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FORTUNA INTERNATIONAL HOLDINGS LIMITED

廣益國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 530)

**ANNOUNCEMENT
DISCLOSEABLE TRANSACTION
ACQUISITION OF 30% INTERESTS IN
NEW GRAND HOTEL COMPANY LIMITED
AND**

UNUSUAL PRICE MOVEMENT AND TRADING VOLUME

Reference is made to the Announcements in relation to the conditional agreement dated 20th January 2005 made between Ms. Lam as the Vendor and Everacme Management Limited, a subsidiary of the Company, as the Purchaser, for the sale and purchase of 30% interests in the Target Company. Up to the date hereof, the Circular in relation to the Acquisition has not been despatched to the Shareholders for the reasons stated in this announcement.

The Directors have noted the decrease in the price and increase in the trading volume of the Shares on 12th May 2005.

Reference is made to the announcements of the Company dated 15th February 2005 and 2nd March 2005 (the "Announcements") in relation to the conditional agreement dated 20th January 2005 made between Ms. Lam as the Vendor and Everacme Management Limited, a subsidiary of the Company, as the Purchaser, for the sale and purchase of 30% interests in the Target Company. Terms used herein shall have the same meanings as defined in the Announcements unless the context otherwise requires.

The Company announced on 19th April 2005 that the parties to the Agreement have agreed to extend the long stop date of the Agreement from 20th March 2005 to 20th May 2005 ("Long Stop Date") as further time is required to conduct the due diligence review on the Target Company, in particular, in respect of the title of the Target Company in the Hotel. As requested by the Stock Exchange, the Circular should contain information regarding whether the Target Company has the right to use, occupy and manage the Hotel. As such, the despatch of the circular of the Company ("Circular") in relation to the Acquisition was further delayed to 11th May 2005.

Up to the date of this announcement, the Company is still liaising with the Vendor for the necessary documentation regarding the Target Company's right to use, occupy and manage the Hotel. As such, the Circular was not despatched to the Shareholders on 11th May 2005.

In view that the Long Stop Date has been extended, the Vendor has up to 20th May 2005 to fulfill the conditions precedent to the Agreement, which include, amongst other things, delivery of a Macau legal opinion confirming the Target Company has a valid title to the Hotel. The Company will make further announcement to inform the Shareholders if information regarding the Hotel is obtained on or before 20th May 2005. The Circular will be despatched to the Shareholders as soon as possible when such information is obtained.

UNUSUAL PRICE MOVEMENT AND TRADING VOLUME

The Directors have noted the decrease in the price and increase in the trading volume of the Shares on 12th May 2005.

Save as disclosed in this announcement, the Directors are not aware of any reasons for such decrease in the price and increase in the trading volume and the Directors confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23 of the Listing Rules. The board of Directors is also not aware of any matter discloseable under the general obligation imposed by rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

As at the date of this announcement, Mr. Kwok Ying Chuen and Mr. Yu Won Kong, Dennis are the executive Directors; Mr. Tso Hon Sai, Bosco, Mr. Kwok Chi Sun, Vincent and Mr. Cheng Wing Keung, Raymond are the independent non-executive Directors.

By order of the board of
Fortuna International Holdings Limited
Kwok Ying Chuen
Director

Hong Kong, 12th May 2005

* *For identification purpose only*

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