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LAI FAI INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8183)

ANNOUNCEMENT

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The board of directors (the “Board”) of Lai Fai International Holdings Limited (the “Company”) is pleased to announce that Mr. Ho Hou Chiu, William (“Mr. Ho”) has been appointed as an Independent Non-Executive Director of the Company with effect from 1st September 2004.

Mr. Ho has neither interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) nor any relationship with any other directors, senior management or substantial or controlling shareholders of the Company (within the meaning of the GEM Listing Rules). Mr. Ho does not hold any other positions in the Company or any of its subsidiaries. He has not held any directorships of listed public companies in the last 3 years.

Mr. Ho, aged 52, is a director of Tai Fung Bank Ltd., one of the major commercial banks in Macau. Mr. Ho is also a managing director of Jing Yang Co. Ltd, Mascargo (Macau) Co. Ltd., P&W Money Changer Ltd., and Tai Ming Oil Co. Ltd. Mr. Ho is a member of the Beijing Committee of the Chinese People’s Political Consultative Conference and vice chairman of Beijing Chinese Overseas Friendship Association. Mr. Ho is also a committee member of Macau Chamber of Commerce and Macau Kiang Wu Charitable Association.

Mr. Ho has not entered into any service contract with the Company and he is not appointed for a specific term since he is subject to retirement by rotation and re-election in accordance with the articles of association of the Company. He is entitled to receive a director’s fee of HK\$50,000 per annum, which is determined based on the estimated time to be spent by him on the Company’s matters.

Save as disclosed herein, the Board is not aware of any other matters which need to be brought to the attention of the Company’s shareholders and would like take this occasion to express its warm welcome to Mr. Ho’s appointment.

As at the date of this announcement, the Board comprises of 2 executive directors, being Mr. Li Shui and Mr. Lee You; 2 non-executive directors, being Mr. Yoshitaka Kitao and Mr. Yu Kam Kee, Lawrence; 3 independent non-executive directors, being Mr. Mak Tak Cheong, Edmund, Mr. Che King Lun, Frankly and, Mr. Ho Hou Chiu, William.

By the order of the Board

Li Shui

Executive Chairman

Hong Kong, 1st September 2004

This announcement for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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