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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)**

## **Disposals of assets Discloseable transaction**

KF Securities disposed of a total of 242,400 HKEC Shares to independent purchasers at prevailing market prices on-market through the Stock Exchange on 14th August 2012 and 16th August, 2012.

The disposals together constitute a discloseable transaction of the Company under the Listing Rules.

### **Assets disposed of**

On 27th September, 2011, the Company obtained an authorisation from the Shareholders to dispose of up to 1,314,000 HKEC Shares (the "Disposal Shares") held by KF Securities, a wholly owned subsidiary of the Company, to independent purchasers at prevailing market prices on-market through the Stock Exchange within one year from 3rd October, 2011.

Pursuant to such authorisation, KF Securities disposed of a total of 242,400 HKEC Shares (the "Disposed Shares") to independent purchasers at prevailing market prices on-market through the Stock Exchange as follows:

<b>Date</b>	<b>No. of HKEC Shares sold</b>	<b>Sale proceeds (HK\$)</b>	<b>Price range (HK\$)</b>
2012			
14th August	142,400	15,287,400	107.1-107.6
16th August	<u>100,000</u>	<u>10,614,760</u>	106.1-106.2
Total:	<u>242,400</u>	<u>25,902,160</u>	

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, 2011, its net profits before taxation were about HK\$5,954,000,000 and HK\$6,032,000,000 respectively. For the two years ended 31st December, 2011, its net profits after taxation were about HK\$5,037,000,000 and HK\$5,093,000,000 respectively. KF Securities received dividends totalling HK\$1,018,080 and HK\$1,030,200 respectively for these two years in respect of the Disposed Shares.

The Disposed Shares represent about 0.0224% of the issued share capital of HKEC as at 31st July, 2012 and were distributed by HKEC to KF Securities (a member of the Stock Exchange) in 2000 as consideration for the cancellation of shares in the Stock Exchange then held by KF Securities pursuant to a scheme of arrangement prior to the listing of HKEC. The book value of the Disposed Shares as at 31st July, 2012 amounted to about HK\$25,209,600. The total assets of HKEC as at 31st December, 2011 were about HK\$54,028,000,000.

KF Securities realised a gain of about HK\$25,874,200 on the disposal of the Disposed Shares. The gain (previously recognised in investment revaluation reserve) was the net proceeds of the disposals of the Disposed Shares after deducting all related expenses as there was no investment costs for the Disposed Shares.

### **Reasons for the disposals**

The disposals were made to realise KF Securities' gain on the holding of the Disposed Shares.

### **Use of proceeds**

The proceeds from the disposal of the Disposed Shares will be used as additional working capital and to reduce the liabilities of the Group.

### **Listing Rules requirements**

It was mentioned in the circular of the Company dated 26th August, 2011 that announcement(s) on the disposal of the Disposal Shares will be made if such disposal (or disposals aggregated since (a) 27th September, 2011; or (b) the date of an announcement relating to previous disposal(s), whichever is later) will constitute a discloseable transaction under the Listing Rules. Since 14th August, 2012 (the date of an announcement relating to previous disposals) and up to 16th August, 2012, the disposals together constitute a discloseable transaction of the Company under the Listing Rules.

### **Information for Shareholders**

The Group is principally engaged in gold ornaments, jewellery, watch, fashion and gift retailing, bullion trading, securities broking and diamond wholesaling.

## Terms used in this announcement

“Company”	King Fook Holdings Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“Group”	the Company and its subsidiaries
“HKEC”	Hong Kong Exchanges and Clearing Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“HKEC Share(s)”	share(s) of HK\$1 each in the share capital of HKEC
“KF Securities”	King Fook Securities Company Limited, a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Shareholders”	holders of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar(s)

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

Hong Kong, 17th August, 2012

*As at the date of this announcement, the executive Directors 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 Mr. Wong Wei Ping, Martin and Mr. Yeung Ka Shing; and the independent non-executive Directors are Mr. Lau To Yee, Mr. Cheng Kar Shing, Peter, Mr. Chan Chak Cheung, William, Mr. Ho Hau Hay, Hamilton and Mr. Sin Nga Yan, Benedict.*