



MAGICIAN INDUSTRIES (HOLDINGS) LIMITED

通達工業(集團)有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 526)

**ANNOUNCEMENT
IN PURSUANCE OF RULES 13.13 AND 13.15
OF THE LISTING RULES**

This announcement is made by the directors of the Company in compliance with the disclosure requirements under Rules 13.13 and 13.15 of the Listing Rules.

Due to inadvertent oversight, the Company failed to disclose details of the advance to an entity by the Group, comprising Trade Receivable which exceeded 8% of the Market Capitalisation of the Company.

As at 4th October 2004, accounts receivables due to Magician Industries (Holdings) Limited (the "Company") together with its subsidiaries (collectively the "Group") from Brashaw International Limited ("BI") amounted to approximately HK\$45,924,000, representing more than eight per cent in terms of the relevant percentage ratios as defined in the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The above-mentioned accounts receivables had been fully settled as of 19th January 2005. BI is the largest customer of the Group and not a connected person (as defined in the Listing Rules) of the Company.

The accounts receivables are unsecured and with credit terms 60 days or letter of credit. They primarily arose from and in the ordinary course of business of the Group transacted with BI during the financial period ended 31st October 2004.

As at 4th October 2004, there were 868,733,440 shares of the Company in issue. Based on the average closing price of the Company's shares of HK\$0.2134 as stated in the Stock Exchange's daily quotation sheets for trading days from 24th September 2004 to 4th October 2004 (both days inclusive), being the five business days immediately preceding 4th October 2004, the total market capitalisation of the Company was HK\$185,388,000 as at 4th October 2004.

Save as disclosed above, the Company does not have other disclosure obligations under Rules 13.13 and 13.15 of the Listing Rules.

Under Rule 13.13 of the Listing Rules, the Company should have disclosed the relevant accounts receivables after the Company's shares have been listed on the Stock Exchange. However, due to inadvertent oversight, the Company failed to do so. The Stock Exchange reserves the right to take appropriate action against the Company and/or its directors in respect of such failure.

By Order of the Board
Will Hoon Wee Teng
Chairman

Hong Kong, 19 January 2005

As at the date to this announcement, the Board of the Company comprises Mr. Will Hoon Wee Teng (Chairman and Non-Executive Director), Mr. Patrick Zee being an Executive Director, Mr. Kenneth Chan Chun Hing, Mr. Wong Kwong Chi, Mr. Kong Yick Ming, Mr. Ku Ling Yu, John and Miss Katrina Kok Zhi Yi, being Non-Executive Directors, Mr. Rawdon Tsui Sing Kee, Mr. Cheung Sun Lung and Mr. Andrew Ma Chiu Cheung being Independent Non-Executive Directors.

Please also refer to the published version of this announcement in The Standard.