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六福集團(國際)有限公司
LUK FOOK HOLDINGS (INTERNATIONAL) LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 590)

DISCLOSEABLE TRANSACTION
ACQUISITION OF PROPERTY

On 12th June 2009, Fancy Trend entered into the Sale and Purchase Agreement with Legend Pacific for acquiring the Property.

The Directors believe that the terms of the acquisition of the Property are fair and reasonable and in the interests of the Shareholders as a whole.

The acquisition of the Property constitutes a discloseable transaction for the Company under the Listing Rules, hence, an announcement is hereby published.

SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are as follows:

- Dated: 12th June 2009
- Purchaser: Fancy Trend Investment Limited (“Fancy Trend”), a company incorporated in Hong Kong and wholly owned by Luk Fook Holdings (International) Limited (the “Company”)
- Vendor: Legend Pacific Limited (“Legend Pacific”), a company incorporated in Hong Kong, an independent third party introduced by a commissionable property agent. The principal business of Legend Pacific is property investment.
- Property: The whole block of commercial building known as Cyber Plaza and situated at No. 239 Temple Street, Jordan, Kowloon, Hong Kong (the “Property”).
- Consideration: HK\$254,350,000 payable in cash: (a) HK\$8,000,000 upon signing the Provisional Agreement for Sale and Purchase on 12th June 2009, (b) HK\$17,435,000 upon signing the Formal Sale & Purchase Agreement on or before 26th June 2009 and (c) HK\$228,915,000 upon completion of the transaction on or before 12th August 2009.
- Completion: On or before 12th August 2009.

The Property comprises a 18-storey commercial building with its ground to third floors being devoted as retail purpose whilst the upper floors accommodating office units in which six floors being currently used as guesthouses. Currently, it is occupied by over twenty tenants engaged in various kinds of businesses. The building was completed in 1998 and has a total gross floor area of approximately 59,983 square feet according to information obtained from the Buildings Department, whereas the brochure gross floor area is approximately 66,554 square feet.

The cash price of HK\$254,350,000 was determined by reference to the open market value of HK\$260,000,000 as at 11th June 2009 as appraised by DTZ Debenham Tie Leung Limited, an independent valuer who is not a connected person (as defined in the Listing Rules) of the Company. It is expected that 30% (HK\$76,305,000) of the consideration will be financed by internal resources/short-term bank loans, while the remaining balance of 70% (HK\$178,045,000) will be financed by a mortgage loan from a bank repayable by 120 monthly installments, subject to final decisions of the Directors.

REASONS AND BENEFITS FOR THE TRANSACTION

The Property is situated on Temple Street at the south side of Jordan Road, near the junction with Nathan Road within the Jordan District in Kowloon Peninsula. All modes of public transport facilities including franchised buses, public light buses, taxis are available along Nathan Road and Jordan Road. The Mass Transit Railway's Jordan Station is also situated within short walking distance of the Property. Station for Cross Border Yellow Bus through Huanggang is also available near the building, adding convenience to its transportation network. The Group will use about 50% of the Property as its head office building to accommodate all its existing office operations which are currently housed in rented properties at 25/F, BEA Tower, Millennium City 5, 418 Kwun Tong Road, Kwun Tong, Kowloon, and it will also use the remaining portion of the Property to provide office, show room and other related facilities catering for the wholesale business operated by other jewellery enterprises. The Directors will consider to rename the Property as Luk Fook Jewellery Trading Centre, subject to approval from relevant Government authorities, so that it will become a landmark of the Group in Hong Kong. With a view to eliminating the need for leasing office space, to providing better support to the Group's jewellery retail shops located along Nathan Road especially in Jordan and Tsim Sha Tsui, to providing facilities catering for the wholesale operations of the jewellery industry, and to promoting the corporate image, the Group has decided to acquire the Property.

DIRECTORS' VIEW

The Vendor and the ultimate beneficial owner of the Vendor are not connected persons (as defined in the Listing Rules) of the Company. Having taken into account the factors and reasons set out in the previous paragraph, the directors of the Company (the "Directors") believe that the terms of acquisition of the Property are fair and reasonable and in the interests of the shareholders of the Company (the "Shareholders") as a whole.

GENERAL

The assets ratio and the consideration ratio for this transaction are each over 5% and below 25%. As a result, the acquisition of the Property constitutes a discloseable transaction under the Listing Rules.

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the retailing and wholesaling of gold jewellery and gold ornaments, gem-set jewellery and gemstones, and other accessory items.

As at the date of this Announcement, the Company's executive directors are Mr. WONG Wai Sheung (Chief Executive), Mr. TSE Moon Chuen, Mr. LAW Tim Fuk, Paul, Mr. LAU Kwok Sum, Mr. WONG Ho Lung, Danny, and Miss WONG Lan Sze, Nancy; the non-executive directors are Mr. WONG Koon Cheung, Mr. CHAN Wai, Mr. LEE Shu Kuan, Ms. YEUNG Po Ling, Pauline and Mr. HUI King Wai; the independent non-executive directors are Mr. HUI Chiu Chung, Mr. LO Mun Lam, Raymond (Chairman), and Mr. TAI Kwok Leung, Alexander.

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

Hong Kong, Dated 16th June 2009