



UDL HOLDINGS LIMITED

太元集團有限公司

(incorporated in Bermuda with limited liability)
(Stock Code: 620)

INCREASE IN PRICE AND TRADING VOLUME OF SHARES

The Board has noted the increase in price and trading volume of the shares of the Company on 12 June 2007, the Board wishes to state that it is not aware of any reasons for such movement, save that it is in the negotiations with a securities house regarding a proposed rights issue by the Company.

This announcement was made in accordance with Rule 13.10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

The board (“**Board**”) of directors (“**Directors**”) of UDL Holdings Limited (“**Company**”) has noted the increase in price and trading volume of the shares of the Company on 12 June 2007, the Board wishes to state that it is not aware of any reasons for such movement, save that it is in the negotiations with a securities house regarding a proposed rights issue by the Company.

Save as disclosed in this announcement, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 of the Listing Rules, neither 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.

Shareholders of the Company and investors should note that as no definitive agreement has been reached between the Company and such security house regarding the proposed rights issue, the proposed rights issue may or may not proceed. Shareholders of the Company and investors should therefore exercise caution when dealing in the shares of the Company.

As at the date of this announcement, the Board comprises three executive Directors namely Mrs. Leung Yu Oi Ling, Irene, Ms. Leung Chi Yin, Gillian, Mr. Leung Chi Hong Jerry and three independent non-executive Directors, namely Mr. Pao Ping Wing, *JP*, Professor Yuen Ming Fai, Matthew and Ms. Tse Mei Ha.

By Order of the Board
UDL Holdings Limited
Leung Yu Oi Ling, Irene
Chairman

Hong Kong, 12 June 2007

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