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FT HOLDINGS INTERNATIONAL LIMITED

精藝集團國際有限公司*

(Incorporated in Bermuda with limited liability)

ANNOUNCEMENT

The Company requested the Stock Exchange (as hereinafter defined) to suspend trading of its shares pending determination by the Executive (as hereinafter defined) on the obligations of Raffles (as hereinafter defined) and Mr. Lai (as hereinafter defined) under the Code (as hereinafter defined) on the increase of the shareholdings of Raffles in the Company from 120,900,000 shares (representing approximately 34.99% of the entire issued share capital of the Company) to 124,550,000 shares (representing approximately 36.05% of the entire issued share capital of the Company) by its acquisition of an additional 3,650,000 shares (representing approximately 1.06% of the entire issued share capital of the Company) on 20th January 2003.

Raffles has failed to make a general offer pursuant to Rule 26.1 of the Code and a settlement has been reached with the Executive pursuant to Section 12.3 of the Introduction to the Code and an order will be made by the Executive whereby all registered and exempt dealers, investment advisers, dealer's representatives and investment representatives, within the meaning of the Securities Ordinance (Cap. 333) shall not, without the prior consent of the Executive in writing act or continue to act directly or indirectly in their capacity as registered and exempt dealers, investment advisers, dealer's representatives and investment representatives for Mr. Lai or any corporation controlled by him (as defined in the Code) other than the Company or knowingly assist directly or indirectly in a breach of the order during the period commencing on 30th January 2003 and ending on 29th July 2003.

Under the terms of the settlement, Mr. Lai and any person acting in concert (within the meaning of the Code) with him will not exercise any voting rights in connection with the said additional 3,650,000 shares in the Company and Mr. Lai will use his best endeavours to sell down Raffles' shareholding in the Company as soon as possible after the expiration of the said period to independent third parties until such time as the aggregate holdings of Raffles and any person acting in concert with it falls to below 35%.

Application has been made to the Stock Exchange for the resumption of trading of the shares of the Company on 30th January 2003.

1. In this Announcement, the following expressions shall, unless the context shall otherwise require, bear the meanings respectively ascribed thereto:—

“**Code**” means The Code on Takeovers and Mergers;

“**Executive**” bears the same meaning ascribed thereto under the Code;

“**Mr. Lai**” means Mr. Jimmy Lai Kam Wing, the Chairman of the Company;

“**Raffles**” means Raffles International Holdings Limited, a company incorporated under the laws of British Virgin Islands and is solely and beneficially owned by Mr. Lai; and

“**Stock Exchange**” means The Stock Exchange of Hong Kong Limited.

2. On 23rd January 2003, the Company requested the Stock Exchange to suspend trading of its shares pending clarification on the obligations of Raffles and Mr. Lai under the Code in connection with the acquisition by Raffles on 20th January 2003 of an additional 3,650,000 shares in the Company, representing approximately 1.06 % of the entire issued share capital of the Company, thereby increasing the existing shareholding of Raffles in the Company from 34.99% to 36.05%.
3. The increase in shareholdings as aforesaid has rendered Raffles and Mr. Lai liable to make general offer under Rule 26.1 of the Code, which Raffles and Mr. Lai are not in a position to comply with.
4. A settlement has been reached with the Executive pursuant to Section 12.3 of the Introduction to the Code and an order will be made by the Executive whereby all registered and exempt dealers, investment advisers, dealer’s representatives and investment representatives, within the meaning of the Securities Ordinance (Cap. 333) shall not, without the prior consent of the Executive in writing act or continue to act directly or indirectly in their capacity as registered and exempt dealers, investment advisers, dealer’s representatives and investment representatives for Mr. Lai or any corporation controlled by him (as defined in the Code) other than the Company or knowingly assist directly or indirectly in a breach of the order during the period commencing on 30th January 2003 and ending on 29th July 2003.
5. Under the terms of the settlement, Mr. Lai and any person acting in concert (within the meaning of the Code) with him will not exercise any voting rights in connection with the said additional 3,650,000 shares in the Company and Mr. Lai will use his best endeavours to sell down Raffles’ shareholding in the Company as soon as possible after the expiration of the said period to independent third parties until such time as the aggregate holdings of Raffles and any person acting in concert with its falls to below 35%.
6. Application has been made to the Stock Exchange for the resumption of trading of the shares of the Company on 30th January 2003.

By order of the Board
Chan Chi Yuen
Company Secretary

Hong Kong, 29th January, 2003

* *for identification only*

All the directors of the Company jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

“Please also refer to the published version of this announcement in The Standard”