萬 裕 國 際 集 團 有 限 公 司 *

MAN YUE INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0894)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2007

RESULTS HIGHLIGHTS

- Revenue grew by 11.4% to HK$594,310,000
- EBITDA rose by 15.9% to HK$100,111,000
- Net profit rose by 20.4% to HK$62,692,000
- Net margin of 10.5%
- Net gearing ratio of 30.7%
- Interim dividend of HK3.0 cents per share

INTERIM RESULTS

On behalf of the Board of Directors (the "Board"), I am pleased to present the unaudited interim results of Man Yue International Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") for the six months ended 30 June 2007 (the "Period") together with the comparative figures for the corresponding period. These unaudited interim results for the Period have been reviewed by Messrs Ernst & Young, the auditors of the Company, in accordance with Hong Kong Standard on Review Engagements ("HKSRE") 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants and by the Audit Committee of the Company.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2007

		For the six months ended 30 June	
		2007	2006
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
REVENUE	*3 & 4*	**594,310**	533,537
Cost of sales		**(458,009)**	(396,341)
Gross profit		**136,301**	137,196
Other income and gains		**5,010**	2,719
Selling and distribution costs		**(22,060)**	(24,542)
Administrative expenses		**(56,179)**	(50,761)
Other operating expenses		**(1,765)**	(465)
Finance costs	*5*	**(10,199)**	(9,299)
Share of profits of jointly controlled entities		**14,763**	906
PROFIT BEFORE TAX	*6*	**65,871**	55,754
Tax	*7*	**(3,179)**	(3,678)
PROFIT FOR THE PERIOD		**62,692**	52,076
ATTRIBUTABLE TO:			
Equity holders of the Company		**62,692**	52,076
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic	*8*	**HK13.55 cents**	HK12.43 cents
Diluted	*8*	**HK13.48 cents**	HK11.82 cents
INTERIM DIVIDEND PER SHARE		**HK3.0 cents**	HK2.0 cents

CONDENSED CONSOLIDATED BALANCE SHEET

30 June 2007

	Notes	30 June 2007 (Unaudited) HK$'000	31 December 2006 (Audited) HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**558,647**	499,068
Prepaid land premiums		**59,210**	59,158
Other intangible asset		**16**	94
Interests in jointly controlled entities		**55,914**	33,453
Deposits on purchase of items of property, plant and equipment		**10,412**	6,588
Deferred tax assets		**1,909**	1,912
Total non-current assets		**686,108**	600,273
CURRENT ASSETS			
Inventories		**244,355**	206,470
Trade receivables	*9*	**266,528**	287,120
Prepayments, deposits and other receivables		**32,454**	32,567
Available-for-sale equity investments		**10,192**	17,126
Short term investments		**144**	90
Derivative financial instruments		**174**	112
Cash and cash equivalents		**146,389**	90,636
Total current assets		**700,236**	634,121
CURRENT LIABILITIES			
Trade payables	*10*	**201,809**	173,036
Other payables and accrued liabilities		**58,912**	61,979
Derivative financial instruments		**—**	898
Tax payable		**2,079**	4,750
Bank loans		**189,164**	144,464
Finance lease payables		**328**	389
Dividend payable		**2,024**	8
Total current liabilities		**454,316**	385,524
NET CURRENT ASSETS		**245,920**	248,597
TOTAL ASSETS LESS CURRENT LIABILITIES		**932,028**	848,870
NON-CURRENT LIABILITIES			
Bank loans		**182,082**	225,664
Finance lease payables		**202**	333
Provision for long service payments		**1,789**	1,789
Deferred tax liabilities		**2,868**	2,902
Deferred income		**11,776**	11,879
Total non-current liabilities		**198,717**	242,567
Net assets		**733,311**	606,303
EQUITY			
Share capital		**47,427**	44,723
Reserves		**671,645**	545,040
Proposed dividend		**14,239**	16,540
Total equity		**733,311**	606,303

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation and accounting policies

These condensed consolidated interim financial statements have been prepared in accordance with the applicable requirements of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" and other relevant Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The accounting policies and basis of preparation adopted in these interim financial statements are consistent with those adopted in the Company's 2006 Annual Report except for the adoption of new and revised HKFRSs and HKASs as disclosed in note 2 below.

2.1 Impact of new and revised HKFRSs and HKASs

The HKICPA has issued a number of new and revised HKFRSs, HKASs and Interpretations, that affect the Group and adopted for the first time for the current period's financial statements.

HKAS 1 Amendment	Presentation of Financial Statements: Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Int 7	Applying the Restatement Approach under HKAS 29 *Financial Reporting in Hyperinflationary Economies*
HK(IFRIC)-Int 8	Scope of HKFRS 2
HK(IFRIC)-lnt 9	Reassessment of Embedded Derivatives
HK(IFRIC)-lnt 10	Interim Financial Reporting and Impairment

There was no material impact on the basis of preparation of the unaudited condensed consolidated interim financial statements arising from the adoption of the above-mentioned accounting standards.

2.2 Impact of issued but not yet effective HKFRSs and HKASs

The Group has not applied the following new and revised HKFRS and HKAS, that have been issued but are not yet effective, to these interim financial statements:

HKFRS 8	Operating Segments
HK(IFRIC)-Int 12	Service Concession Arrangements

The Group expects that the adoption of the above pronouncements will not have significant impact on the Group as at the date of the interim financial statements.

3. Geographical segments

No business segment information is presented as over 90% of the Group's revenue and assets relate to the manufacture and trading of electronic components.

The following table presents revenue and certain asset and capital expenditure information of the Group by geographical segments for the six months ended 30 June 2007 and 2006.

	Hong Kong		Mainland China		Taiwan		Southeast Asia		Korea		Others		Consolidated	
	2007	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:														
Sales to external customers	**79,327**	93,476	**149,693**	116,365	**230,859**	169,710	**81,030**	81,557	**26,771**	57,194	**26,630**	15,235	**594,310**	533,537
Other segment information:														
Segment assets	**253,818**	212,503	**957,860**	773,116	**68,068**	40,365	**30,092**	26,340	**14,132**	18,100	**6,024**	13,030	**1,329,994**	1,083,454
Interests in jointly controlled entities	**–**	–	**55,914**	26,008	**–**	–	**–**	–	**–**	–	**–**	–	**55,914**	26,008
Unallocated assets													**436**	1,894
													1,386,344	1,111,356
Capital expenditure	**325**	46,072	**70,049**	20,827	**–**	–	**–**	–	**–**	–	**–**	–	**70,374**	66,899

4. Revenue

Revenue represents the net invoiced value of goods sold, after allowances for trade returns and discounts and also sales of equity investments. An analysis of revenue is as follows:

	For the six months ended 30 June	
	2007	2006
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Manufacturing and trading of electronic components	**562,488**	510,635
Trading of raw materials	**14,529**	19,977
Sales of equity investments	**17,293**	2,925
	594,310	533,537

5. Finance costs

	For the six months ended 30 June	
	2007	2006
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest on bank loans	**10,180**	9,221
Interest on finance leases	**19**	78
	10,199	9,299

6. Profit before tax

The Group's profit before tax is arrived at after charging/(crediting) the followings:

	For the six months ended 30 June	
	2007	2006
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Staff costs (including directors' remuneration)		
Wages and salaries	**55,393**	48,400
Cost in the granting of share option	**1,681**	—
Pension scheme contributions	**1,280**	1,030
Depreciation for property, plant and equipment	**23,963**	20,968
Recognition of prepaid land premiums	**531**	494
Amortisation of other intangible asset	**78**	379
Loss on disposal of items of property, plant and equipment	**1,447**	—
Foreign exchange losses, net	**4,516**	5,119
Fair value gain on derivative instruments		
– transactions not qualifying as hedges	**—**	(239)
Bank interest income	**(698)**	(401)

7. Tax

	For the six months ended 30 June	
	2007	2006
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current :		
Hong Kong	**19**	480
Mainland China	**3,154**	3,192
Overseas	**6**	6
Total tax charge for the period	**3,179**	3,678

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

In accordance with the relevant tax rules and regulations in Mainland China, certain of the Company's subsidiaries in Mainland China enjoy tax exemptions and reductions. Certain subsidiaries in Mainland China are subject to income taxes at applicable rates ranging from 10% to 27%.

The tax affairs of certain subsidiaries of the Group for prior years are currently reviewed by the Hong Kong Inland Revenue Department. Whilst management considers that the subsidiaries have grounds to support their tax position for prior years, the outcome of the review remains undetermined at the day of this report. The Directors of the Company, after consultation with the Company's tax advisers, consider that it is premature to estimate the amount of potential liabilities, if any, that may arise from the review and accordingly no additional tax provision has been made in the financial statements as at 30 June 2007.

On 16 March 2007, the National People's Congress approved the PRC Corporate Income Tax Law (the "New Corporate Income Tax Law") which will become effective on 1 January 2008. The New Corporate Income Tax Law introduces a wide range of changes which include, but are not limited to, the unification of the income tax rate for domestic-invested and foreign-invested enterprises at 25%. Detailed implementation and administrative requirements relating to the New Corporate Income Tax Law have yet to be announced. These detailed requirements include regulations concerning the computation of taxable income, as well as specific preferential tax treatments and their transitional provisions. The Group will further evaluate the impact of the New Corporate Income Tax Law on its operating results and financial position of future periods as more detailed requirements are published.

8. Earnings per share

The calculation of basic earnings per share is based on the profit for the period attributable to ordinary equity holders of the Company of HK$62,692,000 (2006: HK$52,076,000), and the weighted average of 462,589,000 (2006: 418,888,000) ordinary shares in issue during the period.

The calculation of diluted earnings per share is based on the profit for the period attributable to equity holders of the Company of HK$62,692,000 (2006: HK$52,076,000). The weighted average number of ordinary shares used in the calculation is the 462,589,000 (2006: 418,888,000) ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average of 771,000 (2006: 15,117,000) and 1,837,000 (2006: 6,495,000) ordinary shares assumed to have been issued at no consideration on the deemed exercise of all warrants and share options during the period.

9. Trade receivables

Trade receivables generally have credit terms ranging from 15 to 150 days.

An aged analysis of trade receivables at the balance sheet date, based on the invoice date and net of provisions, is as follows:

	30 June 2007 (Unaudited)	31 December 2006 (Audited)
	HK$'000	*HK$'000*
Less than 3 months	**209,356**	237,284
4-6 months	**39,939**	40,270
7-12 months	**13,985**	9,043
Over 1 year	**3,248**	523
	266,528	287,120

10. Trade payables

An aged analysis of the trade payables at the balance sheet date, based on the invoice date, is as follows:

	30 June 2007 (Unaudited) *HK$'000*	31 December 2006 (Audited) *HK$'000*
Accounts payable:		
Less than 3 months	**117,170**	97,596
4-6 months	**24,124**	27,948
7-12 months	**521**	674
Over 1 year	**1,601**	999
	143,416	127,217
Bills payable	**58,393**	45,819
	201,809	173,036

11. Bonus Warrants issued by the Company

On 18 April 2007, the Company proposed a conditional bonus warrant issue to the shareholders of the Company on the register of members on 23 May 2007. The bonus warrant issue was made on the basis of one bonus warrant for every ten ordinary shares of the Company, resulting in 47,421,130 warrants being issued. Each warrant entitles the holder thereof to subscribe for one ordinary share of HK0.10 each at an initial subscription price of HK$2.25 per share, subject to adjustments, and the bonus warrants are exercisable at any time during the period between Wednesday, 6 June 2007 and Friday, 5 June 2009 (both days inclusive). The warrants were issued to the shareholders of the Company on 4 June 2007.

During the period, 6,000 warrants were exercised for 6,000 shares of HK$0.10 each at a price of HK$2.25 per share. At 30 June 2007, the Company had 47,415,130 warrants outstanding. The exercise in full of such warrants would, under the present capital structure of the Company, result in the issue of 47,415,130 additional shares of HK$0.10 each.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

The financial period for the six moths ended 30 June 2007 (the "Period") was exciting and challenging to the Group. During this Period, we have successfully relocated our largest manufacturing facilities in Dongguan from the old factory premises to the new state-of-the-art centralised production facilities in the same district, the town of Changan. Right after the move, over 200 customers visited our new production facilities to re-certify our status as their "approved vendor". This re-certification procedure is a common practice in the aluminum electrolytic capacitors ("E-Caps") industry and will be conducted when there is a change in production location. Owing to the abovementioned reasons, the production capacity in Dongguan was inevitably interrupted during the months of March, April and May. Despite all these one-off interruptions, the Group still managed to grow its revenue by 11.4% to HK$594,310,000. Gross margin, however, suffered a temporary decline to 22.9% mainly because of: (1) expenses incurred for the factories relocation; (2) writing off of fixed asset items such as leasehold improvements, furniture and fixture of the old factory premises; (3) scrapping of raw materials caused by the tuning of machinery after the move; and (4) loss of production capacity in the month of April and May due to tuning of machinery and delaying of sales orders, pending for completion of customers' recertification procedures. Share of profit of jointly controlled entities ("JCE") increased during the Period which is mainly due to the commencement of operation of a JCE and profit arising from revaluation of industrial properties held by the JCE. Profit attributable to equity holders of the Company for the Period amounted to HK$62,692,000, representing an increase of 20.4% from the same period in last year. Net margin stood at 10.5% against 9.8% for the same period last year.

Basic and diluted earnings per share ("EPS") for the Period were HK13.55 cents and HK13.48 cents respectively, which compared with HK12.43 cents and HK11.82 cents respectively for the same period in last year.

In appreciation to shareholders for their continuous support, considering the improved liquidity position as at 30 June 2007 and anticipating good financial performance in the second half of 2007, the Board of Director has resolved to declare an interim dividend of HK3.0 cents per share, totalling HK$14,239,000.

BUSINESS REVIEW

Electronic components

In accordance with the research reports published by Paumanok Publications Inc. of the USA in 2007, the size of the global E-Cap market in 2006 in revenue terms was approximately USD4,150 million. Accordingly, Man Yue is now accounting for approximately 4% of the global market share. Paumanok also confirmed that Man Yue is now ranking as the fifth largest E-Cap manufacturers in the world, after the four largest Japanese based E-Cap manufacturers namely Nippon Chemi-Con; Nichicon; Rubycon and Panasonic.

During the Period, the Group's own brands, SAMXON (for E-Caps) and X-CON (for conductive polymer aluminum solid capacitors or "Polymer Caps") continued to gain world-wide recognition. Several global technology leaders have started to use Man Yue's E-Caps and Polymer Caps in their products in place of Japanese products. For some of these customers, it is probably the first time for them to shift their E-Caps sourcing from Japanese sources only to Japanese plus Man Yue sources. Apart from new Global customers we developed in the Period, Man Yue also received incremental orders from its existing broad base of customers all over the world.

To satisfy the increase in sales orders from existing and new customers, the Group has been building new production space and investing in production machineries. In Dongguan, phase 1 development of a brand new production facility was completed in March 2007. This new facility offers approximately 1.1 million square foot of production space and is targeting to produce up to 690 million pieces per month before the end of 2007. Although there were temporary business interruptions during April and May 2007, primarily caused by factory relocation and recertification by customers, the production capacity had increased sharply from June 2007 onwards. We anticipate this new Dongguan production facility will operate at full capacity for the entire second half of 2007. Phase 1 development of our new Wuxi production facility which commenced operation in July 2005 had already reached its full production capacity of 200 million pieces per month. The Group is now planning to construct phase 2 development at the end of 2007.

Raw materials

Increase in the demand for E-Caps drives up the demand for high quality aluminum foils, one of the key raw materials used in the production of E-Caps. Since January 2006, the Group's Qingyuan aluminum foil factory has commenced operation and is currently producing part of the aluminum foils required by the Group. As demand for aluminum foils increases, the Group will increase its investment in the production capacities of aluminum foils.

Research and development

Staying abreast of the industry's technology development is a key focus of the Group. The Group has over 100 qualified R&D professionals who work hard on introducing various new models of E-Caps to the customers each year. Our long-term cooperation with the Research Institute of Tsinghua University in Shenzhen also allows the Group to lead certain key competitors in the areas of technological innovation. In 2006, we launched the Polymer Caps to the market ahead of several key competitors in the top five list.

Environmental protection

Man Yue also leads the capacitors industry in China on environmental protection. The Group is one of the pioneers in establishing "Restriction of the use of Certain Hazardous Substances in Electrical and Electronic Equipment" ("RoHS") compliance systems since 2006. Even up to this time, Man Yue is probably the only E-Cap manufacturer in China with sophisticated materials analysis and control laboratories. Advanced equipment was installed to analyse the contents of all raw materials used in our products. The Group's uncompromising attitudes towards environmental protection have won for it the trust of the customers. More orders were received from customers as Man Yue produced capacitors are completely RoHS Compliant.

LIQUIDITY AND FINANCIAL RESOURCES

At 30 June 2007, the Group's gross borrowings in respect of bank loans and finance leases amounted to HK$371.8 million (31 December 2006: HK$370.8 million), of which HK$189.5 million was repayable within one year, HK$129.2 million was repayable within one and two years and HK$53.1 million was repayable between three and five years. After deducting cash and cash equivalents of HK$146.4 million (31 December 2006: HK$90.6 million), the Group's net borrowing amounted to HK$225.4 million (31 December 2006: HK$280.2 million). The decrease in borrowing was mainly due to improvement in the Group's treasury management. Shareholders' equity at 30 June 2007 was HK$733.3 million (31 December 2006: HK$606.3 million). Accordingly, the Group's net borrowing to shareholders' equity ratio improved to 30.7% (31 December 2006: 46.2%).

Net cash inflow from operating activities during the Period amounted to HK$60.4 million, which compared with HK$35.7 million for the corresponding period. This figure represents profit before tax of HK$65.8 million, adding back adjustments for non-cash items such as depreciation and amortization of HK$24.5 million and deducting net increase in working capital of HK$29.9 million. The net increase in working capital is mainly caused by the Group's strategy to temporarily increase its raw material buffer stocks so that production orders in the second half year will not be interrupted due to tight supply of raw materials. The Group's net cash outflow for investing activities for the Period was HK$53.2 million, which compared with HK$100.6 million in the corresponding period. These investing activities were mainly represented by capital expenditure for the Period. The investing activities were partly financed by the net cash inflow from operations and partly by loan finances.

Earnings before interest, tax, depreciation and amortization ("EBITDA") amounted to HK$100.1 million for the Period which compared with HK$86.4 million for the corresponding period. The Group is expected to generate adequate cash from its operations to repay its liabilities as and when they fall due. Management also expects that the net gearing ratio for 2007 will be lower than that for 2006 as less capital expenditure will be incurred in 2007.

The Group's financial statements are denominated in Hong Kong dollars. The Group conducts its business transactions mainly in Hong Kong dollars, Renminbi, United States dollars and Japanese yens. As Hong Kong dollar remained pegged to United States dollar, there is no material exchange risk in this respect. The Group receives Renminbi from its customers and at the same time incurs Renminbi expenditures. Although the receipts in Renminbi can partly offset the expenses in Renminbi, the Group is still subject to certain foreign exchange impacts caused by the appreciation of Renminbi. The Group monitors its foreign exchange exposure in Japanese yens by entering into cash flow hedging forward contracts. Credit risk was hedged mainly through credit insurance policies.

EMPLOYMENT AND REMUNERATION POLICY

At 30 June 2007, the Group employed 87 employees in Hong Kong (31 December 2006: 93) and employed a total work force of approximately 5,727 (31 December 2006: 5,769) inclusive of its staff in China and overseas offices. Total headcount decreased during the Period was due to natural attrition and shortage in the supply of labour forces in Dongguan and Wuxi where the Group operates. Salaries, bonuses and benefits were determined with reference to market terms and the performance, qualifications and experience of individual employees.

OUTLOOK

The Group is expecting a good sales growth in the second half of 2007. This anticipated sales growth is primarily driven by: (1) expanded production capacity in Dongguan, (2) increased production of Polymer Caps which offer higher selling price and margin, and (3) some of the sales orders for first half were slipped to second half due to factory relocation. In terms of business development, we will continue to develop new key customers in the USA, mainly those engaging in the production of CPUs and computer related products. In Europe, we are gaining new customers engaging in the production of power supplies and energy saving products. We will also increase our marketing development in the emerging markets of the world including Brazil, Russia, India and China.

Production capacity had already been expanded following the commencement of operation of the new Dongguan production facilities. Machines will be added to accelerate the production capacity of E-Caps. More production lines for Polymer Caps will also be added to speed up the production of this new product. We are also planning to develop phase 2 of the Wuxi production facility at end of 2007. The Group's overall production capacity will reach 890 million pieces per month by the end of 2007. Going forward, we target to boost the Group's production capacities at an annual growth rate of approximately 15%.

The Group is expected to increase its aluminum foil self-sufficiency ratio to 50% by the end of 2007. By then, Man Yue is probably the first E-Cap manufacturer in China producing full range of aluminium foils, including etching and forming of anode and cathode aluminum foils in the high, medium and low voltage ranges. This upstream vertical integration will continue to bring in improved profit margin to the Group.

The operating environment in the manufacturing segment is expected to be challenging in 2007. This has been caused by increased raw material costs, increased labour costs and manufacturing overhead expenditure. More importantly, the appreciation of Reminbi also drives up the production cost rapidly. In order to maintain or improve the Group's overall profit margin, we will focus on: (1) speeding up the introduction of innovative products to the market to enjoy a better or premium selling price and (2) reducing production costs by accelerating production volume of aluminum foils. In addition, we will also start to look into new business opportunities in the related industry sector so as to drive for further sales growth and higher profit in the coming years.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period.

CORPORATE GOVERNANCE

The Group has adopted all the Code Provisions set out in the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 to the Rules Governing the Listing on Securities (the "Listing Rules") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") except for the following deviations:

1. Code Provision A.2.1 stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. The Company does not have a separate Chairman and Chief Executive Officer and Mr. Chan Ho Sing currently holds both positions. The Board believes that vesting the roles of Chairman and Chief Executive Officer in the same person provides the Group with strong and consistent leadership in the development and execution of long-term business strategies.

2. The Independent Non-executive Directors of the Company are not appointed for specific terms but are subject to retirement by rotation under Bye-law 87 of the Company's Bye-laws.

Save as disclosed above, the Company considers that sufficient measures have been taken to ensure that the corporate governance practices of the Company are in line with the Code Provisions.

COMPLIANCE WITH THE MODEL CODE

The Group has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules to govern securities transactions by the directors. After having made specific enquiry by the Company, all Directors have fully confirmed that they fully complied with the Model Code throughout the Period.

AUDIT COMMITTEE

The Audit Committee comprises three members and all of whom are Independent Non-executive Directors of the Company. None of them is employed by or otherwise affiliated with former or existing auditors of the Company. The Audit Committee meets four times a year and the external auditors are invited to attend the Audit Committee's meeting when required.

An internal audit department was established to assist the Audit Committee to evaluate the Group's internal control systems and to monitor the Group's risk management framework.

The interim financial report for the Period is unaudited, but has been independently reviewed by Messrs Ernst & Young in accordance with Hong Kong Standard on Review Engagements 2410 issued by the Hong Kong Institute of Certified Public Accountants.

The Audit Committee has reviewed with management together with Messrs Ernst & Young the accounting principles and practices adopted by the Group in the interim financial report for the Period.

INTERIM DIVIDEND

The Board of Directors has resolved to declare an interim dividend for the six months ended 30 June 2007 of HK3.0 cents (2006: HK2.0 cents) in cash per share, totalling HK$14,239,000 payable on Wednesday, 31 October 2007 to shareholders whose names appear on the Register of Members of the Company on Friday, 12 October 2007.

CLOSURE OF REGISTER OF MEMBERS AND WARRANTHOLDERS

The Register of members will be closed from Monday, 8 October 2007 to Friday, 12 October 2007, both days inclusive, during which period no transfer of shares will be effected and no share of the Company will be issued upon exercise of any subscription rights attaching to the outstanding warrants issued by the Company. In order to ascertain the right to receive interim dividend, all transfers, accompanied by the relevant share certificate and all duly completed subscription forms accompanied by the relevant warrant certificate and the appropriate subscription monies must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4.00 p.m. on Friday, 5 October 2007.

PUBLICATION OF FURTHER INFORMATION

This announcement is published on the websites of the Stock Exchange and the Company.

An interim report for the six months ended 30 June 2007 containing all the information required by Appendix 16 to the Listing Rules will be dispatched to shareholders and published on the websites of the Stock Exchange and the Company by the end of September 2007.

APPRECIATION

The Board would like to take this opportunity to express its gratitude to all members of the staff for their loyalty and dedication and the continuous support from our customers, suppliers, banks and shareholders.

MEMBERS OF THE BOARD

As at the date of this announcement, the board of directors of the Company comprises Mr. Chan Ho Sing and Mr. Ko Pak On as Executive Directors, and Dr. Li Sau Hung, Eddy, Mr. Lo Kwok Kwei, David and Mr. Selwyn Mar as Independent Non-executive Directors.

By order of the Board
Man Yue Internatinal Holdings Limited
Chan Ho Sing
Chairman

Hong Kong, 18 September 2007

* *For identification purpose only*