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## **LAI FAI INTERNATIONAL HOLDINGS LIMITED**

麗輝國際控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8183)**

### **Announcement**

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The directors (the “Directors”) of Lai Fai International Holdings Limited (the “Company”) have noted the recent increase in the price and trading volume of the shares of the Company, and wish to announce that the Directors have received confirmation from Mr. Li Shui (being the majority shareholder of the controlling shareholder of the Company) (“Mr. Li”) that he is, from time to time, approached by parties who wish to explore, or express interest in, acquisition or other business opportunities with Mr. Li and/or the Company, and to this end, Mr. Li has also confirmed that he has recently been approached by a third party who has indicated a preliminary interest in acquiring his stake in the Company. Mr. Li has further confirmed that such discussions are only at a preliminary stage and they are no further forward than the other discussions he has had in the past. Accordingly, no agreement has been entered into and there is no assurance that any transaction may materialize as a result hereof.

Save as referred to above, we also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapters 19 to 20 of the GEM Listing Rules, nor is the board of Directors (the “Board”) aware of any matter discloseable under the general obligation imposed by rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature, and that we are not aware of any other reason for the said increase in the price and trading volume of the shares of the Company. The Directors (including Mr. Li) have also confirmed that none of them has dealt in the shares of the Company within one month prior to the date of this announcement.

**Investors are advised to exercise extreme caution when dealing in the securities of the Company.**

Made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this announcement.

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:30 a.m. on 27th October, 2004 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:30 a.m. on 28th October, 2004.

By Order of the Board  
**Lai Fai International Holdings Limited**  
**LAM King Pui**  
*Company Secretary*

Hong Kong, 27th October, 2004

*As at the date of this announcement, the Board of Directors of the Company comprises the following Directors: Mr. Li Shui and Mr. Lee You (executive Directors); Mr. Yoshitaka Kitao and Mr. Yu Kam Kee, Lawrence (non-executive Directors); Mr. Ho Hou Chiu, William, Mr. Mak Tak Cheong, Edmund and Mr. Che King Lun, Frankly (independent non-executive Directors).*

*This announcement, for which the Directors 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 having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) 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.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website for at least seven days from its date of publication.*