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MP LOGISTICS INTERNATIONAL HOLDINGS LIMITED

MP 物流國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8239)

ANNOUNCEMENT - High Concentration of Shares

This announcement is made in respect of the high concentration of the public float of the Company in the hands of a small number of Shareholders.

Shareholders and investors of the Company are reminded to exercise extreme caution when dealing in the Shares.

The Board has been informed by the Stock Exchange that, on the basis of the information provided by the Securities and Futures Commission to the Stock Exchange, as at 21 October 2004, a group of 6 investors held an aggregate of 26,240,000 Shares, representing 8.75% of the Company's issued share capital. Their shareholdings, together with the 74.33% controlled by Best Method Investments Limited, the controlling shareholder of the Company, and the 9% held by 3 pre-IPO investors of the Company, namely On Profit Limited, Sunny Sky Investments Management Limited and Well On Resources Management Limited, represented 92.08% of the Company's issued share capital as at 21 October 2004. This implies that only 7.92% of the Company's issued shares were in the hands of other Shareholders.

PUBLIC FLOAT

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* *For identification only*

On 13 December 2004, the Company has reviewed the Shareholders' list and CCASS report and made enquiries to the directors, chief executive, substantial shareholders or management shareholders of the Company and its subsidiaries or their respective associates (as defined in the GEM Listing Rules) and the following table shows the shareholding structure of the Company as at 10 December 2004:

		Number of Shares	Percentage of shareholding
Initial Management Shareholder	Best Method Investments Limited (<i>Note 1</i>)	223,000,000	74.33%
Public Shareholders	On Profit Limited (<i>Note 2</i>)	9,000,000	3.00%
	Sunny Sky Investments Management Limited (<i>Note 2</i>)	9,000,000	3.00%
	Well On Resources Management Limited (<i>Note 2</i>)	9,000,000	3.00%
	HKSCC Nominees Limited (<i>Note 3</i>)	<u>50,000,000</u>	<u>16.67%</u>
	Total	<u><u>300,000,000</u></u>	<u><u>100.00%</u></u>

Notes:

- Best Method Investments Limited is beneficially owned by Profound Wise International Limited, Accent On Investments Limited and Absolute Prime Investments Limited in the proportion of 40%, 30% and 30% respectively. Profound Wise International Limited is 70% owned by Mr. Wong Kwong Kwok, a Director and an Initial Management Shareholder, and 30% owned by Mr. Yeung Leung Kong, a Director and an Initial Management Shareholder. Accent On Investments Limited is 100% owned by Mr. Wong Kwong Kwok. Absolute Prime Investments Limited is 100% owned by Mr. Chan Chi Yin, an Initial Management Shareholder.
- On Profit Limited, Sunny Sky Investments Management Limited and Well On Resources Management Limited are the pre-IPO investors of the Company and do not have any board representation or management function within the Group. To the best knowledge of the Directors, On Profit Limited, Sunny Sky Investments Management Limited and Well On Resources Management Limited and their respective beneficial owners are independent of and not connected with the Company, the directors, chief executive, substantial shareholders or management shareholders of the Company and its subsidiaries or their respective associates (as defined in the GEM Listing Rules). Accordingly, they are regarded as members of the public.
- These Shares are held by 42 CCASS participants including securities firms and banks.

Save as disclosed above, the Company does not recognize any other persons / individuals who are interested in 5% or more of the issued share capital of the Company as at 21 October 2004 and as at 10 December 2004 and save as disclosed above, the Company, having made all reasonable enquiry, is not aware of its connected persons having interests in the Shares. Based on the enquiries made by the Company to the directors, chief executive, substantial shareholders or management shareholders of the Company and its subsidiaries or their respective associates (as defined in the GEM Listing Rules), no directors, chief executive, substantial shareholders or management shareholders of the Company and its subsidiaries or their respective associates (as defined in the GEM Listing Rules) had dealt in the Shares since 21 October 2004 to 10 December 2004.

In view of the high concentration of Shares in the hands of a small number of Shareholders, the Company makes this announcement of the aforesaid matter to keep the market informed thereof. The securities of the Company may not have a genuine market. Shareholders and investors of the Company are reminded to exercise extreme caution when dealing in the Shares.

The Company will make a further announcement on the finding of the investigation to be made under section 329 of the Securities and Futures Ordinance.

As at the date of this announcement, the Company's executive Directors are Mr. Wong Kwong Kwok and Mr. Yeung Leung Kong, the non-executive Directors are Mr. Deng Hui, Ms. Xiao Fei Yan and Ms. Wang Li Yun, and the independent non-executive Directors are Mr. Wong Ah Chik, Ms. Leung Wai Ling, Wylie and Mr. Liu Feng.

DEFINITIONS

“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Company”	MP Logistics International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange
“Director(s)”	director(s) including non-executive director(s) and independent non-executive director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People's Republic of China

“Initial Management Shareholder(s)”	has the same meaning ascribed to it in the GEM Listing Rules and in relation to the Company means Best Method Investments Limited, Profound Wise International Limited, Accent On Investments Limited, Absolute Prime Investments Limited, Mr. Wong Kwong Kwok, Mr. Yeung Leung Kong and Mr. Chan Chi Yin
“IPO”	the initial public offering of the Shares
“Shares”	ordinary shares of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board
MP Logistics International Holdings Limited
Wong Kwong Kwok
Chairman

Hong Kong, 16 December 2004

This announcement, for which the Directors of the Company 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 Announcements” page of the GEM website (www.hkgem.com) for at least seven days from the date of its posting and on the Company website at www.marinepower.org.