



STYLAND HOLDINGS LIMITED

大凌集團有限公司*

(incorporated in Bermuda with limited liability)

PLACEMENT OF 283,601,382 NEW SHARES

The Directors announce that the Company has entered a conditional subscription agreement with the Placing Agents to place 283,601,382 new Shares or 70,900,345 New Shares (subject to the Capital Reorganisation becomes effective) to more than six independent investors at the price of HK\$0.03 per Share. The Subscription Shares amount to approximately 18.95% of the existing issued share capital of the Company of 1,496,398,618 Shares and about 15.93% of the share capital of 1,780,000,000 Shares as enlarged by the Subscription.

The net proceeds from the Subscription of about HK\$8.3 million will be applied to reduce the outstanding borrowings of the Group. The Subscription is conditional upon the Stock Exchange granting the listing of all of the Subscription Shares.

AGREEMENT FOR SUBSCRIPTION OF 283,601,382 NEW SHARES DATED 25TH JULY, 2002

- 1. Parties**
Issuer: the Company
Placing agents: Taiwan Concord Capital Securities (Hong Kong) Limited, Great China Brokerage Limited, Luen Fat Securities Company Limited and Hung Sing Securities Limited
 The Placing Agents, their respective directors and substantial shareholders are independent of, not connected with the directors, chief executive and substantial shareholders of the Company, and any of their subsidiaries or any of their respective associates (as defined in the Listing Rules)
Placees: more than six individual investors, being independent of, not connected with the directors, chief executive and substantial shareholders of the Company, and any of their subsidiaries or any of their respective associates (as defined in the Listing Rules)
Commission: The Placing Agents will receive 2.5% commission on the proceeds of the Subscription

2. Subscription Price

HK\$0.03 per Share or HK\$0.12 per New Shares (subject to the Capital Reorganisation becomes effective). It represents a discount of about 28.57% to the closing price of HK\$0.042 per Share as quoted on the Stock Exchange on 25th July, 2002, being the last trading day before the publication of this announcement, and represents a discount of about 6.25% to the average of the closing price of the Shares of HK\$0.032 per Share quoted on the Stock Exchange for the ten trading days up to and including 25th July, 2002. The Subscription Price was arrived at after arm's length negotiation between the Company and the Placing Agents. In view of the current market condition, the Directors consider that the Subscription Price is fair and reasonable to attract investment funds to the Company.

3. Rights

The Subscription Shares will rank equally with the existing Shares

4. Number of Shares to be subscribed

283,601,382 Shares or 70,900,345 New Shares (subject to the Capital Reorganisation becomes effective) to be placed, amount to approximately 18.95% of the existing issued share capital of the Company of 1,496,398,618 Shares and about 15.93% of the share capital of 1,780,000,000 Shares as enlarged by the Subscription. The Directors are not aware of the emergence of any new substantial shareholders resulting from the Subscription.

	Shareholding before the Subscription	Shareholding after the Subscription
Mr. Cheung	18.86%	15.85%
Public	81.14%	84.15%
	<u>100.0%</u>	<u>100.0%</u>

5. Mandate to issue new Shares

The Subscription Shares will be issued under the general mandates which were granted to the Directors at the special general meeting held on 5th November, 2001.

6. Ranking of new shares

The Subscription Shares will rank equally with the existing Shares of the Company in issue.

7. Use of proceeds

The net proceeds from the Subscription approximately HK\$8.3 million after deducting the placement commission and all related expenses will be applied to reduce outstanding borrowings of the Group in order to strengthen the financial position of the Group.

8. Condition of the Subscription

The Subscription is conditional upon the Stock Exchange granting the listing of all of the Subscription Shares.

9. Completion

Completion will take place within two business days upon the fulfillment of the condition of the Subscription which is expected to be on or before 8th August, 2002. The Directors expect that the placees of the Subscription will not entitle for the rights shares, bonus shares and bonus warrants under the proposed rights issue of the Company as announced by the Company on 17th June, 2002.

The Directors undertake to the Stock Exchange that there will be a minimum of 25% of the total issued share capital of the Company in public hands in accordance with Rule 8.08 of the Listing Rules after the completion of the Subscription.

10. Application for listing

Application will be made by the Company to the Stock Exchange to grant the listing of and permission to deal in the new Shares of the Subscription.

11. Reason for the Subscription

The Company is an investment holding company and its subsidiaries are principally engaged in investment holding, securities dealing and broking, financing, general import and export trading and property development and investment. Reference is also made to the announcement dated 17th June, 2002 of the Company ("Announcement") and the circular of the Company dated 5th July, 2002 ("Circular") for a proposed rights issue of 1,122,298,962 new shares of the Company to raise about HK\$103 million. The net proceeds of the rights issue of about HK\$63 million will be used to finance the Group's future investments in Hong Kong and the PRC, of which approximately HK\$13.8 million will be applied to reduce bank borrowings and the remaining HK\$26.2 million will be retained as general working capital of the Group. The proposed rights issue of the Company is conditional which may or may not proceed. Based on the latest management account of the Group as at 31st May, 2002, the Group has approximately HK\$85 million cash on hand.

Although the Group has sufficient cash on hand for the existing operations, the Directors consider that the Subscription provides immediate cash inflow to strengthen the financial position of the Group and broaden its shareholders' base which is in the interest of the Company and its shareholders. The fund raising by issue of equity will not dampen the finance cost of the Group and increase the finance resources of the Group to facilitate the future business development of the Group.

Capitalised terms used herein shall have the same meanings as defined in the Announcement and the Circular unless otherwise defined in the context.

TERMS USED IN THIS ANNOUNCEMENT

"Company"	Styland Holdings Limited, a company incorporated in Bermuda with limited liability and which shares are listed on the Stock Exchange
"Completion"	completion of the Subscription
"Directors"	directors of the Company
"Listing Rules"	Rules governing the Listing of Securities on the Stock Exchange
"Mr. Cheung"	Mr. Kenneth Chi Shing Cheung, a substantial shareholder of the Company
"Placing Agents"	Taiwan Concord Capital Securities (Hong Kong) Limited, Great China Brokerage Limited, Luen Fat Securities Company Limited and Hung Sing Securities Limited
"Shares"	shares in the Company of HK\$0.01 each
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription"	the subscription of 283,601,382 Shares
"Subscription Agreement"	the subscription agreement dated 25th July, 2002 entered between the Placing Agents and the Company for the subscription of 283,601,382 Shares
"Subscription Price"	HK\$0.03 for each Subscription Share
"Subscription Shares"	the aggregate of 283,601,382 Shares to be subscribed by the placees pursuant to the Subscription Agreement

By Order of the Board
Styland Holdings Limited
Steven Wang Tai Li
 Chairman