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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 Vendor, a wholly owned subsidiary of the Company, sold a total of 550,000 shares of Hong Kong Exchanges and Clearing Limited on-market through the Stock Exchange during the period from 9th March, 2006 to 7th April, 2006 for an aggregate cash consideration of HK\$26,032,500. 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 proceeds of the Disposals when aggregated with the Previous Disposal Proceeds reach the percentage ratio calculated pursuant to the Listing Rules between 5% and 25%. The Disposals collectively constitute a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules.

DISPOSALS BETWEEN 9TH MARCH, 2006 AND 7TH APRIL, 2006 (THE “DISPOSALS”)

Assets disposed of:

During the period from 9th March, 2006 to 7th April, 2006, King Fook Securities Company Limited (the “Vendor”), a wholly owned subsidiary of the Company, sold a total of 550,000 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\$38 to HK\$53.5 per share (totalling HK\$26,032,500) 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, 2005, its net profits before taxation were about HK\$1,250,525,000 and 1,567,008,000 respectively. For the two years ended 31st December, 2004, its net profits after taxation were about HK\$1,056,884,000 and HK\$1,399,548,000 respectively.

The Sale Shares were distributed by HKEC to the Vendor (a member of the Stock Exchange) as consideration for the cancellation of shares in the Stock Exchange held by the Vendor pursuant to a scheme of arrangement prior to the listing of HKEC.

Consideration:

HK\$38 to HK\$53.5 per share, totalling HK\$ 26,032,500 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\$26,003,863 arising on the Disposals.

Payment terms:

The consideration have been/will be received by the Vendor in cash on completion.

Use of proceeds:

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

Reasons for the Disposals:

The Vendor disposed of the Sale Shares to realise the gain on this 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.

Previous disposals:

On 7th March, 2006, the Company announced the on-market disposal of a total of 430,000 shares of HKEC with total proceeds of HK\$17,317,729 (the "Previous Disposal Proceeds") by the Vendor and King Fook Gold & Jewellery Company Limited, a wholly owned subsidiary of the Company, from 10th February, 2006 to 3rd March, 2006. The aggregate of the proceeds of the Disposals and the Previous Disposal Proceeds amount to HK\$43,350,229.

INFORMATION FOR SHAREHOLDERS

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

The proceeds of the Disposals when aggregated with the Previous Disposal Proceeds reach the percentage ratio calculated pursuant to the Listing Rules between 5% and 25%. The Disposals collectively 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 10th April, 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.