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STYLAND HOLDINGS LIMITED*

(incorporated in Bermuda with limited liability)

(Stock code: 211)

ANNOUNCEMENT

In December 2004, the Company received a writ of summons from C.A. Pacific Finance to claim against it, as a guarantor, for a sum of HK\$1,197,349.50.

The claim was denied by the Company upon seeking legal advice and a defence was filed in January 2005.

In May 2007, the Company and C.A. Pacific Finance reached an agreement to settle the lawsuit. On 4 June 2007, the court granted a consent order pursuant to which C.A. Pacific Finance agreed to discontinue all its claims against the Company under the lawsuit and each of the Company and C.A. Pacific Finance will bear its own costs in the lawsuit.

K.Y. Limited, a company owned by a major shareholder of the Company, informed the Company that C.A. Pacific Finance and C.A. Pacific Securities have paid a sum of HK\$996,877.65 to K.Y. Limited as compensation for all known securities and corporate actions entitlements held by C.A. Pacific Securities.

To the best knowledge of the directors of the Company, C.A. Pacific Finance and C.A. Pacific Securities are in the process of liquidation and the disputes between C.A. Pacific Finance, C.A. Pacific Securities and K.Y. Limited have been fully settled.

Reference is made to the announcement issued by Styland Holdings Limited (“the Company”) dated 20 December 2004, and its disclosure in the annual reports of the Company the years ended 31 March 2005 and 2006.

In December 2004, the Company received a writ of summons from C.A. Pacific Finance Limited (in liquidation) (“C.A. Pacific Finance”) claiming against the Company as guarantor for a sum of HK\$1,197,349.50 due by Eastex Investment Far East Limited (formerly known as Styland Investment Far East Limited), a former subsidiary of the Company which had been disposed of in December 1997. After seeking legal advice, the Company filed a defence denying the claim in January 2005.

In May 2007, the Company and C.A. Pacific Finance reached an agreement to settle the lawsuit. On 4 June 2007, the court granted a consent order pursuant to which C.A. Pacific Finance agreed to discontinue all its claims against the Company under the lawsuit and each of the Company and C.A. Pacific will bear one’s own costs in the lawsuit.

According to the Company’s annual report for the year ended 31 March 2004, the record showed that 400,000 shares of the Company held by K.Y. Limited (“KY”), a company owned

by a major shareholder of the Company, were pledged to C.A. Pacific Finance. The Company was informed by KY that the said shares had been disposed by C.A. Pacific Finance thereafter. Recently, the Company was advised by KY that C.A. Pacific Finance and C.A. Pacific Securities Limited (“C. A. Pacific Securities”) had paid to it a sum of HK\$996,877.65 as compensation for all known securities and corporate actions entitlements held by C.A. Pacific Securities. To the best knowledge of the directors of the Company, C.A. Pacific Finance and C.A. Pacific Securities are in the process of liquidation and the disputes between C.A. Pacific Finance, C.A. Pacific Securities and KY have been fully settled.

The board of directors of the Company considers that the discontinuance of the lawsuit is in the interests of the Company and its shareholders as a whole.

Order of the board
Styland Holdings Limited
Cheung Hoo Win
Executive director

Hong Kong, 29 June 2007

As at the date of this announcement, the board of Company consists of five executive directors, Ms. Yeung Han Yi Yvonne, Ms. Chan Chi Mei Miranda, Mr. Cheung Hoo Win, Mr. Wu Ho Fai David, Ms. Zhang Yuyan and three independent non-executive directors, Mr. Lim Man San David, Mr. Yeung Shun Kee Edward and Mr. Chow Pat Kan.

* *Only for identification.*