

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 FIVE 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 Thursday, 24th April, 2003. The Directors also announce that valid acceptances have been received for 510,890,540 Rights Shares provisionally allotted under the Rights Issue and valid applications have been received for 260,392,733 excess Rights Shares. Accordingly, the Rights Issue was approximately 100.47% subscribed, of which approximately 66.55% were subscribed under the provisional allotments of Rights Shares and approximately 33.92% 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 April, 2003.

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 March, 2003 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 Thursday, 24th April, 2003. Valid acceptances of Right Shares provisionally allotted under the Rights Issue have been received for a total of 510,890,540 Rights Shares and valid applications for excess Rights Shares have been received for a total of 260,392,733 Rights Shares. Such acceptances include:

- 157,465,469 Rights Shares and 260,392,733 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 100.47% 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 subscribed. 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 Thursday, 24th April, 2003.

EXCESS APPLICATION

Regarding the 7 valid applications for 260,392,733 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 applicants	No. of Rights Shares applied for	Percentage of allotment	Total number of Rights Shares allotted
6	ranging from 28 to 380,000	100%	392,728
1	260,000,005	98.62%	<u>256,423,462</u>
			<u>256,816,190</u>

GENERAL

All conditions to which the Rights Issue is subject have been fulfilled. 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%. The percentage of the Shares held in the hands of the public is 53.96% of the issued share capital of the Company.

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 Tuesday, 29th April, 2003. Dealing in the fully-paid Rights Shares is expected to commence on Monday, 5th May, 2003.

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

Hong Kong, 28th April, 2003