the date of this announcement. Under Rule 26.1 of the Takeovers Code, Wisdom On is required to make a mandatory unconditional cash offer for all the issued Shares other than those Shares already owned by it and parties acting in concert with it. Under Rule 13 of the Takeovers Code, Wisdom On is also required to make a comparable offer for all the outstanding Options.

As at the date of this announcement, Minglun has 1,197,000,000 Shares in issue, 65,000,000 outstanding 2002 Options entitling the 2002 Optionholders to subscribe for an aggregate of 65,000,000 Shares at an exercise price of HK$0.18 per Share and 8,000,000 outstanding 2003 Options entitling the 2003 Optionholder to subscribe for an aggregate of 8,000,000 Shares at an exercise price of HK$0.228 per Share. Accordingly, apart from the Sale Shares,

(i) 447,000,000 Shares (assuming the Options granted have not been exercised prior to the close of the Offers) will be subject to the Share Offer, the 65,000,000 outstanding 2002 Options (if not exercised) will be subject to the 2002 Option Offer and the 8,000,000 outstanding 2003 Options (if not exercised) will be subject to the 2003 Option Offer; or

(ii) 520,000,000 Shares (assuming 73,000,000 outstanding Options have been fully exercised) will be subject to the Share Offer.

Save for the outstanding Options disclosed above, there are no outstanding warrants, options or securities convertible into Shares as at the date of this announcement.

Principal terms of the Offers

Grand Vinco, on behalf of Wisdom On, will make mandatory unconditional cash offers for all the issued Shares (other than those already owned by Wisdom On and/or parties acting in concert with it) and all the outstanding Options on the following basis:

The Share Offer

For each Share .... HK$0.10 in cash

The Option Offers

For each outstanding 2002 Option .... HK$0.01 in cash

For each outstanding 2003 Option .... HK$0.01 in cash

Wisdom On is required under the Takeovers Code to make a comparable offer for all the outstanding Options as part of the Offers. Wisdom On offers to pay the Optionholders in cash on the basis set out above in respect of every Option in consideration of the surrender by the Optionholders of all their rights in respect of such Options. The Optionholders have not given any undertaking to accept or not to accept the Option Offers.

Comparison of value

The offer price of HK$0.10 per Share for the Share Offer is the same as the price paid by Wisdom On to the Vendor for each Sale Share under the Sale and Purchase Agreement and represents:

(a) a discount of approximately 51.92% to the closing price of HK$0.208 per Share as quoted on the Stock Exchange on 27 August 2004, being the last trading day prior to the suspension of the trading in the Shares on 30 August 2004;

(b) a discount of approximately 53.70% to the average closing price of approximately HK$0.216 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days prior to the suspension of the trading in the Shares on 30 August 2004;

(c) a discount of approximately 53.92% to the average closing price of approximately HK$0.217 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days prior to the suspension of the trading in the Shares on 30 August 2004; and

(d) a discount of approximately 26.21% to the audited consolidated net asset value per Share of approximately HK$0.14 as at 31 March 2004 based on the audited consolidated financial statements of the Group made up to 31 March 2004.

Total consideration

As at the date of this announcement, there are 1,197,000,000 Shares in issue and 73,000,000 outstanding Options. Assuming that there will not be any change in the issued share capital of Minglun by the exercise of the Options, at a price of HK$0.10 per Share, the entire issued share capital of Minglun is valued at HK$119.7 million under the Share Offer and all the Shares subject to the Share Offer are valued at HK$44.7 million. Assuming that all 73,000,000 outstanding Options as described above are tendered, at a price of HK$0.01 per Option, the aggregate amount payable by Wisdom On under the Option Offers is approximately HK$730,000.

Assuming that all the 73,000,000 outstanding Options are fully exercised, there will be 1,270,000,000 Shares in issue and the entire issued share capital of Minglun is valued at HK$127 million under the Share Offer, and all the Shares subject to the Share Offer are valued at HK$52 million.

Financial resources

Wisdom On will finance the Offers from its own resources. Grand Vinco is satisfied that there are sufficient financial resources available to Wisdom On to satisfy the amount of funds required to meet the full acceptance of the Offers.

Effect of accepting the Offers

By accepting the Share Offer, shareholders of Minglun will sell their Shares to Wisdom On free from all liens, claims and encumbrances and with all rights attached to them, including the rights to receive all dividends and distribution declared, made or paid on or after the date of the Completion. By accepting the Option Offers, the Optionholders will surrender and give up the subscription rights attaching to the Options.

Stamp duty

Seller's ad valorem duty arising in connection with acceptance of the Share Offer amounting to HK$1.00 for every HK$1,000 or part thereof of the amount payable in respect of the relevant acceptance will be deducted from the amount payable to the Shareholders who accept the Share Offer.

Payment

Payment in cash in respect of acceptances of the Offers will be made within ten days of the date on which the relevant documents of title are received by Wisdom On to render each such acceptance complete and valid.

INFORMATION ON THE GROUP

Minglun, formerly known as Luen Tai Group Limited, was listed on the Main Board of the Stock Exchange on 21 August 2001. The Group is principally engaged in the sale and distribution of polyurethane materials ("PU"), PU foam and PU foam products (molded and unmolded). The Group also diversified into the manufacture and sale business of petrochemical fuel products in the PRC in May 2004.

Based on the Group's audited consolidated financial results made up to 31 March 2004, it recorded profit before tax of approximately HK$10.73 million and HK$15.39 million respectively for the two financial years ended 31 March 2004. Over the same periods, Minglun recorded profit after tax of approximately HK$8.55 million and HK$12.86 million respectively. Minglun has net assets of approximately HK$162.22 million as at 31 March 2004. Minglun has a market capitalisation of approximately HK$249 million based on its closing price of HK$0.208 per Share as quoted on the Stock Exchange on 27 August 2004, being the last trading day prior to the suspension of trading in the Shares.

INFORMATION ON WISDOM ON AND ITS INTENTION REGARDING MINGLUN

Wisdom On is an investment holding company incorporated in the British Virgin Islands on 28 July 2004 and is beneficially owned as to 55% by Dr. Hui and as to 45% by Mr. Chen Hua. Dr. Hui is the sole director of Wisdom On. Save for the entering into of the Sale and Purchase Agreement, Wisdom On has not conducted any business since its incorporation and does not have any material assets except the holding of 62.66% of the entire issued share capital of Minglun. Details of Dr. Hui and Mr. Chen Hua are set out under the paragraph headed "Proposed change of board composition of Minglun" below.

Before the date of the Sale and Purchase Agreement, neither Wisdom On, its ultimate beneficial owners nor the parties acting in concert with any of them owned any Shares in Minglun. Save for the entering into of the Sale and Purchase Agreement, none of Wisdom On, its beneficial owners and parties acting in concert with any of them has dealt in any Shares or any options, warrants or securities convertible into Shares during the period commencing on the date falling six months prior to the date of the Sale and Purchase Agreement and up to the date of this announcement.

Following the close of the Offers, Wisdom On intends to continue the existing businesses of the Group of sale and manufacture of petrochemical fuel products and sale and distribution of PU materials, PU foam and PU foam products. Wisdom On intends to continue the investment of the Group in petrochemical and, based on the Group's proposed 100% equity interest in Shenyang Xinmin Chemical Factory, Wisdom On will endeavour to increase the production level and expand the petrochemical business of the Group into the global market.

Wisdom On has no intention to re-deploy the employees or to dispose of or re-deploy the assets of the Group other than in its ordinary course of business and has no intention to inject any assets or businesses into Minglun as at the date of this announcement.

Wisdom On also intends that the company name of Minglun will be changed from "Minglun Group (Hong Kong) Limited " to "Sino Union Petroleum & Chemical International Limited". Chinese name of "中聯石油化工國際有限公司" is also proposed to be adopted by Minglun to replace the existing Chinese name of "明倫集團(香港)有限公司" for identification purpose. Please refer to the details set out in the paragraph headed "Proposed change of company name" below.

PROPOSED CHANGE OF BOARD COMPOSITION OF MINGLUN

It is expected that three of the four existing executive directors of Minglun, namely, Mr. Zhou, Mr. Lu Zhiming and Mr. Qin Gang, will resign and such resignation will take effect on the first closing date of the Offers, subject to full compliance with Rule 7 of the Takeovers Code. The other existing executive director and the independent non-executive directors of Minglun will remain on the board of directors of Minglun. In addition, Wisdom On proposes to nominate Dr. Hui, Mr. Chen Hua, Mr. Chui Say Hoe and Mr. Chow Charn Ki, Kenneth as directors of the board of directors of Minglun and such appointment will not take effect earlier than the date of posting of the offer document subject to compliance with the Takeovers Code.

Set out below are the biographies of Dr. Hui, Mr. Chen Hua, Mr. Chui Say Hoe and Mr. Chow Charn Ki, Kenneth, the proposed directors to be nominated by Wisdom On:

Dr. Hui, GBS, JP, aged 40, will be proposed to be the Chairman and an executive director of Minglun. Dr. Hui is the founder of Gahood group of companies and Join Wisdom group of companies which are principally engaged in property development, golf club, resort and hotel development and management in the PRC. Dr. Hui graduated from Shenzhen University with a professional diploma in Administrative Management in 1989 and was a visiting scholar of the John F. Kennedy School of Government of Harvard University in the United States of America from 2002 to 2003. Dr. Hui has received Doctorates in Philosophy and Sciences from the Open International University for Complementary Medicines and Medicina Alternativa Institute in 2000 and Doctor Honoris Causa in Economics and IFES Doctoris Honoris Causa from Institute of Far Eastern Studies, The Russian Academy of Sciences in 2002. Dr. Hui serves as a member of the National Committee of the Chinese People's Political Consultative Conference, and is currently the vice president of China Society for Promotion of the Guangcai Program, standing member of All China Federation of Industry & Commerce, honorable president of Beijing Federation of Industry & Commence, president of Hong Kong Association of International Investment and president of Hong Kong Guangdong Community Organization. Dr. Hui is also a keen supporter of community service and charity organizations. He has been awarded the 推動人類和平進步獎 (Humanity & Peace Promotion Award) by the United Nations and accredited as 全國十大扶貧狀元 (Top Ten Poverty Alleviation Contributor) by the government of the People's Republic of China. In honor of Dr. Hui's contributions to humanity and China Glory Program on Poverty Alleviation, the International Minor Planet Nomenclature Committee permanently named the minor planet no. 5390 the "Hui, Chi-Ming Planet".

Mr. Chen Hua, aged 38, will be proposed to be the Vice Chairman and an executive director of Minglun. Mr. Chen Hua is the founder of 京基集團 (Kingkey group), a group of companies principally engaged in property and hotel development and management, operation of clubs and education investment in the PRC. Such business group is ranked first as 深圳房地產項目開發企業 (Development Enterprise of Shenzhen Real Estate Project) and 守法納稅大戶 (Significant Tax Payer with Law Compliance). Mr. Chen graduated from 中國人民解放軍信息工程大學 (Communication Engineering University of the People's Liberation Army) with a bachelor's degree in management engineering (管理工程) in 2004. He serves as a member of the Committee of the Chinese People's Political Consultative Conference of Shenzhen and standing member of the Committee of the Chinese People's Political Consultative Conference of Zhenjiang City. Mr. Chen has received a number of honours including the 十大傑出青年企業家 (Ten Outstanding Young Entrepreneur) awarded by the People's Government of Shenzhen Municipality.

Mr. Chui Say Hoe, aged 56, will be proposed to be an executive director of Minglun. Mr. Chui has been the executive director and general manager of Sun Hoe Company Limited, a company engaged in medicine distribution and trading business, since 1978 up to present. Before joining Sun Hoe Company Limited, Mr. Chui worked in a commercial bank in Hong Kong for about 5 years. Mr. Chui has more than 20 years of experience in commerce and general business management. Mr. Chui obtained a bachelor degree from Technologie, Universite de Paris XIII, Paris, France in 1990.

Mr. Chow Charn Ki, Kenneth, aged 50, LL.B. (Honours) (London), LL.M. (London) in 1976, will be proposed to be an independent non-executive director of Minglun. Mr. Chow is a professional in the legal field. He was a Honorary Lecturer in law of University of Hong Kong, a member of the Basic Law Consultative Committee of the Hong Kong Special Administrative Region of the PRC, an Advisor to All China Law Association (Institute for Research on Hong Kong Law), a Convenor to Research Group on Trans-1997 Hong Kong Laws. Mr. Chow is a member of the National Committee of the Chinese People's Political Consulative Conference.

All of the above proposed directors of Minglun:

(i) have not held any directorships in listed public companies in Hong Kong in the last three years;

(ii) have not entered into any service agreements with Minglun;

(iii) do not have any relationships with any directors, senior management or substantial or controlling shareholders of Minglun;

(iv) do not have any interests in the shares of Minglun (save for the beneficial interest of Dr. Hui and Mr. Chen Hua in Wisdom On, please refer to the section headed "Sale and Purchase Agreement");

(v) do not have any other matters that need to be brought to the attention of holders of securities of Minglun.

Details of the service contracts, including emoluments and the basis of determining the emoluments, will be announced upon the appointment of Dr. Hui, Mr. Chen Hua, Mr. Chui Say Hoe and Mr. Chow Charn Ki, Kenneth.

Dr. Hui and Mr. Chen Hua will be nominated to the board of Minglun in view of their experience in business management. Both Dr. Hui and Mr. Chen Hua will be responsible for the overall strategic development, policy making and administration of the Group. Wisdom On will also rely on the existing senior management who has expertise and experience in the businesses of sale and manufacture of petrochemical fuel products and sale and distribution of PU materials, PU foam and PU foam products to operate Minglun. Mr. Zhou, the Chairman of Minglun, acquired his interest in Minglun in 2002 and was not a founding shareholder of Minglun and thus Minglun does not rely on the business connection and expertise of Mr. Zhou to operate the existing businesses of the Group. Wisdom On believes that the intended resignation of Mr. Zhou from the board of directors of Minglun and the proposed change in the composition of the board of directors of Minglun will not have any adverse and material impact on the business operation of the Group.

Wisdom On also intends that Dr. Hui will become an authorised representative of Minglun.

INFORMATION ON GRAND VINCO

Grand Vinco, being a party acting in concert with Wisdom On, is a licensed corporation to carry on business in types 1 and 6 regulated activities (dealing in securities and advising on corporate finance) under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong). Grand Vinco is an independent third party not connected with or acting in concert with any of the directors, chief executive, substantial shareholders of Minglun or any of its subsidiaries or any of their respective associates.

THE LISTING STATUS OF MINGLUN

Wisdom On intends that Minglun will remain listed on the Stock Exchange after the close of the Offers and do not intend to exercise its rights to compulsorily acquire all the shares of Minglun. The director of Wisdom On and the new directors to be appointed to the board of directors of Minglun will jointly and severally undertake to the Stock Exchange to take appropriate steps following the close of the Offers to ensure that such number of Shares as may be required by the Stock Exchange are held by the public.

The Stock Exchange has stated that if, at the close of the Offers, less than the minimum prescribed percentage applicable to Minglun, being 25% of Minglun, are held by the public, or if the Stock Exchange believes that:

(i) a false market exists or may exists in trading of the Shares; or

(ii) there are insufficient Shares in public hands to maintain an orderly market;

it will consider exercising its discretion to suspend dealings in the Shares.

The Stock Exchange will also closely monitor all acquisitions or disposals of assets by Minglun. Under the Listing Rules, the Stock Exchange has the power pursuant to the Listing Rules to aggregate a series of transactions and any such transactions may result in Minglun being treated as if it were a new listing applicant and subject to the requirement for new applicants as set out in the Listing Rules.

GENERAL

Offer document and Offeree document

Pursuant to Rule 8.2 of the Takeovers Code, within 21 days after the date of this announcement or such later date as the Executive may approve, Wisdom On is required to despatch the offer document containing the terms of the Offers, the form of acceptance and transfer of the Shares to the shareholders of Minglun as well as the form of acceptance of the outstanding Options to the Optionholders. Minglun is required to send the offeree document in relation to the Offers to the shareholders of Minglun and the Optionholders within 14 days of the posting of the offer document in accordance with the Takeovers Code. Partners Capital has been appointed as the independent financial adviser to advise the independent Shareholders and the Optionholders in respect of the Offers.

Suspension and resumption of trading in Shares

Trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 30 August 2004 at the request of Minglun pending the release of this announcement. Application has been made by Minglun for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 15 September 2004.

PROPOSED CHANGE OF COMPANY NAME

It is proposed to change the name of Minglun from "Minglun Group (Hong Kong) Limited" to "Sino Union Petroleum & Chemical International Limited". Chinese name of "中聯石油化工國際有限公司" is also proposed to be adopted by Minglun to replace the existing Chinese name of "明倫集團(香港)有限公司" for identification purpose.

The proposed change of company name is to reflect the change in control of Minglun and the existing business of the Group involving the manufacture and sale of petrochemical fuel products in the PRC (Please also refer to the paragraph headed "Information on Wisdom On and its intention regarding Minglun).

The proposed change of company name is conditional upon (i) the passing of a special resolution by the Shareholders approving the change of company name at a special general meeting and (ii) the approval by the Registrar of Companies in Bermuda.

The proposed change of company name will not affect any rights of the Shareholders. The existing share certificates bearing the present name of Minglun shall after the proposed change of company name becoming effective continue to be evidence of title to the Shares and will be valid for trading, settlement, registration and delivery for the same number of Shares in the new name of Minglun. Once the proposed change of company name of Minglun has become effective, any new share certificates shall be issued under the new company name.

A separate circular containing details of the proposed change of company name, together with a notice convening a special general meeting of Minglun to consider, and if thought fit, approve the proposed change of company name, will be despatched to the Shareholders as soon as practicable

Further announcement(s) will be made about the trading arrangement of the Shares and the exchange of the new share certificates when the proposed change of company name has been effective.

DIRECTORS OF MINGLUN

As at the date hereof, the executive directors of Minglun are Mr. Zhou Yiming, Mr. Cheung Wai Yin Wilson, Lu Zhiming and Qin Gang and the independent non-executive directors of Minglun are Mr. Wong Hing Tat and Mr. Kwong Chi Ho.

DEFINITIONS

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

"2002 Options"	options which were granted to the directors and employees of Minglun on 23 December 2002 pursuant to the share options scheme of the Group adopted on 1 November 2002 and remain outstanding as at the date of this announcement, entitling the holders thereof to subscribe for new Shares at an exercise price of $0.18 per Share
"2002 Optionholders"	holders of the 65,000,000 outstanding 2002 Options
"2003 Options"	options which were granted to a director of Minglun on 24 September 2003 pursuant to the share options scheme of the Group adopted on 1 November 2002 and remain outstanding as at the date of this announcement, entitling the holders thereof to subscribe for new Shares at an exercise price of $0.228 per Share
"2003 Optionholder"	holder of the 8,000,000 outstanding 2003 Options
"associates"	has the meaning ascribed thereto in the Listing Rules
"Completion"	completion of the Sale and Purchase Agreement in accordance with its terms
"Consideration"	HK$75 million payable for the Sale Shares under the Sale and Purchase Agreement
"Dr. Hui"	Dr. Hui Chi Ming, PhD, G.B.S., J.P.
"Executive"	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates
"Grand Vinco"	Grand Vinco Capital Limited, a licensed corporation to carry on business in types 1 and 6 regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).
"Group"	Minglun and its subsidiaries
"Hong Kong"	the Hong Kong Special Administration Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Minglun"	Minglun Group (Hong Kong) Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Stock Exchange
"Mr. Zhou"	Mr. Zhou Yiming, the chairman and executive director of Minglun
"Offers"	the Share Offer and the Option Offers
"Option(s)"	2002 Options and 2003 Options
"Optionholders"	2002 Optionholders and 2003 Optionholders
"Option Offers"	the mandatory unconditional cash offers for all outstanding Options to be made by Grand Vinco on behalf of Wisdom On in accordance with the Takeovers Code
"Partners Capital"	Partners Capital International Limited, a licensed corporation to carry out types 1 and 6 regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"PRC"	the People's Republic of China
"Sale and Purchase Agreement"	the conditional sale and purchase agreement dated 27 August 2004 and entered into among the Vendor, Mr. Zhou and Wisdom On in relation to the sale by the Vendor and the purchase by Wisdom On of the Sale Shares
"Sale Shares"	750,000,000 Shares acquired by Wisdom On pursuant to the Sale and Purchase Agreement
"SFC"	the Securities and Futures Commission of Hong Kong
"Share(s)"	share(s) of HK$0.02 each in the share capital of Minglun
"Shareholder(s)"	holder(s) of the Shares
"Share Offer"	the mandatory unconditional cash offer for all the issued Shares not already owned by Wisdom On or parties acting in concert with it at HK$0.10 per Share to be made by Grand Vinco on behalf of Wisdom On in accordance with the Takeovers Code

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	The Hong Kong Code on Takeovers and Mergers
"Vendor"	Chance Profit Investments Limited, a company incorporated in the British Virgin Islands with limited liability
"Wisdom On"	Wisdom On Holdings Limited, an investment holding company incorporated in the British Virgin Islands with limited liability
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"%"	per cent.

By order of the board of
Wisdom On Holdings Limited
Hui Chi Ming
Director

By order of the board of
Minglun Group (Hong Kong) Limited
Zhou Yiming
Chairman

Hong Kong, 14 September 2004

The director of Wisdom On accepts full responsibility for the accuracy of the information contained in this announcement (other than that in relation to the Vendor, Mr. Zhou and Minglun) and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement (other that in relation to the Vendor, Mr. Zhou and Minglun) the omission of which would make any statement in this announcement misleading.

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

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