



LAI FUNG HOLDINGS

Lai Fung Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code : 1125)

GENERAL DISCLOSURE ANNOUNCEMENT

Memorandum of Cooperation Residential Property Project in Cotai City, Macau

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Company will keep shareholders informed of the progress in the negotiations between EAST and the Company relating to the MOU as appropriate in accordance with the Listing Rules.

The Directors of Lai Fung Holdings Limited (the "Company") announce that East Asia - Televisão por Satélite, Limitada ("EAST"), a wholly-owned subsidiary of eSun Holdings Limited incorporated in Macau Special Administrative Region, has informed the Company that it has received notification in writing from the Land, Public Works and Transport Bureau of the Macau SAR Government advising that conditional approval has been given to the proposed development plans in respect of the site in Cotai City more particularly described as Zona de Aterro entre Taipa e Coloane, Lotes G300, G310 e G400, Estrada Flor de Lotus, Taipa, Macau SAR (the "Cotai Site") submitted by EAST on 4th February, 2005.

The Company entered into a memorandum of cooperation ("MOU") with EAST on 15th November, 2004 pursuant to which EAST granted to the Company a right to participate in the development and profit distribution of a proposed residential property project in a piece of land with an area of approximately 20,000 square metres situated within the Cotai Site. The Cotai Site has an area of approximately 141,000 square metres. The parties will, subject to the satisfaction of certain conditions, enter into a formal agreement no later than July 2005 (or such later date as may be agreed between the parties). Details of this proposed cooperation are contained in the announcement of the Company dated 17th November, 2004. EAST has informed the Company of the possible change in user of the whole of the Cotai Site, and has proposed to initiate negotiations with the Company as soon as possible with a view to agreeing on amendments to the MOU which would serve the best interests of both parties.

This announcement is made by the Company under the general disclosure requirements under Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Company will keep shareholders informed of the progress in the negotiations between EAST and the Company as appropriate in accordance with the Listing Rules. **In the meantime, shareholders and the investing public are advised to exercise caution when dealing in the listed securities of the Company.**

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

Hong Kong, 30th May, 2005

As at the date hereof, the executive directors of the Company are Mr. Lam Kin Ngok, Peter, Mr. Lam Kin Ming, Mr. Lam Kin Hong, Matthew, Mr. Lam Hau Yin, Lester, Mr. Ho Wing Tim, Mr. Lee Po On, Madam U Po Chu, Mr. Lau Shu Yan, Julius and Mr. Tam Kin Man, Kraven; the non-executive director is Mr. Lam Kin Ko, Stewart, and the independent non-executive directors are Mr. Wong Yee Sui, Andrew, Mr. Lam Bing Kwan and Mr. Mui Ying Chun, Robert.