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**STANDBROOK ENTERPRISES
LIMITED**

*(Incorporated in the British Virgin Islands
with limited liability)*

**LAI FAI INTERNATIONAL HOLDINGS
LIMITED**

*(Incorporated in the Cayman Islands with
limited liability)*
(Stock code: 8183)

**DESPATCH OF COMPOSITE OFFER DOCUMENT IN RELATION TO
THE MANDATORY UNCONDITIONAL CASH OFFER**

BY

**KINGSWAY FINANCIAL SERVICES GROUP LIMITED
ON BEHALF OF THE OFFEROR TO ACQUIRE ALL THE ISSUED
SHARES AND THE SHARE OPTIONS OF
LAI FAI INTERNATIONAL HOLDINGS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED BY THE
OFFEROR AND PARTIES ACTING IN CONCERT WITH IT)**

**Financial adviser to
the Offeror**



KINGSWAY CAPITAL LIMITED

**Independent financial adviser to the Independent Board Committee of
Lai Fai International Holdings Limited**



AMS Corporate Finance Limited

The composite offer document, together with the accompanying form(s) of acceptance and transfer for Offer Shares and the accompanying form(s) of acceptance for Share Options, will be despatched to the Shareholders and the Option Holders on 27th April, 2005.

Shareholders and Option Holders are encouraged to read the composite offer document carefully, including the recommendations of the Independent Board Committee and the advice from AMS Corporate Finance Limited to the Independent Board Committee, before deciding whether or not to accept the Offer.

The closing time and date of the Offer will be at 4:00 p.m. on 18th May, 2005 and the latest date of posting remittances for the amounts due under the Offer in respect of valid acceptances received will be 27th May, 2005.

INTRODUCTION

Reference is made to the joint announcements of the Company and Standbrook Enterprise Limited dated 7th April, 2005 and 12th April, 2005. Unless otherwise defined herein, capitalised terms shall have the same meanings as used in the joint announcement dated 7th April, 2005.

DESPATCH OF THE COMPOSITE OFFER DOCUMENT

The composite offer document, together with the accompanying form(s) of acceptance and transfer for Offer Shares and the accompanying form(s) of acceptance for Share Options, will be despatched to the Shareholders and the Option Holders on 27th April, 2005.

Shareholders and Option Holders are encouraged to read the composite offer document carefully, including the recommendations of the Independent Board Committee and the advice from AMS Corporate Finance Limited to the Independent Board Committee, before deciding whether or not to accept the Offer.

Set out below is the expected timetable for the Offer as contained in the composite offer document:-

Opening date of the Offer Wednesday, 27th April, 2005

Latest time and date for acceptance
of the Offer 4:00 p.m. on Wednesday, 18th May, 2005

Closing date of the Offer Wednesday, 18th May, 2005

Announcement in respect of the closing of the Offer
and acceptances under the Offer to appear
on GEM website on Thursday, 19th May, 2005

Latest date for posting of remittances for the amounts
due under the Offer in respect of valid acceptances Friday, 27th May, 2005

By order of the board of
Standbrook Enterprises Limited
Mr. Sadao Hisaaki
Director

By order of the board of
Lai Fai International Holdings Limited
Mr. Li Shui
Director and Executive Chairman

Hong Kong, 26th April, 2005

As at the date hereof, the Board comprises Mr. Li Shui and Mr. Lee You (being executive Directors), Mr. Yoshitaka Kitao and Mr. Yu Kam Kee, Lawrence (being non-executive Directors), and Mr. Ho Hou Chiu, William, Mr. Mak Tak Cheong, Edmund and Mr. Che King Lun, Frankly (being independent non-executive Directors).

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, (1) the information contained in this announcement (other than that relating to the Offeror and its shareholder and related parties, but including the Group) 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 (other than that relating to the Offeror and its shareholder and related parties, but including the Group) misleading; and (3) all opinions expressed in this announcement (other than that relating to the Offeror and its shareholder and related parties, but including the Group) have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this announcement concerning the Offeror and its shareholder and related parties (other than the Group) and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this announcement concerning the Offeror and its shareholder and related parties (other than the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement concerning the Offeror and its shareholder and related parties (other than the Group) the omission of which would make any statement in this announcement misleading.

This announcement will remain on the GEM website on the “Latest Company Announcements” page for 7 days from the date of its posting.