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ARGOS ENTERPRISE (HOLDINGS) LIMITED

雅高企業（集團）有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 8022)

SALE OF SHARES BY THE CONTROLLING SHAREHOLDER AND RESUMPTION OF TRADING

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules.

The Board of the Company was notified by Sino Market, the controlling shareholder of the Company, in the evening of 2 July 2008 that Sino Market has negotiated the terms of and subsequently entered into the Agreement with the Purchaser on 2 July 2008 pursuant to which Sino Market agreed to sell and the Purchaser agreed to purchase 50,000,000 Shares (representing approximately 27.78% of the issued share capital of the Company) at a consideration of HK\$15,000,000 (representing HK\$0.30 per share, at a discount of about 53.85% as compared to the closing price of HK\$0.65 per Share on 2 July 2008, the last trading day before suspension). Completion of the Agreement is expected to take place on or before 15 July 2008. Upon completion of the Agreement, the shareholding of Sino Market in the Company will be reduced to 62,284,000 Shares, representing approximately 34.60% of the issued share capital of the Company.

The Purchaser is a company incorporated in the British Virgin Islands and is wholly and beneficially owned by Mr. Cheung who is an independent non-executive director and the chairman of the audit committee of the Company. Subject to the approval of the board of Directors and the due compliance of GEM Listing Rules, the Company intends to re-designate Mr. Cheung as an executive Director upon completion of the Agreement. Should the aforesaid re-designation of Director be approved, a new independent non-executive Director will be appointed to fill the vacancy.

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:30 a.m. on 3 July 2008 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 8 July 2008.

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As at the date of this announcement, the concert group with members of Sino Market and Mr. Yeung is interested in 113,684,000 Shares (representing approximately around 63.16% in the issued share capital of the Company). After the completion of the Agreement, Sino Market, Mr. Yeung and the Purchaser would be deemed to be parties acting in concert under the Takeovers Code and will form a new concert group. The new concert group (with members of Sino Market, Mr. Yeung and the Purchaser which will hold approximately 34.60%, 0.78% and 27.78% equity interest respectively in the Company) will continue to hold 113,684,000 Shares (representing approximately 63.16% of the issued share capital of the Company).

The following illustrates the shareholding structure of the Company : (i) as at the date of this announcement; (ii) immediately after the completion of the Agreement; and (iii) immediately after the completion of the Agreement and full conversion of the Convertible Bonds, assuming that there is no other change to the share capital of the Company:

	As at the date of this announcement		Immediately after the completion of the Agreement		Immediately after the completion of the Agreement and full conversion of the Convertible Bonds	
	Shares	%	Shares	%	Shares	%
Sino Market (notes 1, 2 & 3)	112,284,000	62.38	62,284,000	34.60	62,284,000	28.84
Yeung Wai Hung (note 4)	1,400,000	0.78	1,400,000	0.78	1,400,000	0.65
Purchaser	–	–	50,000,000	27.78	50,000,000	23.14
Sharp Mode Limited (note 5)	–	–	–	–	36,000,000	16.67
Public	66,316,000	36.84	66,316,000	36.84	66,316,000	30.70
Total	180,000,000	100.00	180,000,000	100.00	216,000,000	100.00

Notes:

- (1) Sino Market is owned by Sinoman International Limited as to 54.8%, Mellin Enterprises Limited as to 22.6% and Mr. Yeung Wai Hung as to 22.6%.
- (2) Sinoman International Limited is wholly owned by Twilight Enterprises Limited which is owned by Mr. Wilkie Wong (a non-executive director of the Company) as to 12.5%, Mr. Wong Wai Lok, William (not a director of the Company or its subsidiaries) as to 12.5%, Ms. Wong Wai Yee, Winnie (not a director of the Company or its subsidiaries) as to 12.5%, Ms. Wong Wai Ying, Vivian (not a director of the Company or its subsidiaries) as to 12.5%, and Madam Chiu Chee Chai (not a director of the Company or its subsidiaries) as to 50%.
- (3) Mellin Enterprises Limited is owned by Mr. Wong Wah Sang, the Chairman and non-executive director of the Company as to 50% and Mr. Wong Man Chiu, Ronnie, an executive director of the Company as to 50%.
- (4) Mr. Yeung Wai Hung is a former Director, still a director of Argos Bus Services (China) Company Limited (a subsidiary of the Company) and one of the ultimate beneficial owners of Sino Market. These 1,400,000 Shares are held under the name of Cherikoff Bakery & Confections Limited and by virtue of Part XV of the SFO, Mr. Yeung Wai Hung is deemed to be interested in the entire issued capital of Cherikoff Bakery of Confections Limited which is interested in 1,400,000 shares in the Company.
- (5) Sharp Mode Limited is the holder of the Convertible Bonds and its ultimate beneficial owner is Mr. Chow Chun Yee. Upon conversion of the Convertible Bonds with the equity interest in the Company held by Sharp Mode Limited exceeding 10%, Sharp Mode Limited and Mr. Chow Chun Yee will both become the substantial shareholder of the Company.

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Agreement”	the sale and purchase agreement dated 2 July 2008 between the Purchaser and Sino Market in relation to sale of 50,000,000 Shares
“Board”	the board of Directors
“Company”	Argos Enterprise (Holdings) Limited, incorporated in Hong Kong and whose shares are listed on the Growth Enterprise Market of the Stock Exchange
“Director(s)”	director(s) of the Company
“Convertible Bonds”	The convertible bonds issued by the Company on 30 June 2008 in principal amount of HK\$7.2 million to Sharp Mode Limited which is beneficially owned by Mr. Chow Chun Yee
“GEM Listing Rules”	The Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Mr. Cheung”	Mr. Cheung Man Yau, Timothy, an independent non-executive Director
“Mr. Yeung”	Mr. Yeung Wai Hung, a former Director and still a director of Argos Bus Services (China) Company Limited, a subsidiary of the Group
“Shares”	ordinary share(s) of HK\$0.10 each in the share capital of the Company

“Purchaser”	Wonderful Source Limited, a company incorporated in the British Virgin Islands wholly and beneficially owned by Mr. Cheung
“Shareholder(s)”	holder(s) of Shares
“Sino Market”	Sino Market Enterprises Limited, a company incorporated in Hong Kong and the controlling Shareholder of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By order of the Board
Argos Enterprise (Holdings) Limited
Wong Man Chiu
Executive Director

Hong Kong, 7 July 2008

As of the date hereof, the executive Directors are, Mr. Wong Man Chiu, Ronnie, Mr. Cheng Wing Hong and Mr. Chui Wai Cheung; the non-executive Directors are Mr. Wong Wah Sang and Mr. Wilkie Wong; while the independent non-executive Directors are Mr. Sung Wai Tak, Herman, Mr. Cheung Man Yau, Timothy and Mr. Wong Lit Chor, Alexis.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcement” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the website of the Company at www.argosenterprise.com.