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EGANA GOLDPFEIL

(HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

AMENDMENT TO TERMS AND CONDITIONS OF US\$25,000,000 1.0 PER CENT UNLISTED AND UNSECURED CONVERTIBLE BONDS DUE 2006

In connection with the issue of the Bonds to CSFB, details of which have been contained in the Company's announcement dated 27th February, 2003, the Company announces that CSFB and the Company have agreed to enter into an agreement to be effective from 30th June, 2003 to amend certain terms and conditions regarding maturity and early redemption of the Bonds (the "Amendment").

The Amendment were negotiated on an arm's length basis and the Directors consider that they are fair and reasonable so far as the Company is concerned.

Reference is made to the Company's announcement dated 27th February, 2003. Unless the context otherwise requires, the terms used in this announcement shall have the same respective meanings as in the Company's announcement dated 27th February, 2003.

On 27th February, 2003, the Company and CSFB, holder of 100 per cent of the outstanding Bonds, entered into the Subscription Agreement in relation to the subscription of the Bonds. Pursuant to the terms and conditions of the Subscription Agreement, the Company will on the Maturity Date redeem (i) in respect of the Original Tranche 1 Bonds, each outstanding Original Tranche 1 Bond by delivering to the Bondholder such number of Shares as results from dividing the principal amount by the lower of the Fixed Conversion Price and the Floating Conversion Price in effect, ii) in respect of the Additional Tranche 1 Bonds (if issued), each outstanding Additional Tranche 1 Bond at 100 per cent of the principal amount and iii) in respect of the Tranche 2 Bonds (if issued), each outstanding Tranche 2 Bond at 100 per cent of the principal amount. In certain circumstances set out in the terms and conditions of the Bonds, the Bonds may be redeemed early for an amount between 108 per cent and 110 per cent of the principal amount of the Bonds plus accrued interest.

The Company had subsequently obtained listing approval from the Stock Exchange in respect of the new Shares to be issued upon conversion of the Bonds and upon exercise of the Subscription Right in respect of the Bonds under the Subscription Agreement.

Recently, the Company and CSFB have agreed to amend certain terms and conditions relating to the redemption of the Bonds on maturity and early redemption of the Bonds. The terms and conditions of the Amendment, which shall be effective from 30th June, 2003, are as under:

Maturity:

27th February, 2006

Unless previously redeemed, converted or purchased and cancelled, the Company will:

- (i) in respect of the Original Tranche 1 Bonds,
 - (a) if the volume weighted average closing price per Share for the period commencing on (and including) 24th October, 2005 and ending on (and including) 23rd February, 2006 is greater than HK\$1.05, approximately 65 per cent of the Fixed Conversion Price of HK\$1.6184, redeem each outstanding Original Tranche 1 Bond on the Maturity Date by delivering to the Bondholder such number of Shares as results from dividing the principal amount of the Original Tranche 1 Bonds by the lower of the Fixed Conversion Price and the Floating Conversion Price in effect on the Maturity Date;
 - (b) if the volume weighted average closing price per Share for the period commencing on (and including) 24th October, 2005 and ending on (and including) 23rd February, 2006 is less than or equal to HK\$1.05, approximately 65 per cent of the Fixed Conversion Price of HK\$1.6184, redeem each outstanding Original Tranche 1 Bond by cash at 100 per cent of the principal amount on the Maturity Date;
- (ii) in respect of the Additional Tranche 1 Bonds (if issued), redeem each outstanding Additional Tranche 1 Bond at 100 per cent of the principal amount on the Maturity Date;
- (iii) in respect of the Tranche 2 Bonds (if issued), redeem each outstanding Tranche 2 Bond at 100 per cent of the principal amount on the Maturity Date.

The volume weighted average closing price per Share in respect of any specified period means the price specified on Page “48HK Equity VAP” of the Bloomberg service (or such other page as may replace that page from time to time) in respect of such specified period.

Early Redemption:

In certain circumstances set out in the terms and conditions of the Bonds, the Bonds may be redeemed early for an amount between 104 per cent and 108 per cent of the principal amount of the Bonds plus accrued interest. Circumstances under which the Bonds may be redeemed early include instances where the price of the Shares falls below a certain amount determined using the formula set out in the Subscription Agreement. Such terms have been agreed between the Company and CSFB after arm’s length negotiations.

The Amendment was agreed after arm's length negotiation between the Company and CSFB. The Amendment provides the Company with the opportunity to redeem any outstanding Original Tranche 1 Bonds by cash at 100 per cent of its principal amount when the volume weighted average closing price of the Shares for the defined period is equal to or below HK\$1.05. This would prevent any unanticipated dilution of the existing shareholders' interests. The lowering of the rates from 108 per cent to 104 per cent, and from 110 per cent to 108 per cent for early redemption of the Bonds would alleviate the financial commitment of the Company, and fairly reflects CSFB's increased commitment in the Company. The Directors consider that the Amendment should not have any adverse financial effect on the Company, and is fair and reasonable so far as the Company is concerned.

The Company will comply with all applicable Listing Rules in respect of the terms and conditions of the Bonds and the Amendment.

By Order of the Board
Hans-Joerg SEEBERGER
Chairman and Chief Executive

Hong Kong, 6th June, 2003

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