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## **SMART UNION GROUP (HOLDINGS) LIMITED**

**合俊集團(控股)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2700)**

### **EXTENSION OF LONG STOP DATE**

The Board is pleased to announce that after arm's length negotiations, pursuant to an extension letter dated 15 August 2007, the Company and the Placing Agent have agreed to extend the last date for fulfillment of the conditions in the Agreement from the date falling 31 days from the date of the Placing Agreement to the date falling 95 days from the date of the Placing Agreement (or such other date as the parties thereto may agree in writing). Save for the extension, all other terms and conditions of the Placing Agreement remain unchanged.

The Board is also pleased to announce that after arm's length negotiations, it is agreed that both the Company and the Vendor will proceed to negotiate for a legally-binding Formal Agreement within 90 days, instead of 30 days, from the date of the MOU (or such later date to be agreed by the parties thereto).

The Directors consider that the extension of the time for the Company to enter into the Formal Agreement will allow the Company to have additional time to conduct due diligence on the Target prior to entering into any legally-binding agreement. As the entering into the Formal Agreement is one of the conditions of the Placing, the Company and the Placing Agent have agreed to extend the long stop date of the Placing Agreement as disclosed above.

Reference is made to the announcement (the "**Placing Announcement**") of the Company dated 18 July 2007 in relation to, among other matters, the Placing of up to 70,000,000 Placing Shares at the Placing Price of HK\$1.67 per Placing Share and the announcement (the "**MOU Announcement**") of the Company dated 16 July 2007 in relation to the MOU in respect of the Possible Acquisition. Definitions and terms used in this announcement, unless the context requires otherwise, shall bear the same meanings as defined in the Placing Announcement and the MOU Announcement.

The Board is pleased to announce that after arm's length negotiations, pursuant to an extension letter dated 15 August 2007, the Company and the Placing Agent have agreed to extend the last date for fulfillment of the conditions in the Agreement from the date falling 31 days from the date of the Placing Agreement to the date falling 95 days from the date of the Placing Agreement (or such other date as the parties thereto may agree in writing). Save for the extension, all other terms and conditions of the Placing Agreement remain unchanged.

The Board is also pleased to announce that after arm's length negotiations, it is agreed that both the Company and the Vendor will proceed to negotiate for a legally-binding Formal Agreement within 90 days, instead of 30 days, from the date of the MOU (or such later date to be agreed by the parties thereto). Further announcement(s) will be made by the Company if the Formal Agreement is entered into between the relevant parties.

The Directors consider that the extension of the time for the Company to enter into the Formal Agreement will allow the Company to have additional time to conduct due diligence on the Target prior to entering into any legally-binding agreement. As the entering into the Formal Agreement is one of the conditions of the Placing, the Company and the Placing Agent have agreed to extend the long stop date of the Placing Agreement as disclosed above.

By order of the Board  
**Smart Union Group (Holdings) Limited**  
**Wu Kam Bun**  
*Chairman*

Hong Kong, 15 August 2007

*As at the date of this announcement, the Board comprises of five executive Directors: Mr. Wu Kam Bun, Mr. Lai Chiu Tai, Mr. Lo Kwok Choi, Mr. Ho Wai Wah and Mr. Wong Wai Chuen; and three independent non-executive Directors: Dr. Lui Sun Wing, Mr. Li Chak Hung and Mr. Tang Koon Yiu, Thomas.*