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LUNG CHEONG INTERNATIONAL HOLDINGS LIMITED

龍昌國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 348)

COMPLETION OF PLACING OF NEW SHARES UNDER SPECIFIC MANDATE

Placing Agent



睿智金融國際有限公司
VISION FINANCE INTERNATIONAL COMPANY LIMITED

Financial Adviser



長江證券融資(香港)有限公司
CHANGJIANG CORPORATE FINANCE (HK) LIMITED

The Board is pleased to announce that all the conditions precedent of the Placing as set out in the Placing Agreement have been fulfilled and the Completion took place on 2 April 2013. 2,000,000,000 Placing Shares have been successfully placed by the Placing Agent to not fewer than six Placees, including 1,390,000,000 Placing Shares placed to Haier Electrical Appliances Second, in accordance with the terms and conditions of the Placing Agreement.

Reference is made to the announcements of the Company dated 19 November 2012, 20 November 2012, 28 December 2012, 30 January 2013 and 14 March 2013 (the “**Announcements**”) and the circular of the Company dated 26 February 2013 (the “**Circular**”). Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements and the Circular.

COMPLETION OF THE PLACING

The Board is pleased to announce that all conditions precedent of the Placing as set out in the Placing Agreement have been fulfilled and the Completion took place on 2 April 2013. 2,000,000,000 Placing Shares have been successfully placed by the Placing Agent to not fewer than six Placees, including 1,390,000,000 Placing Shares were placed to Haier Electrical Appliances Second at the Placing Price of HK\$0.20 per Placing Share in accordance with the terms and conditions of the Placing Agreement.

* For identification purposes only

To the best of the Director's knowledge, information and belief having made all reasonable enquiries, (i) the Placees and their ultimate beneficial owners (if any) are third parties independent of and are not connected with the Company and its connected persons (as defined under the Listing Rules); and (ii) none of the Placees and their respective associates becomes a substantial shareholder (as defined under the Listing Rules) of the Company upon Completion.

The net proceeds (net of any related expenses borne by the Company) from the Placing amounted to approximately HK\$388 million.

CHANGES IN SHAREHOLDING STRUCTURE

The 2,000,000,000 Placing Shares represent approximately (i) 57.84% of the issued share capital of the Company immediately before Completion and (ii) 36.65% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The table below sets out the shareholding structure of the Company (i) immediately before Completion; (ii) immediately after Completion are as follows:

	Immediate before Completion		Immediate after Completion	
	<i>Number of Shares held</i>	<i>Approximate shareholding percentage</i>	<i>Number of Shares held</i>	<i>Approximate shareholding percentage</i>
Lung Cheong Investment and concert parties (<i>Note 1</i>)	1,499,082,240	43.35	1,499,082,240	27.47
Haier Electrical Appliances Second and concert parties (<i>Note 2</i>)	–	–	1,390,000,000	25.47
Public Shareholders				
Other public Shareholders	1,958,675,757	56.65	1,958,675,757	35.89
Other Placees (<i>Note 2</i>)			610,000,000	11.17
Total	<u>3,457,757,997</u>	<u>100.00</u>	<u>5,457,757,997</u>	<u>100.00</u>

Notes:

1. Lung Cheong Investment is the existing controlling shareholder of the Company and a company incorporated in the British Virgin Islands with limited liability which is wholly-owned by Rare Diamond Limited, a company incorporated in the British Virgin Islands which in turn is owned as to 70% by Mr. Leung Lun, *M.H.*, an executive Director of the Company and 30% by Mr. Leung Chung Ming, who is the brother of Mr. Leung Lun, *M.H.*.
2. Assuming all new Shares are successfully placed under the Placing.
3. As at the date of the announcement, there are 500,000,000 outstanding warrants which can be, if fully exercised, convertible to 500,000,000 new Shares. The warrants were issued on the basis of one warrant for each placing share issued to the subscribers who are Independent Third Parties under the placing of 500,000,000 Shares of the Company, which was completed on 13 June 2012.

By Order of the Board
Lung Cheong International Holdings Limited
Wong, Andy Tze On
Executive Director

Hong Kong, 2 April 2013

As at the date of this announcement, the board of directors of the Company comprises two executive directors, namely Mr. Leung Lun, M.H. (Chairman and Chief Executive) and Mr. Wong, Andy Tze On; and three independent non-executive directors, namely, Mr. Ye Tian Liu, Mr. Lai Yun Hung and Dr. Ko Peter, Ping Wah.

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.