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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for independent advice.

If you have sold or transferred all your shares in **Lai Fung Holdings Limited**, you should at once hand this circular with the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the licensed securities dealer, registered institution in securities, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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LAI FUNG HOLDINGS

Lai Fung Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1125)

**(1) PROPOSED SHARE CONSOLIDATION;
(2) PROPOSED CHANGE IN BOARD LOT SIZE;
(3) PROPOSED RE-ELECTION OF A DIRECTOR; AND
(4) NOTICE OF EXTRAORDINARY GENERAL MEETING**

Capitalised terms used in the lower portion of this cover page shall have the respective meanings as those defined in the section headed “Definitions” in this circular.

A letter from the Board is set out on pages 5 to 13 of this circular.

The notice convening the EGM of the Company to be convened and held at Harbour View Rooms I & II, 3rd Floor, The Excelsior, Hong Kong, 281 Gloucester Road, Causeway Bay, Hong Kong on Monday, 14 August 2017 at 4:00 p.m. is set out on pages 14 to 16 of this circular.

Shareholders are advised to read the notice of the EGM and if you are not able to attend the EGM or its adjournment (as the case may be) in person but wish to exercise your right as a Shareholder, please complete, sign and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible, but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

Hong Kong, 26 July 2017

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This circular in both English and Chinese is available in printed form and published on the respective websites of the Company at “<http://www.laifung.com>” and Hong Kong Exchanges and Clearing Limited at “<http://www.hkexnews.hk>”. The English version will prevail in case of any inconsistency between the English and the Chinese versions of this circular.

DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“ADS(s)”	American depositary share(s) of the Company, each of which represents 400 ordinary shares in the share capital of the Company before the Share Consolidation becomes effective;
“Board”	the board of Directors;
“CCASS”	the Central Clearing and Settlement System established and operated by the HKSCC;
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 20,000 Shares to 400 Consolidated Shares;
“Company”	Lai Fung Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed and traded on the main board of the Stock Exchange (stock code: 1125);
“Consolidated Share(s)”	ordinary share(s) with par value of HK\$5.00 each in the share capital of the Company immediately after the Share Consolidation becoming effective;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be held on Monday, 14 August 2017 for the Shareholders to consider and, if thought fit, approve the Share Consolidation and re-election of a Director, the notice of which is set out on pages 14 to 16 of this circular;
“Existing Share(s)”	ordinary share(s) with par value of HK\$0.1 each in the share capital of the Company before the Share Consolidation becomes effective;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	21 July 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;

DEFINITIONS

“Listing Committee”	has the same meaning ascribed thereto in Rule 1.01 of the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Share(s)”	Existing Share(s) and/or Consolidated Share(s), as the case may be;
“Share Consolidation”	the proposed share consolidation of every fifty (50) issued Existing Shares into one (1) Consolidated Share;
“Shareholder(s)”	the holder(s) of the Existing Share(s) or the Consolidated Share(s), as the case may be;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“2003 Share Option(s)”	the option(s) to subscribe for new shares of the Company granted under the 2003 Share Option Scheme;
“2003 Share Option Scheme”	the share option scheme adopted by the Company on 21 August 2003;
“2012 Share Option(s)”	the option(s) to subscribe for new shares of the Company granted under the 2012 Share Option Scheme; and
“2012 Share Option Scheme”	the share option scheme adopted by the Company on 18 December 2012.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Consolidation and Change in Board Lot Size is as follows:

Despatch date of circular with notice of the EGM	26 July 2017
Latest date and time for lodging transfer documents in order to qualify for attending and voting at the EGM.....	4:30 p.m. on 8 August 2017
Closure of Hong Kong branch register of members for the entitlement to attend and vote at the EGM	9 August 2017 to 14 August 2017 (both days inclusive)
Latest date and time for lodging forms of proxy for the EGM	4:00 p.m. on 12 August 2017
Record date for attending the EGM	14 August 2017
Date and time of the EGM	4:00 p.m. on 14 August 2017
Announcement of voting results of the EGM.....	14 August 2017
Effective date of the Share Consolidation	15 August 2017
First day for free exchange of existing share certificates for new share certificates for the Consolidated Shares commences	15 August 2017
Dealings in the Consolidated Shares commences	9:00 a.m. on 15 August 2017
Original counter for trading in the Existing Shares in board lots of 20,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on 15 August 2017
Temporary counter for trading in the Consolidated Shares in board lots of 400 Consolidated Shares (in the form of existing share certificates) opens.....	9:00 a.m. on 15 August 2017
Original counter for trading in the Consolidated Shares in board lots of 400 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m. on 29 August 2017
Parallel trading in the Consolidated Shares (in form of new share certificates and existing share certificates) commences	9:00 a.m. on 29 August 2017

EXPECTED TIMETABLE

Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares.....	9:00 a.m. on 29 August 2017
Temporary counter for trading in the Consolidated Shares in board lots of 400 Consolidated Shares (in the form of existing share certificates) closes	4:00 p.m. on 18 September 2017
Parallel trading in Consolidated Shares (in form of new share certificates and existing share certificates) ends.....	4:00 p.m. on 18 September 2017
Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares.....	4:00 p.m. on 18 September 2017
Last day for free exchange of existing share certificates for new share certificates for the Consolidated Shares	21 September 2017

All times and dates in this circular refer to Hong Kong local times and dates. Shareholders should note that the dates and deadlines specified in this circular for events in the timetable for the Share Consolidation and Change in Board Lot Size are subject to the satisfaction of all the conditions of the Share Consolidation, including without limitation, the approval of the Share Consolidation by Shareholders at the EGM, and are therefore for indicative purpose only.

In the event that any special circumstances arise, the Board may extend, or make adjustments to, the timetable if it considers appropriate. Any extension or adjustment to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

LETTER FROM THE BOARD



LAI FUNG HOLDINGS

Lai Fung Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1125)

Executive Directors:

Mr. Chew Fook Aun (*Chairman*)
Dr. Lam Kin Ming (*Deputy Chairman*)
Mr. Lam Kin Hong, Matthew (*Executive Deputy Chairman*)
Mr. Lam Hau Yin, Lester (*Chief Executive Officer*)
Mr. Cheng Shin How
Mr. Lee Tze Yan, Ernest
Madam U Po Chu

Non-executive Directors:

Mr. Lucas Ignatius Loh Jen Yuh
Mr. Puah Tze Shyang
(*also alternate to Mr. Lucas Ignatius Loh Jen Yuh*)

Independent Non-executive Directors:

Mr. Ku Moon Lun
Mr. Lam Bing Kwan
Mr. Law Kin Ho
Mr. Mak Wing Sum, Alvin
Mr. Shek Lai Him, Abraham

Registered Office:

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

*Principal place of business in
Hong Kong:*

11th Floor
Lai Sun Commercial Centre
680 Cheung Sha Wan Road
Kowloon
Hong Kong

26 July 2017

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED SHARE CONSOLIDATION;
(2) PROPOSED CHANGE IN BOARD LOT SIZE;
(3) PROPOSED RE-ELECTION OF A DIRECTOR; AND
(4) NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

Reference is made to the announcement of the Company dated 18 July 2017 in relation to the Share Consolidation and Change in Board Lot Size.

LETTER FROM THE BOARD

Reference is also made to the announcement of the Company dated 31 March 2017 in relation to, among other things, the appointment of Mr. Puah Tze Shyang (“**Mr. Puah**”) as a non-executive Director.

The purpose of this circular is to provide you with further information regarding, among other things, (i) the Share Consolidation; (ii) the Change in Board Lot Size; (iii) the re-election of a Director; and (iv) the notice of EGM.

2. PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every fifty (50) issued and unissued Existing Shares of HK\$0.10 each in the share capital of the Company be consolidated into one (1) Consolidated Share of HK\$5.00 each in the share capital of the Company.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorized share capital of the Company was HK\$2,000,000,000.00 divided into 20,000,000,000 Existing Shares of par value of HK\$0.10 each, of which 16,285,086,736 Existing Shares have been allotted and issued as fully paid or credited as fully paid. Upon the Share Consolidation becoming effective and assuming that no new Existing Shares are issued or bought back from the Latest Practicable Date until the effective date of the Share Consolidation, the authorized share capital of the Company shall become HK\$2,000,000,000.00 divided into 400,000,000 Consolidated Shares of a par value of HK\$5.00 each, of which not less than 325,701,734 Consolidated Shares will be in issue.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other in accordance with the articles of association of the Company.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save for any fractional Consolidated Shares to which Shareholders may be entitled.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions:

- (i) the passing of the ordinary resolution by the Shareholders to approve the Share Consolidation at the EGM; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares.

LETTER FROM THE BOARD

The Share Consolidation will become effective on the next Stock Exchange trading day immediately following the fulfillment of the above conditions.

Listing application

An application has been made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

Subject to the granting of listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becoming effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought. Facility has been made to trade the Shares over-the-counter in the form of ADSs, as described further below.

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares of the Company regardless of the number of share certificates held by such holder.

Shareholders concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser and may wish to consider the possibility of buying or selling Shares in a number sufficient to make up an entitlement to receive a whole number of Consolidated Shares.

LETTER FROM THE BOARD

3. PROPOSED CHANGE IN BOARD LOT SIZE

Currently, the Existing Shares are traded on the Stock Exchange in the board lot size of 20,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 20,000 Existing Shares to 400 Consolidated Shares conditional upon the Share Consolidation becoming effective. The Board is of the view that the new board lot size will minimize the creation of odd lots and to address the impact of odd lots on Shareholders (if any), a matching service will be provided by the Company.

Based on the closing price of HK\$0.237 per Existing Share (equivalent to the theoretical closing price of HK\$11.85 per Consolidated Share) as at the Latest Practicable Date, (i) the value of each existing board lot of Existing Shares is HK\$4,740; (ii) the value of each board lot of 20,000 Consolidated Shares would be HK\$237,000 assuming the Share Consolidation becoming effective; and (iii) the estimated market value per board lot of 400 Consolidated Shares would be HK\$4,740 assuming that the Change in Board Lot Size had also been effective.

The Change in Board Lot Size will not result in change in the relative rights of the Shareholders.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares arising from the Share Consolidation, the Company has appointed RHB Securities Hong Kong Limited to provide a matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares during the period from 9:00 a.m. on Tuesday, 29 August 2017 to 4:00 p.m. on Monday, 18 September 2017 (both days inclusive). Shareholders who wish to use this matching service should contact Ms. Amy Wu of RHB Securities Hong Kong Limited at 12/F., World-Wide House, 19 Des Voeux Road Central, Hong Kong or at the telephone number (852) 2103 9253 during office hours of such period.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lot arrangement are recommended to consult their own professional advisers.

Exchange of share certificates

Subject to the Share Consolidation becoming effective, the Shareholders may between 9:00 a.m. and 4:30 p.m. on any business day during the period from Tuesday, 15 August 2017 to Thursday, 21 September 2017 (both days inclusive) submit existing share certificates in the colour of pink for the Existing Shares to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for exchange for new share certificates in the colour of green for the Consolidated Shares at the expense of the Company.

LETTER FROM THE BOARD

Thereafter, share certificates of the Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever is higher.

After 4:00 p.m. on Monday, 18 September 2017, existing share certificates for the Existing Shares will only remain effective as documents of title and may be exchanged for share certificates for Consolidated Shares at any time but will not be accepted for delivery, trading and settlement purposes.

Adjustments in relation to other securities of the Company

Share Options

As at the Latest Practicable Date, the Company has outstanding 2003 Share Options entitling the holders thereof to subscribe for a total of 50,479,564 Existing Shares. Under the terms and conditions of the 2003 Share Option Scheme, the Share Consolidation may lead to adjustments to, amongst other things, the number of Existing Shares subject to the 2003 Share Options so far as unexercised and/or option price.

As at the Latest Practicable Date, the Company has outstanding 2012 Share Options entitling the holders thereof to subscribe for a total of 452,726,430 Existing Shares. Under the terms and conditions of the 2012 Share Option Scheme, the Share Consolidation may lead to adjustments to, amongst other things, the number of Existing Shares subject to the 2012 Share Options so far as unexercised and/or the option price.

The Company will make further announcement(s) on such adjustment(s) as and when appropriate.

American Depositary Shares

As at the Latest Practicable Date, facility has been made to trade Shares in the form of ADSs with each ADS representing 400 Existing Shares. Upon approval of the proposed Share Consolidation at the EGM, the Company intends to effect a simultaneous change to the ratio of ADSs to Shares so that one ADS will represent eight Consolidated Shares. The Company will make separate arrangements with its depositary, The Bank of New York Mellon, to provide further details.

Save as disclosed above, the Company does not have any other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into, any Existing Shares or Consolidated Shares, as at the Latest Practicable Date.

LETTER FROM THE BOARD

Reason for the Share Consolidation

It is expected that the Share Consolidation will bring about a corresponding upward adjustment in the trading price per Share. It is hoped that this will make investing in the Shares more attractive to a broader range of investors, in particular to institutional investors whose house rules might otherwise prohibit or restrict trading in securities that are priced below a prescribed floor, and thus help to further broaden the shareholder base of the Company. The minimum price per share varies with each institutional investor but the Board has generally found that the prescribed floor is approximately HK\$7.8 per share. Accordingly, the Board is of the view that the Share Consolidation is beneficial to the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company has no plans for any further corporate action or arrangement that may affect the trading in its Shares (eg. share consolidation, subdivision or change in board lot size) and it has no plans for any equity fundraising in the forthcoming twelve months.

4. PROPOSED RE-ELECTION OF A DIRECTOR

Reference is made to the announcement of the Company dated 31 March 2017 in relation to, amongst other things, the appointment of Mr. Puah as a non-executive Director. In accordance with article 99 of the articles of association of the Company and pursuant to code provision A.4.2 of the Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules, Mr. Puah will retire and, being eligible, offers himself for re-election at the EGM. At the EGM, a separate ordinary resolution will be proposed to re-elect Mr. Puah as a non-executive Director.

The biographical details of Mr. Puah are set out below as required to be disclosed by the Listing Rules:

Mr. Puah, aged 45, is the Chief Investment Officer and the Regional General Manager, Southwest China (“**RGM Southwest China**”) of CapitaLand China Holdings Pte Ltd (“**CapitaLand China**”). CapitaLand China is a wholly-owned subsidiary of CapitaLand Limited (“**CapitaLand**”, together with its subsidiaries, “**CapitaLand Group**”), one of Asia’s largest listed real estate companies, headquartered and listed in Singapore. CapitaLand China is a long-term real estate developer of high quality homes, commercial properties and integrated developments in China. CapitaLand China is the holding company of CapitaLand LF (Cayman) Holdings Co., Ltd., a substantial shareholder of the Company.

As CapitaLand China’s Chief Investment Officer, Mr. Puah is responsible for CapitaLand China’s real estate investments, asset management and investment platforms. The investment platforms include the Raffles City China Fund, CapitaLand China Development Funds, CapitaLand Township Funds and Raffles City China Investment Partners III, with combined capital commitments of US\$3.7 billion. Concurrently, as RGM Southwest China, Mr. Puah oversees a combined portfolio of seven residential projects and one integrated development in Chengdu, Wuxi, Xi’an and Shenyang. Mr. Puah is an alternate council member for the Singapore-Sichuan Trade and Investment Council (SSTIC). He had previously served as alternate council member for the Singapore-Liaoning Economic and Trade Council (SLETC).

LETTER FROM THE BOARD

Mr. Puah joined Surbana Corporation Pte Ltd (“**Surbana Corporation**”) in July 2003. Surbana Corporation became known as CapitaLand Township Holdings Pte. Ltd. (“**CapitaLand Township**”) after CapitaLand acquired a 40% stake in it in 2011, and CapitaLand subsequently raised its stake in CapitaLand Township to 100% in March 2015. From 2010 to March 2015, Mr. Puah was the Chief Executive Officer of CapitaLand Township Pte. Ltd. (formerly known as Surbana International Investment Pte. Ltd. from October 2006 to May 2007, and Surbana Land Pte. Ltd. from May 2007 to April 2013), a subsidiary of CapitaLand Township. On a regional basis, he has led the team to gross over RMB22 billion of residential sales, with La Botanica Township becoming the best-selling project in terms of residential unit sales in Xi’an from 2014 to 2016; Botanica Township was one of the top 10 best-selling projects in Chengdu in 2010. Under his stewardship, CapitaLand was also placed sixth in total residential sales for Chengdu city in 2016.

Mr. Puah started his career in real estate in 1997. Prior to joining Surbana Corporation, Mr. Puah was an Executive Engineer in the Housing and Development Board of Singapore (“**HDB**”), and he later helmed HDBuilders.com, a construction portal offering e-collaboration and e-procurement services for the real estate industry in Singapore. He was the industry pioneer for e-bidding for construction materials, having managed over S\$350 million in online auctions during his time at HDBuilders from 2000 to 2003.

Mr. Puah received an overseas undergraduate scholarship from HDB and obtained his Masters of Engineering (First Class Honours) degree in Electrical and Electronic Engineering from Imperial College of Science, Technology and Medicine in 1997. He was later awarded a Post-graduate scholarship from Surbana Corporation and obtained his Executive Masters of Business Administration (Honours) degree from Chicago Booth School of Business in 2010.

Mr. Puah is currently a non-executive director of Central China Real Estate Limited, a company listed on the Main Board of the Stock Exchange.

The Company has entered into a service contract with Mr. Puah with no fixed term. Mr. Puah will not receive any emoluments from the Company.

In accordance with the articles of association of the Company, Mr. Puah, if re-elected at the EGM, will be subject to retirement by rotation once every three years from that date onwards and will also be eligible for re-election as a director at future annual general meetings of the Company.

Save as disclosed above, Mr. Puah does not hold any other directorships in listed public companies in the last three years and does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Last Practicable Date, Mr. Puah does not have any interests or short positions in the Shares, underlying Shares and/or debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong.

LETTER FROM THE BOARD

Saved as disclosed above, there are no other matters relating to Mr. Puah's proposed re-election that need to be brought to the attention of the Shareholders, and there is no other information that needs to be disclosed pursuant to the requirements of the provisions of Rule 13.51(2)(h) to (v) of the Listing Rules.

EGM

Pages 14 to 16 of this circular contain a notice convening the EGM which will be held at Harbour View Rooms I & II, 3rd Floor, The Excelsior, Hong Kong, 281 Gloucester Road, Causeway Bay, Hong Kong on Monday, 14 August 2017 at 4:00 p.m. for the purpose of considering, and if thought fit, approving, inter alia (1) the Share Consolidation; and (2) the proposed re-election of Mr. Puah Tze Shyang as a non-executive Director.

A form of proxy for use at the EGM is accompanied with this circular. If you are not able to attend the EGM or its adjournment (as the case may be) in person but wish to exercise your right as a Shareholder, you are requested to complete, sign and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible, but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be) should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, save for resolutions which relate purely to a procedural or administrative matter to be voted by a show of hands, any vote of the shareholders at a general meeting must be taken by poll. Accordingly, the ordinary resolutions to be proposed at the EGM will be voted by way of a poll by the Shareholders. Article 85 of the articles of association of the Company provides that on a poll, every Shareholder present in person or by proxy shall have one vote for every Share held by that Shareholder. An explanation of the procedures of conducting a poll is provided in the notes to the notice of the EGM and details will be conveyed to the Shareholders at the EGM.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders has a material interest in the Share Consolidation, accordingly, no Shareholder is required to abstain from voting on the ordinary resolutions at the EGM.

The Company will publish an announcement on the poll results of the resolution on the respective websites of the Company at "www.laifung.com" and the Stock Exchange at "www.hkexnews.hk" after the conclusion of the EGM.

LETTER FROM THE BOARD

5. RECOMMENDATION

The Board considers that (i) the Share Consolidation and (ii) the proposed re-election of Mr. Puah Tze Shyang as a non-executive Director are in the interests of the Company and its Shareholders as a whole and therefore recommends that all Shareholders vote in favour of the relevant resolutions to be proposed at the EGM.

6. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
For and on behalf of the Board of
Lai Fung Holdings Limited
Chew Fook Aun
Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING



LAI FUNG HOLDINGS

Lai Fung Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1125)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (“**EGM**”) of the members (“**Members**”) of Lai Fung Holdings Limited (“**Company**”) will be held at Harbour View Rooms I & II, 3rd Floor, The Excelsior, Hong Kong, 281 Gloucester Road, Causeway Bay, Hong Kong, on Monday, 14 August 2017 at 4:00 p.m. for the purposes of considering and, if thought fit, passing, with or without modifications, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

- (1) “**THAT** subject to and conditional upon The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) granting the listing of, and permission to deal in, the Consolidated Shares (as defined below) to be in issue upon the Share Consolidation (as defined below) becoming effective, with effect from the first day of trading of the Stock Exchange immediately following the date on which this resolution is passed:
 - (a) every fifty (50) issued and unissued ordinary share of HK\$0.10 each in the share capital of the Company be consolidated (“**Share Consolidation**”) into one (1) share of HK\$5.00 (each a “**Consolidated Share**”) in the share capital of the Company;
 - (b) all of the Consolidated Shares shall rank pari passu in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the articles of association of the Company;
 - (c) any fractional Consolidated Shares resulting from the Share Consolidation will be disregarded and not issued to the shareholder(s) of the Company concerned, but all such fractional Consolidated Shares shall be aggregated and, if possible, sold for the benefit of the Company in such manner and on such terms as the directors of the Company (“**Directors**”) may think fit; and
 - (d) the Directors and such person or persons authorised by the Directors be and are hereby authorised to do all such acts and things and to sign and execute all such documents, including under the common seal of the Company where applicable, on behalf of the Company, as they shall, in their absolute discretion, consider necessary, desirable or expedient to implement and give effect to any or all of the foregoing.”

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (2) “**THAT** Mr. Puah Tze Shyang be re-elected as a non-executive director of the Company.”

By order of the Board
Lai Fung Holdings Limited
Yim Lai Wa
Company Secretary

Hong Kong, 26 July 2017

Registered Office:
P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

*Principal Place of Business
in Hong Kong:*
11th Floor
Lai Sun Commercial Centre
680 Cheung Sha Wan Road
Kowloon
Hong Kong

Notes:

1. A Member entitled to attend and vote at the EGM convened by the above notice (“**Notice**”) or its adjourned meeting (as the case may be) is entitled to appoint one (or, if he/she/it holds two or more shares of HK\$0.10 each in the share capital of the Company (“**Shares**”), more than one) proxy to attend and, on a poll, vote on his/her/its behalf in accordance with the Articles of Association of the Company (“**Articles of Association**”). A proxy need not be a Member.
2. A form of proxy for use at the EGM is enclosed with this Notice and is also available at the respective websites of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) and the Company.
3. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited (“**Registrar**”), at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not less than 48 hours before the time appointed for holding the EGM or its adjourned meeting (as the case may be) and in default, the proxy will not be treated as valid. Completion and return of the form of proxy shall not preclude Members from attending in person and voting at the EGM or any of its adjourned meeting should they so wish. In that event, the said form(s) of proxy shall be deemed to be revoked.

The contact phone number of the Registrar is (852) 2980 1333.

4. To ascertain the entitlements to attend and vote at the EGM, Members must lodge the relevant transfer document(s) and share certificate(s) at the office of the Registrar no later than 4:30 p.m. on Tuesday, 8 August 2017 for registration.
5. Where there are joint registered holders of any Shares, any one of such joint holders may attend and vote at the EGM or its adjourned meeting (as the case may be), either in person or by proxy, in respect of such Shares as if he/she/it was solely entitled thereto, but if more than one of such joint holders are present at the EGM or its adjourned meeting (as the case may be) personally or by proxy, then one of such holders so present whose name stands first in the Register of Members or Hong Kong Branch Register of Members of the Company (“**Register of Members**”) in respect of such Shares shall alone be entitled to vote in respect thereof.

NOTICE OF EXTRAORDINARY GENERAL MEETING

6. In relation to proposed resolution 2 above, Mr. Puah Tze Shyang will retire from his office at the EGM pursuant to Article 99 of the Articles of Association and, being eligible, will offer himself for re-election. Biographical details of Mr. Puah Tze Shyang are set out in the circular of the Company dated 26 July 2017.
7. In compliance with Rule 13.39(4) of the Rules Governing the Listing of Securities on the Stock Exchange, voting on all the resolutions proposed in this Notice will be decided by way of a poll.
8. If a tropical cyclone warning signal No. 8 or above is expected to be hoisted or a black rainstorm warning signal is expected to be in force at any time after 12:00 noon on the date of the EGM, the EGM will be postponed and the Members will be informed of the date, time and venue of the postponed EGM by a supplementary notice posted on the respective websites of the Stock Exchange and the Company.

If a tropical cyclone warning signal No. 8 or above or a black rainstorm warning signal is cancelled at or before 12:00 noon on the date of the EGM and where conditions permit, the EGM will be held as scheduled.

The EGM will be held as scheduled when an amber or red rainstorm warning signal is in force.

Having considered their own situations, Members should decide on their own whether or not they would attend the EGM under any bad weather condition and if they do so, they are advised to exercise care and caution.

9. Members are advised to read the circular of the Company dated 26 July 2017 which contains information concerning the resolutions to be proposed in the EGM.