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China United
International Holdings Limited
五聯控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code : 273)

**EXCEPTIONAL PRICE MOVEMENT
COMMENCE DEALINGS OF BONUS SHARES
UPDATE ON POSSIBLE JOINT VENTURES
AND
POSSIBLE INVESTMENT IN MACAU**

This statement is made at the request of the Stock Exchange of Hong Kong Limited.

We have noted the increase in the price and trading volume of the Shares today and wish to state that we are not aware of any reasons for such increase.

Save as (i) the commencement of dealings in the Bonus Shares on 12th November 2004; (ii) the possible joint ventures as announced on 5th August 2004 have certain changes; and (iii) the investment in Macau as stated below, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 13.09, which is or may be of a price-sensitive nature.

Reference is made to the announcement and circular of the Company dated 17th September 2004 and 11th October 2004 respectively regarding the Bonus Issue of Shares. Unless otherwise stated, all capitalized terms used herein shall have the meanings as those defined in the announcement and the circular of the Company dated 17th September 2004 and 11th October 2004 respectively. The Bonus Shares have commenced the dealings on 12th November 2004.

Reference is made to the announcement of the Company dated 5th August 2004 in relation to the possible joint ventures to acquire Longyou in Beijing and to acquire Ning Fa and Jinri in Tianjin. Unless otherwise stated, all capitalized terms used herein shall have the meanings as those defined in the announcement of the Company dated 5th August 2004. The Board has rescinded the negotiation with Ms. Qiu in relation to the formation of the New Co to acquire the whole business of Longyou in Beijing. The Board is still undergoing the legal and financial due diligence as well as the negotiation with Mr. Zhuang in relation to the formation of the Holding Co to acquire Ning Fa and Jinri in Tianjin.

Regarding the investment in Macau, the Board has been engaging in several discussions with certain businessmen in Macau regarding the setting up of a holding company through its subsidiaries to invest into the casino, hotel, entertainment and casino related business in Macau as stated below.

As at the date of this announcement, the Company has not entered into any formal and legally binding agreements with the relevant parties in relation to the possible joint ventures as announced on 5th August 2004 and the investment in Macau. Further announcement(s) will be made as and when appropriate, and the Company will comply with the relevant Listing Rules where applicable.

Made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

Investors are advised to exercise caution when dealing in the Shares as the possible joint ventures and the investment in Macau may or may not proceed.

This statement is made by the request of the Stock Exchange of Hong Kong Limited.

The board of directors (the “Board”) of China United International Holdings Limited (the “Company”) has noted the increase in the price and trading volume of the shares of the Company (the “Shares”) today and wishes to state that we are not aware of any reasons for such increase.

Save as (i) the commencement of dealings in the bonus shares of the Company (the “Bonus Shares”) on 12th November 2004; (ii) the possible joint ventures as announced on 5th August 2004 have certain changes; and (iii) the investment in Macau as stated below, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 13.09, which is or may be of a price-sensitive nature.

Commence Dealings Of Bonus Shares

Reference is made to the announcement and circular of the Company dated 17th September 2004 and 11th October 2004 respectively regarding the Bonus Issue of Shares. Unless otherwise stated, all capitalized terms used herein shall have the meanings as those defined in the announcement and the circular of the Company dated 17th September 2004 and 11th October 2004 respectively. The Bonus Shares have commenced dealings on 12th November 2004.

Update On Possible Joint Ventures

Reference is made to the announcement of the Company dated 5th August 2004 in relation to the possible joint ventures to acquire Longyou in Beijing and to acquire Ning Fa and Jinri in Tianjin. Unless otherwise stated, all capitalized terms used herein shall have the meanings as those defined in the announcement of the Company dated 5th August 2004.

The Board has rescinded the negotiation with Ms. Qiu, the controlling shareholder of Longyou in relation to the formation of the New Co to acquire the whole business of Longyou in Beijing so as to transform the organization structure of Longyou to fulfill the listing requirements. The Board could not reach agreement with Ms. Qiu regarding the terms of the shareholders agreement of the New Co. No formal and legally binding agreement has been entered between Ms. Qiu and the Company. The Board considers that the termination of the negotiation with Ms. Qiu will have no material financial impact to the Company and will not affect the Company's strategy of investing in PRC.

Regarding the possible joint venture to acquire Ning Fa and Jinri in Tianjin, the Board is still undergoing the legal and financial due diligence as well as the negotiation with Mr. Zhuang in relation to the formation of the Holding Co. No formal and legally binding agreement has been entered between Mr. Zhuang and the Company. Mr. Zhuang is the cousin of the chairman of the Company and is defined as the connected persons of the Company as defined under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules"). Further announcements(s) will be made as and when appropriate, and the Company will comply with the relevant Listing Rules where applicable.

Investment In Macau

The Board has engaged in several discussions with certain businessmen in Macau regarding the setting up of a holding company through its subsidiaries to invest into casino, hotel, entertainment and casino related business. The businessmen are independent third parties and not connected persons of the Company as defined under the Listing Rules. Those businessmen indicated that they have identified a casino with hotel operation in Macau as the initial investment target ("Investment Target") and has started the preliminary discussion in relation to the possible investment into that casino with hotel operation. Those businessmen possess substantial experiences in managing casino, hotel, entertainment and casino related business in Macau. They intend to devote their experiences and social networks in Macau to assist the interested parties, including the Company, to seize different investment opportunities in casino, hotel, entertainment and casino related business so as to strengthening the business cooperation between Macau and Hong Kong as well as the economic development in Macau. They also intend to utilize the social networks of the Board to identify and approach other shareholders for the holding company so as to ensure that all the shareholders should have similar investment objectives, targets and strategies in Macau. The businessmen indicated that the holding company is prepared to raise no less than HK\$500 million for the investments in Macau including Investment Target and having at least four shareholders including the Company and their potential investors with each shareholder holding no more than 25% of the holding company. The businessmen may or may not invest into the holding company as the shareholders but will become the directors and/or consultants of the holding company so as to provide advice to the shareholders and to monitor those investments in Macau. After reviewing the investment objectives and the Investment Target of the holding company as well as the profile and experiences of those businessmen, the Board estimates that the Company's investment into the holding Company will amount to at least HK\$50 million and possibly up to HK\$150 million, subject to the negotiation with the businessmen.

Meanwhile, no material terms has been finalized and agreed and no formal and legally binding agreement has been entered between those businessmen and the Board. The Board will continue the discussions with the businessmen so as to finalize the details of shareholding, group structures, the investment amount as well as the investment objectives, targets and strategies in Macau. Further announcement(s) will be made by the Company as and when appropriate, and the Company will comply with the relevant Listing Rules where applicable. **The investments in Macau including the Investment Target may or may not proceed, investors are advised to exercise caution when dealing in the Shares.**

GENERAL

The Company and its subsidiaries (the “Group”) are principally engaged in investment holding. The principle activities of the Group include property investments, investment holding, investment in trading securities and provision of brokerage and financial services. The Board considers that the possible joint ventures as announced on 5th August 2004 and the investment in Macau represents good opportunities for the Group to diversify its investments in PRC and Macau. The Board prepares to use internal resources and depending on market conditions will arrange borrowing and/or fund raising in the stock market to fulfill the capital requirements on those potential investments. The Board expects that those potential investments will also bring in contributions to the Company in the future. The Company will make further announcement(s) as and when appropriate and the Company will comply with the relevant Listing Rules where applicable.

Investors are advised to exercise caution when dealing in the Shares as the investments may or may not proceed.

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Chuang Yueheng, Henry, Mr. Chung Wilson, Mr. Lo Kan Sun and Mr. Wong Ying Seung, Asiong and three independent non-executive directors, namely Mr. Lam Ping Cheung, Mr. Ong Peter and Mr. Miu Frank H.

By Order of the Board
China United International Holdings Limited
Chuang Yueheng, Henry
Chairman

Hong Kong, 12th November 2004