



PRESS RELEASE

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CITL Issues New Shares To Strengthen Development in Food and Beverage Business

(Hong Kong, May 4, 2007) - Chevalier International Holdings Limited ("CIHL") (stock code: 25) and its subsidiary Chevalier iTech Holdings Limited ("CiTL" or the "Company") (stock code: 508) yesterday announced that CIHL and Dr. Chow Yei Ching ("Dr. Chow") have agreed to place 32,200,000 shares in total in the share capital of CiTL to independent investors at a price of HK\$3.70 per share, and CIHL will subscribe for 25,384,146 new shares of CiTL at the price of HK\$3.70 per share. Through issuance of the 25,384,146 new shares, CiTL will receive the net proceeds of approximately HK\$91,600,000.

The placing price and the subscription price of HK\$3.70 represent a discount of approximately 13.95% to the closing price of HK\$4.30 per share quoted on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 2 May 2007, or a discount of approximately 1.18% to the closing price of HK\$3.744 per share quoted on the Stock Exchange for the last five trading days up to and including 30 April 2007, or a premium of approximately 3.38% over the average closing price of approximately HK\$3.579 per share as quoted on the Stock Exchange for the last ten trading days up to and including 30 April 2007.

The 25,384,146 shares and 6,815,854 shares to be placed by CIHL and Dr. Chow respectively represent approximately 13.35% and 3.58% of the existing issued share capital of CiTL of 190,155,871 shares, while the 25,384,146 new shares to be issued by CiTL represent approximately 11.78% of the issued share capital of CiTL as enlarged by the issuance of these new shares. After the placing and the subscription of the shares, the proportion of CiTL's shares held by the public will increase from 36.65% to 47.27%.

Dr. CHOW Yei Ching, Chairman of CIHL and CiTL, said, "Upon the approval gained from the special general meeting on 2 May 2007, CiTL will dispose its IT business and put its focus on the food and beverage business development. We believe that the issuance of new shares provides a good chance for CiTL to raise capital and broaden its shareholders base with strategic investors. With stronger financial position, we are confident that CiTL is ready to capture the emerging opportunities in the flourishing food and beverage market ahead."

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