

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



ARGOS ENTERPRISE (HOLDINGS) LIMITED

雅高企業(集團)有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 8022)

MEMORANDUM OF UNDERSTANDING IN RESPECT OF PROPOSED ACQUISITION AND UNUSUAL PRICE

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

The Board wishes to announce that the Purchaser (a wholly-owned subsidiary of the Company) on 30 July 2008 entered into the Memorandum of Understanding with the Vendor in relation to the Proposed Acquisition. The major asset of the Target Company is its investment in a Sino-foreign joint venture company with principal business in the provision of nation-wide telecommunications value-added services, including packaged message subscription, payment or recharging services for mobile game and entertainment, to mobile phone subscribers in the PRC.

The entering into the Memorandum of Understanding does not constitute the parties' legally binding commitment in respect of the Proposed Acquisition that is subject to the execution of the Formal Agreement in relation thereto by the parties.

Shareholders and potential investors of the Company should note that the Proposed Acquisition may or may not materialize. The Proposed Acquisition, if materializes, may constitute a notifiable transaction for the Company under Chapter 19 of the GEM Listing Rules and the Company shall comply with the relevant disclosure and/or shareholders' approval requirements under the GEM Listing Rules where appropriate. **Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.**

The Board noted the recent increase in the price of the shares of the Company and wish to state that, save for the matters relating to the Proposed Acquisition, the Board are not aware of any other reason for such increase.

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

MEMORANDUM OF UNDERSTANDING

The Purchaser, a wholly-owned subsidiary of the Company, on 30 July 2008 entered into the Memorandum of Understanding with the Vendor (an individual who is independent of the Company and its connected person) in relation to the Proposed Acquisition of the Sale Interests in the Target Company. The major asset of the Target Company is its investment in a Sino-foreign joint venture company with principal business in the provision of nation-wide telecommunications value-added services, including packaged message subscription, payment or recharging services for mobile game and entertainment, to mobile phone subscribers in the PRC.

THE PROPOSED ACQUISITION

The Vendor is an individual holding 99% equity interest in the Target Company. Pursuant to the Memorandum of Understanding, the Purchaser (a wholly owned subsidiary of the Company) is considering to acquire certain percentage (not less than 51% and to be determined under the negotiation of the parties and to be set out in the Formal Agreement) equity interest (“**Sale Interests**”) in the Target Company from the Vendor. The Vendor and the Purchaser will negotiate in good faith the terms (including the consideration for the Sale Interests) of the Formal Agreement for the sale and purchase of the Sale Interests on or before the expiry of the Effective Period. The Purchaser has agreed to pay a sum of HK\$1,000,000 to the Vendor as refundable earnest money within three days after the signing of the Memorandum of Understanding. In case the Formal Agreement has not been signed before the expiry of the Effective Period, the Vendor shall refund the said earnest money (without interest) in full to the Purchaser. The Purchaser will also conduct due diligence exercise on the Target Company (including its subsidiary and its investment in the Sino-foreign joint venture company) during the Effective Period. The Vendor has undertaken that during the Effective Period, he shall not negotiate with any party about the disposal of equity interest in or business of the Target Company (including its subsidiaries).

The entering into the Memorandum of Understanding does not constitute the parties’ legally binding commitments as to the Proposed Acquisition.

REASONS FOR THE PROPOSED ACQUISITION

The Board considers that the Proposed Acquisition provide a good opportunity for diversification of the business of the Group and for broadening the income base of the Group. The Directors are of the view that the business of provision of telecommunications value-added services to mobile phone subscribers has considerable growth potential in the PRC.

GENERAL

Shareholders and potential investors of the Company should note that the Proposed Acquisition may or may not materialize. The Proposed Acquisition, if materializes, may constitute a notifiable transaction for the Company under Chapter 19 of the GEM Listing Rules and the Company shall comply with the relevant disclosure and/or shareholders’ approval requirements under the GEM Listing Rules where appropriate. **Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.**

The Board noted the recent increase in the price of the shares of the Company and wish to state that, save for the matters relating to the Proposed Acquisition, the Board are not aware of any other reason for such increase.

Definitions

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

“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
“Effective Period”	a period from 30 July 2008 (date of Memorandum of Understanding) to 30 Oct 2008
“Formal Agreement”	the acquisition agreement which may (or may not) be entered into by the Vendor and the Purchaser in relation to the Proposed Acquisition
“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 People’s Republic of China
“Independent Third Party”	a party independent of the Company and its connected person
“Memorandum of Understanding”	the memorandum of understanding entered into by the Vendor and the Purchaser on 30 July 2008 in relation to the Proposed Acquisition
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excluding Hong Kong, Macau and Taiwan
“Proposed Acquisition”	the proposed acquisition by the Purchaser of the Sale Interests

“Purchaser”	Mega Field International Limited, a company incorporated in Hong Kong and a wholly owned subsidiary of the Company
“Sale Interests”	certain percentage equity interest (not less than 51%) in the Target Company which is determined under the negotiation of the Vendor and the Purchaser and to be set out in the Formal Agreement
“Shares”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Wisdom In Holding Limited, a company incorporated in the British Virgin Islands and the subject company for acquisition under the Memorandum of Understanding
“Vendor”	Zhang Weiting, an Independent Third Party individual who owns 99% equity interest in the Target Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By order of the Board
Argos Enterprise (Holdings) Limited
Cheung Man Yau, Timothy
Executive Director and Chief Executive Officer

Hong Kong, 30 July 2008

As of the date hereof, the executive Directors are, Mr. Wong Man Chiu, Ronnie, Mr. Cheung Man Yau, Timothy, 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, 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.