



CHINA ELEGANCE (HOLDINGS) LIMITED

(瑞 源 國 際 有 限 公 司) *

(Incorporated in Bermuda with limited liability)
(Stock Code: 476)

ANNOUNCEMENT – UNUSUAL PRICE MOVEMENTS

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

We have noted the increase in the price of the shares of the Company today and wish to state that we are not aware of any reasons for such circumstances.

Save for the proposed placing and subscription of Convertible Notes as disclosed in the announcement of 9 July 2007, we confirm 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.

Made by the order of the Board of China Elegance (Holdings) Limited, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

For and on behalf of
China Elegance (Holdings) Limited
Chan Chung Chun
Executive Director

Hong Kong, 12 July 2007

As at the date hereof, the executive directors of the Company are Mr. Cheung Ngan and Mr. Chan Chung Chun Arnold, and the independent non-executive directors are Mr. Chan Chak Paul, Mr. Hu Guang and Mr. Chan Francis Ping Kuen.

** For identification purpose only*