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LERADO GROUP (HOLDING) COMPANY LIMITED
(隆成集團(控股)有限公司)*

(Incorporated in Bermuda with limited liability)

ANNOUNCEMENT
PLACEMENT OF EXISTING SHARES

The Vendor has engaged the Placing Agent on a fully-underwritten basis to place 64,015,720 existing Shares to not less than six investors at a placing price of HK\$1.37 per Share. The Shares placed by the Vendor represent approximately 8.9% of the existing issued share capital of the Company.

Trading in the Shares was suspended from 9:30 a.m. on 29 October, 2003 at the request of the Company pending the issue of this announcement and application has been made to the Stock Exchange for resumption of trading of the Shares from 9:30 a.m. on 30 October, 2003.

Lerado Group (Holding) Company Limited (the “**Company**”) has been informed by Mr. Tsang Yat Kiang (the “**Vendor**”), a director of the Company, that the Vendor has engaged DBS Asia Capital Limited (the “**Placing Agent**”) for the placing (the “**Placing**”) of 64,015,720 existing shares of HK\$0.10 each (“**Shares**”) in the Company at a placing price of HK\$1.37 per Share to not less than six investors on a fully-underwritten basis. The placing price of HK\$1.37 per Share represents a discount of approximately 8.1% from the closing price of HK\$1.49 per Share as quoted on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 28 October, 2003, being the last trading day prior to the release of this announcement. The Shares placed by the Vendor represent approximately 8.9% of the existing issued share capital of the Company. Immediately upon completion of the Placing, the Vendor will not hold any Shares.

The Company has been informed by the Placing Agent that the Placing Agent and the placees are not connected with the Company, its chief executive, directors and their respective associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”)) and no placee of the Placing will become a substantial shareholder of the Company (within the meaning of the Listing Rules) immediately upon completion of the Placing which is expected to take place on 3 November, 2003 (the “**Completion Date**”).

The Placing is subject to termination on the occurrence of, amongst other things, an event of force majeure, before 12:00 noon on the Completion Date.

Save as disclosed above, the board of directors of the Company (the “**Board**”) confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under paragraph 3 of the Listing Agreement, and neither is the Board aware of any other matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.

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By Order of the Board
Huang Ying Yuan
Chairman

Hong Kong, 29 October, 2003

* *For identification purpose only*

*Please also refer to the published version of this announcement in
The Standard and Hong Kong Economic Times.*