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# king fook holdings limited 景福集團有限公司

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 280)**

**(the “Company”)**

## **Disposal of assets**

### **Discloseable transaction**

The Vendors, two wholly owned subsidiaries of the Company, sold a total of 430,000 shares of Hong Kong Exchanges and Clearing Limited on-market through the Stock Exchange during the period from 10th February, 2006 to 3rd March, 2006 for an aggregate cash consideration of HK\$17,317,729. The purchasers are not connected with the Company, any directors, chief executive officer or substantial shareholders of the Company or any of its subsidiaries or their respective associates.

The Disposals, with percentage ratio calculated pursuant to the Listing Rules between 5% and 25%, constitute a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules.

## **DISPOSALS BETWEEN 10TH FEBRUARY, 2006 AND 3RD MARCH, 2006 (THE “DISPOSALS”)**

### **Assets disposed of:**

During the period from 10th February, 2006 to 3rd March, 2006, King Fook Securities Company Limited (“KF Securities”) and King Fook Gold & Jewellery Company Limited (“KF Gold & Jewellery”) (together the “Vendors”), two wholly owned subsidiaries of the Company, sold a total of 430,000 shares of Hong Kong Exchanges and Clearing Limited (the “Sale Shares”) on-market through The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) at the price range of HK\$39 to HK\$41.20 per share (totalling HK\$17,317,729) in cash.

Hong Kong Exchanges and Clearing Limited (“HKEC”) is a company incorporated in Hong Kong. It owns and operates the only stock exchange and futures exchange in Hong Kong and their related clearing houses. For the two years ended 31st December, 2004, its net profits before taxation were about HK\$804,740,000 and HK\$1,250,525,000 respectively. For the two years ended 31st December, 2004, its net profits after taxation were about HK\$692,686,000 and HK\$1,056,884,000 respectively.

In respect of the Sale Shares, 300,000 shares (about 70% of the total Sale Shares) sold by KF Gold & Jewellery were acquired at a total cost of HK\$3,894,000 while the balance of 130,000 shares sold by KF Securities (about 30% of the total Sale Shares) were distributed by HKEC to KF Securities (a member of the Stock Exchange) as consideration for the cancellation of shares in the Stock Exchange held by KF Securities pursuant to a scheme of arrangement prior to the listing of HKEC.

### **Consideration:**

HK\$39 to HK\$41.20 per share, totalling HK\$17,317,729 in cash

The prices were the market rates quoted on the Stock Exchange at the relevant times at which transactions for the Disposals were effected on-market.

There is a gain of about HK\$13,423,729 arising on the Disposals.

**Payment terms:**

The prices have been received by the Vendors in cash on completion.

**Use of proceeds:**

The proceeds of the Disposals will be used as additional working capital.

**Reasons for the Disposals:**

The Vendors disposed of the Sale Shares to realise the gain on this investment/holding.

**Connection between the parties:**

The Company confirms that, to the best of the directors' knowledge, information and belief having made all reasonable enquiry, the purchasers of the Sale Shares and their beneficial owners are independent third parties not connected with the Company, any directors, chief executive officer or substantial shareholders of the Company or any of its subsidiaries or their respective associates.

**INFORMATION FOR SHAREHOLDERS**

The Company and its subsidiaries are principally engaged in retailing of gold ornaments, jewellery, watches and gift, trading of bullion, wholesaling of diamond and securities broking in Hong Kong.

For the Company, the Disposals, with percentage ratio calculated pursuant to the Listing Rules between 5% and 25%, constitute a discloseable transaction under Rule 14.06(2) of the Listing Rules.

A circular giving details of the Disposals will be sent to shareholders shortly.

By Order of the Board  
**Yeung Ping Leung, Howard**  
Chairman

Hong Kong, 7th March, 2006

*As at the date of this announcement, the executive directors of the Company are Mr. Yeung Ping Leung, Howard, Mr. Tang Yat Sun, Richard, Mr. Cheng Ka On, Dominic, Mr. Yeung Bing Kwong, Kenneth and Ms. Fung Chung Yee, Caroline, the non-executive directors are Dr. Sin Wai Kin, Mr. Wong Wei Ping, Martin and Mr. Ho Hau Hay, Hamilton and the independent non-executive directors are Mr. Cheng Kwai Yin, Mr. Lau To Yee, Mr. Cheng Kar Shing, Peter and Mr. Chan Chak Cheung, William.*