



UPBEST GROUP LIMITED

美建集團有限公司*

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 335)

CLARIFICATION ANNOUNCEMENT

This announcement is made in order to clarify certain information contained in the Chinese Announcement.

Reference is made to the announcement issued by Upbest Group Limited (the “**Company**”) dated 19th July, 2007 (the “**Announcement**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcement, unless the context otherwise requires.

We have come to notice that there are certain inconsistencies in the English Announcement and its Chinese translated version (the “**Chinese Announcement**”) published in the websites of the Stock Exchange and the Company.

We would like to clarify that the contents set out in the English Announcement are correct and no amendment to it is necessary. However, due to an inadvertent oversight, an earlier draft of the Chinese Announcement was mistaken for publication, and as a result the following paragraphs under the headings “Sale and Purchase Agreement”, “Consideration”, “Information on FB”, “Reasons for the Disposal” and “Definition” are inconsistent with the English Announcement. Amendments made to the Chinese Announcement are as follows:

Under the heading “Sale and Purchase Agreement” in the last paragraph on page 1 of the Chinese Announcement, the word “Vendor” in the phrase “the Vendor is an Independent Third Party” shall be amended to the “Purchaser”.

Under the heading “Consideration” on page 2 of the Chinese Announcement, the first sentence of the second paragraph shall be replaced by the following sentence: “The consideration for the Disposal was arrived at after arm’s length negotiations between the parties to the Sale and Purchase Agreement after taking into consideration of various factors, in particular, the net liabilities of FB as at 17 July 2007, the investments comprising HK\$78 equity interests and a shareholder loan of HK\$127,999,922 which have been made by FB to the Joint Venture Company as at 17 July 2007.”

Under the heading “Information on FB” on page 3 of the Chinese Announcement, at the bottom of this section, “The Company will utilize the proceeds from the Disposal as general working capital.” shall be added.

Under the heading “Reasons for the Disposal” in the last paragraph on page 3 of the Chinese Announcement, the words, “including the independent non-executive Directors” shall be added after the words “The Directors”.

Under the heading “Definitions” on page 4 of the Chinese Announcement, the definition of FB shall be amended to “Full Benefit Investments Limited, a company incorporated in the British Virgin Islands with limited liability and was an indirect wholly owned subsidiary of the Company before Completion”.

Please refer to the Chinese version of this clarification announcement for details of the amendments made to the Chinese Announcement.

By Order of the Board
UPBEST GROUP LIMITED
Mr. Li Kwok Cheung, George
Executive Director

Hong Kong, 20th July 2007

** For identification purpose only*

As at the date of this announcement, the Board of the Company consists of Dr. Wong King Keung, Peter as chairman and non-executive Director, Mr. Wong Ching Hung, Thomas, Mr. Cheng Kai Ming, Charles, Mr. Suen Man Tak, Stephen, Mr. Li Kwok Cheung, George, Ms. Cheng Wai Ling, Annie and Mr. Cheng Wai Lun, Andrew as executive Directors and Mr. Wong Wai Kwong, David, Mr. Pang Cheung Hing, Alex, Mr. Fuk Ho Kai and Mr. Ng Yick Man, Andy as independent non-executive Directors.