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(於百慕達註冊成立之有限公司)
(Incorporated in Bermuda with Limited Liability)
Stock Code 股份代號 : 0590

VOLUNTARY ANNOUNCEMENT

OUTSTANDING CONVERTIBLE BOND AND BUSINESS UPDATE

References are made to (i) the joint announcement dated 28 January 2014 of Luk Fook Holdings (International) Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) and Hong Kong Resources Holdings Company Limited (the “**HKRH**”) in relation to, among others, the acquisition of 50% interest in China Gold Silver Group Company Limited (the “**CGS**”) and the subscription of HKRH convertible bonds (the “**HKRH CB**”) by the Group (the “**Announcement**”); (ii) the joint announcement of the Company and HKRH dated 6 June 2014 in relation to, among others, the completion of the acquisition of CGS by the Group and the issue of the HKRH CB to the Group; and (iii) the annual report of the Company for the year ended 31 March 2019 (the “**Annual Report**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcement.

As mentioned in the Announcement and Annual Report, on 6 June 2014, the Group subscribed for the HKRH CB in the principal amount of HK\$57,080,000 with 3% interest rate per annum. The Company had not exercised any right of conversion under the HKRH CB and it came to maturity on 6 June 2019. On 26 June 2019, the Group entered into an agreement with HKRH to extend the final repayment date of the HKRH CB to 9 September 2019. The HKRH CB shall bear an additional default interest at 8% per annum from 6 June 2019 to the actual date of repayment. Up to the date of this announcement, the Company has only received partial repayment of certain interest under the HKRH CB, a total sum of HK\$58,227,917.67 has remained outstanding under the HKRH CB (the “**CB Debt**”).

On 2 October 2019, the Company served a statutory demand under section 178(1)(a) or 327(4)(a) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) (the “**Statutory Demand**”) to HKRH demanding repayment of CB Debt. Whilst the Board considers that the non-receipt of the CB Debt does not have a material and adverse impact on the financial and operations of the Group, the Group is seeking legal advice as to the actions it may take to further protect its rights, and will make further announcements as and when appropriate.

The board of directors of the Company (the “**Board**”) noted the trading in the shares of HKRH has been suspended on 30 September 2019 (the “**HKRH Share Suspension**”) and HKRH has issued an announcement on 2 October 2019 (the “**HKRH Delay of Results Announcement**”) in relation to further delay in publication of annual results for the year ended 30 June 2019. As stated in the HKRH Delay of Results Announcement, the publication of HKRH's annual results is delayed as the auditor of HKRH raised queries about the commercial substance of certain loans advanced by a subsidiary of HKRH with money lender license in its ordinary and usual course of business. The Board wishes to clarify that the subsidiary referred to under the HKRH Delay of Results Announcement is not related to CGS and/or its subsidiaries (the “**CGS Group**”). None of CGS or its subsidiaries holds a money lender license. The Board would like to take the opportunity to reassure its shareholders that the Company continues to control 50% of the composition of the board of directors and equity interests in CGS. The Company has appointed and continues to have the power to appoint the Chief Executive Officer of CGS who is delegated with the overall management power of the business and daily operations of CGS save for certain matters provided under the Shareholders' Deed (as supplemented). The Board confirms that the business operation of the CGS Group in the jewellery retail and franchise business under the brand name of “3D-GOLD” in Hong Kong, Macau and Mainland China is continuing as usual. The Board has no reason to believe that the HKRH Share Suspension is in any way attributable to the affairs of CGS Group.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Luk Fook Holdings (International) Limited
WONG Wai Sheung
Chairman and Chief Executive Officer

Hong Kong, 2 October 2019

As at the date of this announcement, the Company's Executive Directors are Mr. WONG Wai Sheung (Chairman and Chief Executive Officer), Mr. TSE Moon Chuen (Deputy Chairman), Ms. WONG Hau Yeung, Ms. WONG Lan Sze, Nancy and Dr. CHAN So Kuen; the Non-executive Directors are Mr. WONG Ho Lung, Danny (Deputy Chairman), Ms. YEUNG Po Ling, Pauline, Mr. HUI Chiu Chung, JP and Mr. LI Hon Hung, BBS, MH, JP; the Independent Non-executive Directors are Mr. TAI Kwok Leung, Alexander, Mr. IP Shu Kwan, Stephen, GBS, JP, Mr. MAK Wing Sum, Alvin, Ms. WONG Yu Pok, Marina, JP and Mr. HUI King Wai.