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TEM FAT HING FUNG (HOLDINGS) LIMITED

(添發慶豐(集團)有限公司)

(Incorporated in Bermuda with limited liability)
(Stock Code: Ordinary Shares 661/CPS 421)

RESUMPTION OF TRADING OF CONVERTIBLE PREFERENCE SHARES

Reference was made to the announcement of the Company dated 26 November 2003 relating to, among others, suspension of trading in the CPS with effect from 9:30 a.m. on 27 November 2003 due to insufficient public float for the CPS in accordance with Rule 8.08(1) of the Listing Rules. The Board announces that Perfect View has converted 38,000 CPS, being its entire holding in the CPS, at HK\$0.04 each into 4,750,000 Shares on 4 May 2004. Upon the conversion of the CPS, Perfect View holds 4,750,006 Shares. The public float of the CPS is restored to not less than 25% in pursuant to the requirement under Rule 8.08 of the Listing Rules after conversion of the CPS by Perfect View.

Application has been made to the Stock Exchange for the resumption of trading in the CPS with effect from 9:30 a.m. on 17 May 2004.

Reference was made to the announcement of the Company dated 26 November 2003 relating to, among others, suspension of trading in the CPS with effect from 9:30 a.m. on 27 November 2003 due to insufficient public float for the CPS in accordance with Rule 8.08(1) of the Listing Rules. The Board announces that Perfect View has converted 38,000 CPS, being its entire holding in the CPS, at HK\$0.04 each into 4,750,000 Shares on 4 May 2004. Upon the conversion of the CPS, Perfect View holds 4,750,006 Shares. The public float of the CPS is restored to not less than 25% in pursuant to the requirement under Rule 8.08 of the Listing Rules.

Shareholding structure

The shareholding structure of each of the Shares and the CPS of the Company upon conversion of the CPS by Perfect View are as follows:

	Shares				CPS			
	Before conversion of the CPS		Upon conversion of the CPS		Before conversion of the CPS		Upon conversion of the CPS	
	Number of Shares held	%	Number of Shares held	%	Number of CPS held	%	Number of CPS held	%
Smartgood Investments Limited	1,138,879,164	68.12	1,138,879,164	67.93	31,000	38.75	31,000	73.83
Perfect View	6	Negligible	4,750,006	0.28	38,000	47.51	0	0
Public	532,983,648	31.88	532,983,648	31.79	10,990	13.74	10,990	26.17
	<u>1,671,862,818</u>	<u>100.00</u>	<u>1,676,612,818</u>	<u>100.00</u>	<u>79,990</u>	<u>100.00</u>	<u>41,990</u>	<u>100.00</u>

Application has been made to the Stock Exchange for the resumption of trading in the CPS with effect from 9:30 a.m. on 17 May 2004.

As at the date of this announcement, the Executive Directors of the Company are Messrs. Zhou Weirong, Tse On Kin, Cheung Yu Shum, Jenkin, Lee Kin Chung, Simon and Tsoi Chi Keung, and the Independent Non-Executive Directors of the Company are Messrs. Shum Ka Hei and Cheung Man Yau, Timothy.

DEFINITIONS

“Board”	the board of directors of the Company
“Company”	Tem Fat Hing Fung (Holdings) Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange
“CPS”	6% limited voting convertible cumulative redeemable preference shares with par value of HK\$1.00 each and a notional value of HK\$5.00 each in the capital of the Company issued by the Company on 17 February 1992 and are currently listed on the Stock Exchange (stock code: 421)
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Perfect View” Perfect View Development Limited, a company incorporated in the British Virgin Islands, which is wholly and beneficially owned by Mr. Cheung Yu Shum, Jenkin, a director of the Company

“Share(s)” ordinary share(s) of HK\$0.05 in the share capital of the Company

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

By Order of the Board
Tem Fat Hing Fung (Holdings) Limited
Zhou Weirong
Chairman

Hong Kong, 14 May 2004

Please also refer to the published version of this announcement in China Daily.