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KENFAIR INTERNATIONAL (HOLDINGS) LIMITED

建發國際（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 223)

FIRST TRANCHE PLACING UNDER THE SPECIFIC MANDATE

The Board announces that the First Tranche Shares were placed under the Specific Mandate at the Placing Price of HK\$0.99 each to not less than six placees, comprising institutional and individual investors who are third parties independent of and not connected with the Group and its connected persons or any of their respective associates. The completion of the First Tranche Placing is conditional upon the Listing Committee granting or agreeing to grant the listing of, and permission to deal in, the Placing Shares.

References are made to the announcement of Kenfair International (Holdings) Limited (the “Company”) dated 20 March 2008 and the circular of the Company dated 2 April 2008 (the “Circular”) in relation to the placing of new shares of the Company. Unless the context otherwise requires, terms used herein shall have the same meanings as they are defined in the Circular.

The Board announces that the first tranche of 120,500,000 Placing Shares (the “First Tranche Shares”) were placed under the Specific Mandate at the Placing Price of HK\$0.99 each (the “First Tranche Placing”) to not less than six placees (the “Placees”), comprising institutional and individual investors who are third parties independent of and not connected with the Group and its connected persons or any of their respective associates. The completion of the First Tranche Placing is conditional upon the Listing Committee granting or agreeing to grant the listing of, and permission to deal in, the Placing Shares.

Among the Placees is Toeca National Resources B.V. (“Toeca”), a company incorporated in the Netherlands and is wholly and beneficially owned by Ramphastos Investments N.V. (“Ramphastos”), a company incorporated in Curacao, Netherlands Antilles. Mr. Marcel Boekhoorn (“Mr. Boekhoorn”) is the sole shareholder of Ramphastos and

his background information is set out below. Toeca has been placed 118,000,000 new Shares, representing (i) approximately 17.56% of the issued share capital of the Company of 671,968,400 Shares immediately before the First Tranche Placing; and (ii) approximately 14.89% of the Company's issued share capital of 792,468,400 Shares as enlarged by the First Tranche Placing.

Mr. Boekhoorn is a well-known, successful European investor and entrepreneur who currently holds interests (mostly majority stakes) in more than 30 companies in various sectors. Mr. Boekhoorn started his career as an assistant accountant with Deloitte & Touche, where, in 1991, he became the youngest partner ever. In 1994 he started his own investment business. He led several companies into growth, expansion and market leadership, by pursuing a buy-and-build strategy, attracting new customers and business partners and the strongest management teams. By creating market leaders, Mr. Boekhoorn has on many occasions attracted buyers for businesses. He successfully sold mature companies including Bakker Bart (chain of Bakery stores, sold to German stock listed company Kamps AG), Cocachoc (chocolate and biscuits, sold to Suchard, Kraft Foods), Novaxess (telephony and DSL provider, sold to Easynet, part of the BSKyB Group, after successful turn around), Telfort (mobile network operator, bought for EUR300 million and sold to Dutch stock listed incumbent KPN for EUR1.15 billion a year later) and Motip Dupli (European market leader in spray paints for the automotive and DIY markets, sold to UK based Intermediate Capital Group and management). Mr. Boekhoorn had made a successful bid on the shares of Dutch stock listed fashion conglomerate McGregor Fashion Group and launched the first free quality newspaper in the Netherlands. As a hobby, Mr. Boekhoorn owns a zoo and a company specializing in the development of ecologically sustainable solutions to problems in the world's oceans. He also created the most popular TV soap for the youth in the Netherlands, as well as two successful movies based on the series.

The First Tranche Shares represent (i) approximately 17.93% of the issued share capital of the Company of 671,968,400 Shares immediately before the First Tranche Placing; and (ii) approximately 15.20% of the Company's issued share capital of 792,468,400 Shares as enlarged by the First Tranche Placing. The First Tranche Shares were allotted and issued under the specific mandate granted to the Directors at the EGM held on 18 April 2008.

To the best of the Directors' and the Placing Agent's knowledge, information and belief, having made all reasonable enquiries, the Placees and their ultimate beneficial owners are third parties independent of and not connected with the Group and its connected persons or any of their respective associates.

The shareholding structures of the Company immediately before and after the First Tranche Placing are set out below:

	Immediately before the First Tranche Placing		Immediately after the First Tranche Placing	
	<i>Number of Shares</i>	<i>Approximate percentage</i>	<i>Number of Shares</i>	<i>Approximate percentage</i>
Capital Concord Profits Limited (<i>Note 1</i>)	77,900,000	11.59%	77,900,000	9.83%
International Securities Investments Limited (<i>Note 2</i>)	123,363,760	18.36%	123,363,760	15.57%
Mega Wealth Capital Limited/Mr. Hung (<i>Note 3</i>)	131,640,000	19.59%	131,640,000	16.61%
Toeca	–	–	118,000,000	14.89%
<i>Public Shareholders</i>				
Placees (excluding Toeca)	–	–	2,500,000	0.31%
Other public shareholders	339,064,640	50.46%	339,064,640	42.79%
<i>Sub-total</i>	<u>339,064,640</u>	<u>50.46%</u>	<u>341,564,640</u>	<u>43.10%</u>
Total	<u><u>671,968,400</u></u>	<u><u>100.00%</u></u>	<u><u>792,468,400</u></u>	<u><u>100.00%</u></u>

Notes:

- The entire issued share capital of Capital Concord Profits Limited (“Capital Concord”) is beneficially owned as to 50% by Best Aims Finance Limited (“Best Aims”), 30% by Harbour Rich Finance Limited (“Harbour Rich”) and 20% by Pace Maker Finance Limited (“Pace Maker”). The entire issued share capital of Best Aims is beneficially owned by Mr. Ip Ki Cheung (“Mr. Ip”), an executive Director. Accordingly, Mr. Ip is deemed to be interested in 77,900,000 Shares held by Capital Concord, representing approximately 11.59% of the entire issued share capital of the Company. The entire issued share capital of Harbour Rich is beneficially owned by Mr. Cheung Shui Kwai, an executive Director. The entire issued share capital of Pace Maker is beneficially owned by Mr. Chan Siu Chung, an executive Director.
- The above 123,363,760 Shares include (a) 23,363,760 Shares held by International Securities Investments Limited (“ISI”); and (b) 100,000,000 Shares held by International Gold Profit Limited (“Gold Profit”), a company wholly and beneficially owned by ISI. ISI is a wholly owned subsidiary of Capital Builder which is in turn wholly owned by Ms. Mak. Therefore, Capital Builder and Ms. Mak are deemed to be interested in the 123,363,760 Shares held by ISI and Gold Profit.

3. The above 131,640,000 Shares include (a) 31,640,000 Shares held by Mr. Hung, an executive Director; and (b) 100,000,000 Shares held by Mega Wealth Capital Limited, a company wholly and beneficially owned by Mr. Hung.

By Order of the Board
Kenfair International (Holdings) Limited
Ip Ki Cheung
Chairman

Hong Kong, 21 May 2008

As at the date of this notice, the Board comprised four executive Directors, namely, Mr. Ip Ki Cheung, Mr. Cheung Shui Kwai, Mr. Chan Siu Chung and Mr. Hung Chen, Richael; and three independent non-executive Directors, namely, Mr. Chan Wing Yau, George, Mr. Law Sung Ching, Gavin and Mr. Cheung Wing Keung, Raymond.