



LAI FUNG HOLDINGS

Lai Fung Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

RESULT OF RIGHTS ISSUE OF 767,706,730 RIGHTS SHARES OF HK\$0.10 EACH AT HK\$0.10 PER RIGHTS SHARE IN THE PROPORTION OF ONE RIGHTS SHARE FOR EVERY FOUR EXISTING SHARES HELD ON THE RECORD DATE PAYABLE IN FULL ON ACCEPTANCE

The Directors of Lai Fung Holdings Limited announce that the Rights Issue closed and became unconditional at 5:00 p.m. on Monday, 24th June, 2002. The Directors also announce that valid acceptances have been received for 728,375,858 Rights Shares provisionally allotted under the Rights Issue and valid applications have been received for 57,140,642 excess Rights Shares. Accordingly, the Rights Issue was approximately 102.32% subscribed, of which approximately 94.88% were subscribed under the provisional allotments of Rights Shares and approximately 7.44% were subscribed under the excess applications for the Rights Shares. Such acceptances include 353,425,071 Rights Shares accepted and paid for by the Major Shareholders, which represents approximately 46.04% of the total Rights Shares subscribed.

As a result of the over-subscription of the Rights Shares, the Underwriter's obligations under the Underwriting Agreement have ceased.

The Rights Issue has become unconditional on 24th June, 2002.

Terms used in this announcement shall have the same meanings as those set out in the prospectus in relation to the Rights Issue issued by the Company on 31st May, 2002 unless otherwise defined herein.

RESULTS OF THE RIGHTS ISSUE

The Directors announce that all the conditions set out in the Underwriting Agreement have been fulfilled and the Underwriting Agreement has not been terminated in accordance with their terms or otherwise. The Rights Issue closed and became unconditional at 5:00 p.m. on Monday, 24th June, 2002. Valid acceptances of Rights Shares provisionally allotted under the Rights Issue have been received for a total of 728,375,858 Rights Shares and valid applications for excess Rights Shares have been received for a total of 57,140,642 Rights Shares. Such acceptances include:

- 374,950,787 Rights Shares and 57,140,642 excess Rights Shares accepted and paid for by the Qualifying Shareholders;
- 353,425,071 Rights Shares accepted and paid for by the Major Shareholders.

The Rights Shares accepted and paid for by the Major Shareholders represent the number of Shares which they had irrevocably undertaken to accept pursuant to the terms of the Underwriting Agreement.

Based on the subscription results of the Rights Issue as referred to above, the aggregate number of the Rights Shares accepted and applied for represents approximately 102.32% of the total number of Rights Shares available under the Rights Issue. The aggregate number of Rights Shares accepted and applied for by the Major Shareholders represents approximately 46.04% of the total Rights Shares available for subscription. The Major Shareholders have confirmed that neither they nor any of their subsidiaries nor any of their respective associates (as defined under the Listing Rules) have applied for any excess Rights Shares. Accordingly, the shareholding of the Major Shareholders in the Company remain unchanged at 46.04% of the issued share capital of the Company as enlarged by the Rights Issue.

As a result of the over-subscription of the Rights Shares, the Underwriter's obligations under the Underwriting Agreement ceased at 5:00 p.m. on Monday, 24th June, 2002.

EXCESS APPLICATION

Regarding the 49 valid applications for 57,140,642 excess Rights Shares applied for by way of excess application, the Directors have resolved to allot, from among the Rights Shares allotted provisionally but not accepted, to the applicants such number of Rights Shares in the following manner:

No. of valid applicants	No. of excess Rights Shares applied for	Percentage of allotment	Total number of Rights Shares allotted
48	ranging from 750 to 2,500,000	100%	18,977,188
1	38,163,454	53.33%	20,353,684
			<u>39,330,872</u>

GENERAL

As at the date of this announcement, the Directors are not aware of there being any subscribers under the Rights Issue whose shareholdings result in them becoming substantial shareholders (as defined under the Listing Rules) of the Company. As the Major Shareholders will be holding approximately 46.04% of the enlarged issued share capital of the Company after the Rights Issue, the number of Shares in the hands of the public does not fall below the prescribed minimum of 25%.

It is expected that certificates in respect of the Rights Shares will be despatched to those entitled thereto at their own risk by ordinary post to their registered addresses on Thursday, 27th June, 2002. Dealing in the fully-paid Rights Shares is expected to commence on Tuesday, 2nd July, 2002.

By order of the Board
Lai Fung Holdings Limited
Yeung Kam Hoi
Company Secretary

Hong Kong, 25th June, 2002