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MING FUNG JEWELLERY GROUP LIMITED

明豐珠寶集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 860)

- (1) PROPOSED SHARE CONSOLIDATION**
- (2) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**
- (3) PROPOSED OPEN OFFER OF 1,634,514,070 OFFER SHARES
AT THE SUBSCRIPTION PRICE OF HK\$0.3 EACH
ON THE BASIS OF TWO OFFER SHARES FOR
EVERY CONSOLIDATED SHARE HELD ON THE RECORD DATE**
- (4) CLOSURE OF REGISTER OF MEMBERS**
- AND**
- (5) PROPOSED CHANGE IN BOARD LOT SIZE**

Financial adviser to the Company



Guotai Junan Capital Limited

Underwriter of the Open Offer



Guotai Junan Securities (Hong Kong) Limited

PROPOSED SHARE CONSOLIDATION

The Company intends to put forward a proposal to the Shareholders to effect the Share Consolidation which involves the consolidation of every ten (10) issued and unissued Existing Shares of HK\$0.01 each into one (1) Consolidated Share of HK\$0.1.

* for identification purpose only

As at the date of this announcement, the authorised share capital of the Company is HK\$100,000,000 divided into 10,000,000,000 Existing Shares of nominal value of HK\$0.01 each, of which 8,172,570,350 Existing Shares have been allotted and issued and fully paid or credited as fully paid. Upon the Share Consolidation becoming effective, the Company will have an authorised share capital of HK\$100,000,000 divided into 1,000,000,000 Consolidated Shares, of nominal value of HK\$0.1 each, of which 817,257,035 Consolidated Shares will be in issue.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

In order to accommodate the future expansion and growth of the Group, the Board proposes to increase the existing authorised share capital of the Company to HK\$1,000,000,000 divided into 10,000,000,000 Shares of nominal value HK\$0.1 each by the creation of an additional 9,000,000,000 unissued Shares immediately following the Share Consolidation becoming effective.

PROPOSED OPEN OFFER

The Board proposes to raise approximately HK\$490.4 million, before expenses, by issuing 1,634,514,070 Offer Shares at the Subscription Price of HK\$0.3 per Offer Share.

The Open Offer is only available to the Qualifying Shareholders on the basis of two (2) Offer Shares for every Consolidated Share in issue and held on the Record Date and payable in full on acceptance.

Assuming no further issue of new Shares or repurchase of Shares on or before the Record Date, the 1,634,514,070 Offer Shares represent 200% of the Company's issued Share capital upon the Share Consolidation having become effective and approximately 66.7% of the Company's issued share capital as enlarged by the issue of the Offer Shares.

The Record Date is Tuesday, 31 March 2015. The last day of dealings in the Shares on cum-entitlement basis is Tuesday, 24 March 2015. The Shares will be dealt in on ex-entitlement basis from Wednesday, 25 March 2015. To qualify for the Open Offer, a Shareholder must be registered as a member of the Company at the close of business on the Record Date, and be a Qualifying Shareholder.

CHANGE OF BOARD LOT SIZE

The Board proposes to change the board lot size for trading of the Shares from 30,000 Shares to 12,000 Shares.

In the event that the Share Consolidation is not approved by the Shareholders at the EGM, the board lot size of the Existing Shares will remain unchanged.

GENERAL

Pursuant to Rule 7.19(6) of the Listing Rules, any controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) relating to the Open Offer. As at the date of this announcement, the Company does not have any controlling Shareholders (as defined in the Listing Rules). Therefore, Mr. Wong Chi Ming, Jeffrey (Chairman), Mr. Zhang Jinbing (Chief Executive Officer) and Mr. Yu Fei, Philip, being the executive Directors, and their respective associates, together holding approximately 27.47% of the issued share capital of the Company as at the date of this announcement, will abstain from voting in favour of the resolution(s) relating to the Open Offer at the EGM.

The Independent Board Committee will be established to make recommendations to the Independent Shareholders in relation to the Open Offer. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, further particulars of the Share Consolidation, the Increase in Authorised Share Capital, the Open Offer, a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Open Offer, a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Open Offer and the notice convening the EGM, will be despatched to the Shareholders on or before Friday, 27 February 2015. No Shareholder is required to abstain from voting on such resolutions in respect of the Share Consolidation and the Increase in Authorised Share Capital at the EGM.

WARNING OF THE RISKS OF DEALING IN SHARES

The Open Offer is conditional upon, inter alia, the fulfillment of the conditions precedent set out under the paragraph headed “Conditions of the Open Offer” in this announcement. Therefore, the Open Offer may or may not proceed. Any dealings in the Shares from the date of this announcement up to the date on which all such conditions precedent are fulfilled will accordingly bear the risk that the Open Offer may not become unconditional or may not proceed. Any Shareholders or other persons contemplating dealings in the Shares are recommended to consult their own professional advisers. Shareholders and potential investors of the Company should therefore exercise extreme caution when dealing in the Shares.

PROPOSED SHARE CONSOLIDATION

Proposed Share Consolidation

The Company proposes to implement the Share Consolidation pursuant to which every ten (10) issued and unissued Existing Shares of nominal value HK\$0.01 each be consolidated into one (1) Consolidated Share of nominal value HK\$0.1.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon:

- (i) the passing of the necessary ordinary resolution(s) by the Shareholders to approve the Share Consolidation at the EGM to be convened by the Company; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in, the Consolidated Shares in issue arising from the Share Consolidation.

Assuming the above conditions are fulfilled, it is expected that the Share Consolidation will become effective on the business day next following the date on which the relevant resolution(s) approving the Share Consolidation is passed.

	As at the date of this announcement	Immediately upon the Share Consolidation becoming effective
Nominal value of each Share	HK\$0.01	HK\$0.1
Number of authorised Shares	10,000,000,000 Existing Shares	1,000,000,000 Consolidated Shares
Amount of authorised share capital	HK\$100,000,000	HK\$100,000,000
Number of the issued Shares	8,172,570,350 Existing Shares	817,257,035 Consolidated Shares
Issued and fully paid-up share capital	HK\$81,725,703.50	HK\$81,725,703.50

Note: Issued and fully-paid share capital immediately after Share Consolidation becoming effective is presented on the assumption that no further Existing Shares would be issued or repurchased between the date of this announcement and the date of the EGM.

Reasons for the Share Consolidation

The Share Consolidation will increase the nominal value of the shares of the Company. It is expected that the Share Consolidation would bring about corresponding upward adjustments in the trading price of the Consolidated Shares (i.e. based on the closing price of HK\$0.071 per Existing Share as quoted on the Stock Exchange on the Last Trading Day, the trading price of the Consolidated Shares will be HK\$0.71) on the Stock Exchange and the Board believes that it may attract more investors and extend the shareholders base of the Company.

The Board therefore believes that the Share Consolidation is in the interests of the Company and the Shareholders as a whole.

Listing and Dealings

Application will be made to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the Consolidated Shares arising from the Share Consolidation. The Consolidated Shares will be identical in all respects and rank pari passu in all respects with each other as to all future dividends and distributions which are declared, made or paid.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS operational procedures in effect from time to time.

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares will be disregarded and not issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a Shareholder regardless of the number of share certificates held by such shareholder.

Free exchange of Share certificates

Subject to Share Consolidation becoming effective, Shareholders may submit certificates for the Existing Shares in red colour, to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for exchange from Tuesday, 24 March 2015 to Thursday, 7 May 2015 (both days inclusive), at the expense of the Company for certificates of the Consolidated Shares in green colour. Thereafter, certificates for the Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be allowed by the Stock Exchange) for each share certificate of the Existing Shares cancelled or each new share certificate issued for the Consolidated Shares, whichever number of certificates cancelled/issued is higher. The existing certificates will be valid for trading and settlement up to 4:00 p.m. on Thursday, 30 April 2015, being the latest time for trading in board lot of 3,000 Consolidated Shares in the form of existing certificates (or such other date which will be announced by the Company) and will continue to

be good evidence of legal title after the Share Consolidation has become effective and may be exchanged for certificates of the Consolidated Shares at any time in accordance with the foregoing.

Trading arrangements for the Consolidated Shares

Subject to the Share Consolidation becoming effective, the arrangements proposed for dealings in the Consolidated Shares are expected to be as follows:

- (i) from 9:00 a.m. on Tuesday, 24 March 2015, the original counter for trading in the Existing Shares in board lots of 30,000 Existing Shares will be temporarily closed and a temporary counter for trading in the Consolidated Shares in board lots of 3,000 Consolidated Shares will be set up and opened;
- (ii) with effect from 9:00 a.m. on Friday, 10 April 2015, the original counter for trading in the Consolidated Shares will be re-opened in board lots of 12,000 Consolidated Shares;
- (iii) during the period from 9:00 a.m. on Friday, 10 April 2015 to 4:00 p.m. on Thursday, 30 April 2015 (both dates inclusive), there will be parallel trading at the above two counters; and
- (iv) the temporary counter for trading in the Consolidated Shares in board lots of 3,000 Consolidated Shares will be removed after the close of trading at 4:00 p.m. on Thursday, 30 April 2015. Thereafter, trading will only be in board lots of 12,000 Consolidated Shares with new share certificates and the existing share certificates for the Existing Shares will cease to be marketable and will not be acceptable for dealing and settlement purposes. However, such certificates will remain effective as documents of title on the basis of ten (10) Existing Shares for one (1) Consolidated Share.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

In order to accommodate the future expansion and growth of the Group and to facilitate the proposed Open Offer, the Board proposes to increase the existing authorised share capital of the Company to HK\$1,000,000,000 divided into 10,000,000,000 Shares by the creation of an additional 9,000,000,000 unissued Shares immediately following the Share Consolidation becoming effective. The Increase in Authorised Share Capital is conditional upon, among other things, the passing of the relevant resolutions approving the Share Consolidation and the Increase in Authorised Share Capital by the Shareholders at the EGM.

PROPOSED CHANGE IN BOARD LOT SIZE

As the value of each board lot of Consolidated Shares is expected to increase after dealings in the Consolidated Shares commence, the Board proposes that the board lot size of the Consolidated Shares for trading on the Stock Exchange be changed from 30,000 Shares to 12,000 Shares with effect from 9:00 a.m. on Friday, 10 April 2015. In the event that the Share Consolidation is not approved at the EGM, the board lot size of the Existing Shares will remain unchanged.

To facilitate the trading of odd lots (if any) of the Consolidated Shares arising from Share Consolidation and the Change in Board Lot Size, the Company has agreed to procure an agent to arrange for matching services regarding the sale and purchase of odd lots of Consolidated Shares on a best efforts basis, during the period from 9:00 a.m. on Friday, 10 April 2015 to 4:00 p.m. on Thursday, 30 April 2015 (both dates inclusive). Further details in respect of the odd lots trading arrangement will be set out in the circular of the Company to be despatched to the Shareholders.

Holders of Consolidated Shares in odd lots should note that successful matching of the sales and purchases of odd lots of Consolidated Shares are not guaranteed. Shareholders are advised to consult their professional advisers if they are in doubt about the above procedures.

PROPOSED OPEN OFFER

On 4 February 2015, (after trading hours), the Company and the Underwriter entered into the Underwriting Agreement in respect of the proposed Open Offer.

The terms of the Open Offer are set out below:

Issue Statistics

Basis of the Open Offer	:	Two (2) Offer Shares for every Consolidated Share held on the Record Date
Number of Shares in issue as at the date of this announcement	:	8,172,570,350 Existing Shares
Number of Shares in issue upon completion of Share Consolidation	:	817,257,035 Consolidated Shares

Number of Offer Shares	:	1,634,514,070 Offer Shares (assuming no further issue of new Shares on or before the Record Date) (<i>Note</i>)
Subscription Price	:	HK\$0.3 per Offer Share with nominal value of HK\$0.1 each
Underwriter	:	Guotai Junan Securities (Hong Kong) Limited
Number of shares in issue upon completion of the Open Offer	:	2,451,771,105 Shares
Funds raised before expenses	:	Approximately HK\$490.4 million

Note:

As at the date of this announcement, the Company had no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares. Assuming no further issue of new Shares or repurchase of Shares on or before the Record Date, the 1,634,514,070 Offer Shares represent approximately 200% of the Company's issued share capital immediately upon completion of the Share Consolidation, and approximately 66.7% of the Company's issued share capital as enlarged by the issue of the Offer Shares.

Basis of Assured Allotment

The basis of the assured allotment shall be two (2) Offer Shares for every Consolidated Share held by the Qualifying Shareholders on the Record Date at the Subscription Price. Application for all or any part of a Qualifying Shareholder's assured allotment should be made by completing the Application Form and lodging the same with a remittance for the Offer Shares being applied for.

Status of the Offer Shares

The Offer Shares, when allotted, issued and fully paid, shall rank pari passu in all respects with the then existing Shares in issue on the date of allotment of the Offer Shares, including the right to receive all dividends and distributions which may be declared, made or paid on or after such date.

Share Certificates and Refund Cheques for the Offer Shares

Subject to the fulfillment of the conditions precedent as set out in the section headed “Conditions of the Open Offer” in this announcement, share certificates for all fully-paid Offer Shares are expected to be posted on or before Thursday, 30 April 2015 by ordinary mail to the Qualifying Shareholders who have validly accepted and applied for (where appropriate), and paid for the Offer Shares by 4:00 p.m. on Tuesday, 21 April 2015 at their own risk. If the Open Offer is terminated, refund cheques will be despatched on or before Thursday, 30 April 2015 by ordinary post at the respective Shareholders’ own risk.

Qualifying Shareholders

The Company will send the Prospectus Documents to the Qualifying Shareholders only and the Company will send the Prospectus to the Non-Qualifying Shareholders for information only.

To qualify for the Open Offer, a Shareholder must:

1. be registered as a member of the Company at the close of business on the Record Date;
2. be a Qualifying Shareholder.

The last day of dealings in the Shares on the Stock Exchange on a cum-entitlement basis will be Tuesday, 24 March 2015. The Shares will be dealt in on an ex-entitlement basis on the Stock Exchange from Wednesday, 25 March 2015.

In order to be registered as members of the Company at the close of business on the Record Date, owners of Shares must lodge any transfer of Shares (together with the relevant share certificates) with the Company’s Hong Kong branch share register and transfer office, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 26 March 2015.

The invitation to apply for the Offer Shares will not be transferable.

Closure of Register of Members

The register of members of the Company will be closed from Friday, 20 March 2015 to Monday, 23 March 2015, both dates inclusive, for the purpose of determining entitlements to attend and vote at the EGM. No transfer of share will be registered during this period.

The register of members of the Company will be closed from Friday, 27 March 2015 to Tuesday, 31 March 2015, both dates inclusive, for the purpose of ascertaining entitlements to the Open Offer. No transfer of Shares will be registered during this period.

Overseas Shareholders and Non-Qualifying Shareholders

If at the close of business on the Record Date, a Shareholder's address on the Company's register of members is in a place outside of Hong Kong, that Shareholder may not be eligible to take part in the Open Offer. The Prospectus Documents will not be registered or filed under the applicable securities or equivalent legislation of any jurisdiction other than in Hong Kong.

In compliance with Rule 13.36(2)(a) of the Listing Rules, the Directors will make enquiries as to whether the issue of Offer Shares to the Overseas Shareholder(s) may contravene the applicable securities legislation of the relevant overseas places or the requirements of the relevant regulatory body or stock exchange.

If, after making such enquiries, the Directors are of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or any requirement of the relevant regulatory body or stock exchange in that place, not to offer the Offer Shares to such Overseas Shareholder(s), the Open Offer will not be extended to such Overseas Shareholders. The results of enquiries and the basis of any exclusion of the Overseas Shareholders will be included in the Prospectus. If they are excluded, the Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only, but the Company will not send any Application Forms to the Non-Qualifying Shareholders.

The Offer Shares to which the Non-Qualifying Shareholders would have been entitled will be underwritten and taken up by the Underwriter.

Beneficial owners with their Shares held by a nominee (or which are held in CCASS) should note that the Board will regard such nominee (including HKSCC) as a single Shareholder according to the register of members of the Company. Beneficial owners with their Shares held by a nominee (or which are held in CCASS) are advised to consider whether they would like to arrange registration of their Shares in their own names prior to the relevant book closure period. In order to be registered as members of the Company on the Record Date, beneficial owners whose Shares are held by a nominee (or which are held in CCASS) and who would like to have their names registered on the register of members of the Company, must lodge all necessary documents with

the Registrar by 4:30 p.m. on Thursday, 26 March 2015. Beneficial owners should consult their professional advisers if they are in any doubt as to whether they should register their shareholding in their own names.

Those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled and the Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Open Offer.

No application for excess Offer Shares

No application for excess Offer Shares will be available to any Qualifying Shareholders to apply for any Offer Share in excess of their respective assured entitlements since each Qualifying Shareholder will be given equal and fair opportunities to participate in the Company's future development by subscribing for his/her/its assured entitlements under the Open Offer and if an application for excess Offer Shares is arranged, the Company would be required to put in additional efforts and costs to administer the excess application procedures, which is not cost-effective.

Any Offer Shares not taken up by Qualifying Shareholders, any Offer Shares created by aggregation of fractional Offer Shares and any Offer Shares which the Non-Qualifying Shareholders would otherwise have been entitled (if any) will be taken up by the Underwriter.

The Company will consider to procure designated agent to provide odd lot matching services for the Offer Shares. Further details in respect of the matching services will be disclosed in the circular.

Fractions of the Offer Shares

Fractional entitlements to the Offer Shares will not be issued to the Qualifying Shareholders but will be aggregated and taken up by the Underwriter. The Company will not allot any fractions of the Offer Shares.

Subscription price

The Subscription Price for the Offer Shares is HK\$0.3 per Offer Share, payable in full upon acceptance of the relevant assured allotment under the Open Offer. The Subscription Price represents:

- (a) a discount of approximately 57.7% to the closing price of HK\$0.71 per Consolidated Share as quoted on the Stock Exchange on the Last Trading Day;

- (b) a discount of approximately 59.5% to the average closing price of approximately HK\$0.74 per Consolidated Share for the five consecutive trading days ended on the Last Trading Day; and
- (c) a discount of approximately 31.8% to the theoretical ex-entitlement price of approximately HK\$0.44 per Consolidated Share based on the closing price of HK\$0.71 per Consolidated Share as quoted on the Stock Exchange on the Last Trading Day.

Based on the Subscription Price of HK\$0.3 and assuming no change in the shareholding structure of the Company from the date of this announcement to immediately after completion of the Open Offer, the gross proceeds to be raised by the Company from the Open Offer will amount to approximately HK\$490.4 million (before expenses). The net proceeds to be raised by the Company from the Open Offer will amount to approximately HK\$487.2 million (after expenses). The net price raised per Offer Share is estimated at approximately HK\$0.298.

The Subscription Price was determined after arm's length negotiation between the Company and the Underwriter with reference to the prevailing market price of the Shares and financial position of the Company. As the Offer Shares are offered to all Qualifying Shareholders, the Directors wish to set the Subscription Price at a level that will attract Qualifying Shareholders to participate in the Open Offer. Each Qualifying Shareholder is entitled to subscribe for Offer Shares at the same price in proportion to his/her/its shareholding in the Company on the Record Date. The Directors (including the independent non-executive Directors) consider that the terms of the Open Offer, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. Dealings in the Offer Shares will be subject to the payment of stamp duty, Stock Exchange trading fee and any other applicable fees and charges in Hong Kong.

None of the securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is proposed to be sought.

Subject to the granting of listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from

the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

THE UNDERWRITING AGREEMENT

Date	4 February 2015 (after trading hours)
Underwriter	Guotai Junan Securities (Hong Kong) Limited, to the best of the Directors' knowledge, information and belief having made all reasonable enquires, the Underwriter and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules)
Total number of Offer Shares being underwritten by the Underwriter	The Underwriter has conditionally agreed pursuant to the Underwriting Agreement to underwrite the 1,185,432,526 Offer Shares (excluding the Prestige Rich Undertaken Shares) on a fully underwritten basis, subject to the terms and conditions of the Underwriting Agreement
Commission	0.5% of the aggregate Subscription Price of the Underwritten Shares as determined on the Record Date

The commission rate was determined after arm's length negotiation between the Company and the Underwriter by reference to the size of the Open Offer, and the current and expected market conditions. The Board considers the terms of the Underwriting Agreement including the commission rate are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Offer Shares (excluding the Prestige Rich Undertaken Shares) will be fully underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement. Upon completion of the Open Offer in accordance with the terms of the Underwriting Agreement, the public float requirement under the Listing Rules will be complied with.

Irrevocable Undertaking by Prestige Rich

Prestige Rich is interested in 2,245,407,727 Existing Shares, representing approximately 27.47% of the issued share capital of the Company as at the date of this announcement. Prestige Rich has irrevocably undertaken to the Company that (i) from the date of the Underwriting Agreement and up to the Record Date, it shall not sell or transfer (or cause the same to be done) or otherwise dispose of (or permit any such action to occur) in respect of any interest in any Shares registered in its name; and (ii) subject to fulfillment of the conditions to the Underwriting Agreement, and the Underwriters not having terminated the Underwriting Agreement, Prestige Rich shall take up the Prestige Rich Undertaken Shares by no later than the Latest Time for Acceptance, which will be allotted and issued to Prestige Rich as its entitlement under the Open Offer in accordance with the Prospectus Documents.

CONDITIONS OF THE OPEN OFFER

The Open Offer is subject to the Underwriting Agreement having become unconditional and not being terminated in accordance with its terms. In addition, the Open Offer is conditional upon the following conditions precedent being fulfilled:

- (a) the Share Consolidation and the Increase in Authorised Share Capital having become effective;
- (b) the passing of the relevant ordinary resolutions in respect of the Open Offer by the Independent Shareholders at the EGM in accordance with the Listing Rules;
- (c) the delivery to the Stock Exchange and the Registrar of Companies one copy of the Prospectus Documents each duly signed by two Directors (or by their authorised agents) in accordance with the relevant requirements under section 342C of the Companies (WUMP) Ordinance and otherwise in compliance with the Listing Rules and the Companies (WUMP) Ordinance;
- (d) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Non-Qualifying Shareholders;
- (e) the Listing Division of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Consolidated Shares and the Offer Shares on their fully paid forms;

- (f) compliance by the Company with its obligations in connection with the making of the Open Offer and allotment and offer of the Offer Shares by the times specified in the Underwriting Agreement;
- (g) (i) the Shares remaining listed on the Stock Exchange at all times prior to the Settlement Date and the current listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended for a consecutive period of more than three trading days (other than pending publications of announcements, circulars or the Prospectus in respect of the Open Offer); and (ii) no indication being received before 4:00 p.m. on the Settlement Date from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) (other than pending publications of announcements in respect of the Open Offer); and
- (h) by the Latest Time for Termination, (i) no material breach of any of the warranties or the undertakings referred to in the Underwriting Agreement having come to the knowledge of the Underwriter; and (ii) a matter not having arisen which would reasonably be expected to give rise to a material breach or a material claim.

In the event that any of the conditions has not been satisfied and/or waived (where applicable) in whole or in part by the Underwriter pursuant to the terms of the Underwriting Agreement and being no later than 4:00 p.m. on the Settlement Date, all obligations and liabilities of the parties to the Underwriting Agreement shall cease and determine and no party thereto shall have any claim against the other parties save for any antecedent breach of the Underwriting Agreement.

If the Underwriting Agreement is terminated, the Open Offer will not proceed.

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriting Agreement contains provisions entitling the Underwriter, by notice in writing, to terminate its obligations thereunder on the occurrence of certain events. If, prior to the Latest Time for Termination (i.e. 4:00 p.m. on Friday, 24 April 2015 pursuant to the expected timetable),

- (1) any material breach of any warranties or the undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter, or there has been a material breach on the part of the Company of any other provision of the Underwriting Agreement or any matter has arisen which

would reasonably be expected to give rise to such a material breach or material claim in respect of the warranties or undertakings contained in the Underwriting Agreement; or

- (2) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) which would materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer after the signing of the Underwriting Agreement; or
- (3) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring after the signing of the Underwriting Agreement or continuing after the signing of the Underwriting Agreement), of a political, military, financial, economic or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which would materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (4) any materially adverse change after the signing of the Underwriting Agreement in the business or in the financial or trading position of the Group as a whole which is material in the context of the Open Offer; or
- (5) any event or circumstances in the nature of force majeure including but without limitation any act of God, war, riot, public disorder, civil commotion, fire, flood, terrorism or strike occurred after the signing of the Underwriting Agreement in or affecting Hong Kong, the People's Republic of China or other jurisdiction relevant to the Group or any member of the Group which would materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (6) the commencement by any third party of any litigation or claim against any member of the Group after the signing of the Underwriting Agreement which is or might be material to the Group taken as a whole; or
- (7) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or
- (8) there is any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in

securities, imposition of economic sanctions, on Hong Kong, the People's Republic of China or other jurisdiction relevant to the Group or any member of the Group); or

- (9) any statement contained in the Prospectus has become and been discovered to be untrue, incorrect, incomplete or misleading in any material aspect, or matters have arisen or have been discovered which would, if the Prospectus was to be issued at the time, constitute a material omission therefrom,

the effect of which events and circumstances individually or in aggregate (in the reasonable opinion of the Underwriter after consultation with the Company): (i) is or would be reasonably likely to be materially adverse to, or prejudicially affects or would be reasonably likely to prejudicially affect, the Group as a whole or the Open Offer; or (ii) makes it inadvisable or inexpedient to proceed with the Open Offer, the Underwriter shall be entitled, by notice in writing to the Company served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

Upon giving of notice of termination or pursuant to the Underwriting Agreement, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine and save as provided in the Underwriting Agreement, the obligations of the parties to the Underwriting Agreement shall terminate forthwith provided that the Company shall remain liable to pay to the Underwriter such fees and expenses (but not the underwriting commission) referred to in the Underwriting Agreement. If the Underwriter exercises such right, the Open Offer will not proceed.

EXPECTED TIMETABLE

The expected timetable for Share Consolidation, the Increase in Authorised Share Capital, the Open Offer and the Change in Board Lot Size is set out below:

	2015 (Hong Kong time)
Expected date of despatch of the circular in relation to Share Consolidation, the Increase in Authorised Share Capital, the Open Offer with the notice and proxy form of EGM	Friday, 27 February
Latest time for lodging transfers of Shares in order to qualify for attendance and voting at the EGM	4:30 p.m. on Thursday, 19 March

2015
(Hong Kong time)

Register of members of the Company closes
for determining entitlements to attend and
vote at the EGM (both days inclusive) Friday, 20 March to
Monday, 23 March

Latest time for lodging proxy forms
for the EGM. 10:00 a.m., Saturday, 21 March

Expected time and date of the EGM 10:00 a.m., Monday, 23 March

Publication of poll result of EGM Monday, 23 March

**The following events are conditional on the fulfillment of the conditions for
the implementation of the Share Consolidation and the Increase in
Authorised Share Capital.**

Effective date of the Share Consolidation and
Increase in Authorised Share Capital Tuesday, 24 March

Dealing in the Consolidated Shares commence 9:00 a.m. on
Tuesday, 24 March

Original counter for trading in Existing Shares
in board lots of 30,000 Existing Shares
(in the form of existing share certificates)
temporarily closes 9:00 a.m. on
Tuesday, 24 March

Temporary counter for trading in board lots of
3,000 Consolidated Shares (in the form of
existing share certificates) opens 9:00 a.m. on
Tuesday, 24 March

Free exchange of existing share certificates
for the new share certificates for
Consolidated Shares commences Tuesday, 24 March

Last day of dealings in the Consolidated Shares
on a cum-entitlement basis in respect
of the Open Offer Tuesday, 24 March

2015
(Hong Kong time)

First day of dealing in the Consolidated Shares on an ex-entitlement basis in respect of the Open offer	Wednesday, 25 March
Latest time for lodging forms of transfer for determining entitlement to the Open Offer	4:30 p.m. on Thursday, 26 March
Closure of register of members of the Company for determining entitlements under the Open Offer	Friday, 27 March to Tuesday, 31 March (both days inclusive)
Record Date for the Open Offer.	Tuesday, 31 March
Register of members of the Company re-opens.	Wednesday, 1 April
Despatch of Prospectus Documents.	Thursday, 2 April
Original counter for trading in the Consolidated Shares in board lots of 12,000 (in the form of new share certificates) re-opens.	9:00 a.m. on Friday, 10 April
Parallel trading in the Consolidated Shares (in the form of new and existing certificates) commences	9:00 a.m. on Friday, 10 April
Designated brokers starts to stand in the market to provide matching services for the odd lots of Consolidated Shares.	9:00 a.m. on Friday, 10 April
Latest time for Acceptance and payment for the Offer Shares.	4:00 p.m. on Tuesday, 21 April
Latest time for Termination of the Underwriting Agreement by the Underwriter.	4:00 p.m. on Friday, 24 April

2015
(Hong Kong time)

Announcement of the results of the Open Offer	Wednesday, 29 April
Despatch of refund cheques if the Open Offer is terminated	Thursday, 30 April
Temporary counter for trading in board lots of 3,000 Consolidated Shares (in the form of existing share certificates) closes	4:00 p.m. on Thursday, 30 April
Parallel trading in the Consolidated Shares (in the form of new and existing certificates) ends	4:00 p.m. on Thursday, 30 April
Designated broker ceases to stand in the market to provide matching services for the odd lots of Consolidated Shares	4:00 p.m. on Thursday, 30 April

The following events are conditional on the fulfillment of the conditions for the Open Offer.

Despatch of Share certificates for the Offer Shares	Thursday, 30 April
Expected first day of dealing in Offer Shares on the Stock Exchange.	9:00 a.m. on Monday, 4 May

Last day of free exchange of share certificates for the Consolidated Shares	Thursday, 7 May
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Effect of Bad Weather on the Latest Time for Acceptance

The Latest Time for Acceptance will be postponed if there is:

- a tropical cyclone warning signal number 8 or above, or
- a “black” rainstorm warning

in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Tuesday, 21 April 2015. Instead, the Latest Time for Acceptance will be rescheduled to 12:00 noon on the next Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 12:00

noon. If the Latest Time for Acceptance is postponed in accordance with the foregoing, the dates mentioned in the section headed “Expected Timetable” in this announcement may be affected. An announcement will be made by the Company in such event accordingly.

WARNING OF THE RISKS OF DEALING IN SHARES

The Open Offer is conditional upon, inter alia, the fulfillment of the conditions precedent set out under the paragraph headed “Conditions of the Open Offer” in this announcement. Therefore, the Open Offer may or may not proceed. Any dealings in the Shares from the date of this announcement up to the date on which all such conditions precedent are fulfilled will accordingly bear the risk that the Open Offer may not become unconditional or may not proceed. Any Shareholders or other persons contemplating dealings in the Shares are recommended to consult their own professional advisers. Shareholders and potential investors of the Company should therefore exercise extreme caution when dealing in the Shares.

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company assuming that there is no change in the shareholding structure of the Company from the date of this announcement to immediately after completion of the Open Offer:

	As at the date of this announcement		Immediately after Share Consolidation and Increase in Authorised Share Capital having become effective		Immediately after completion of Open Offer assuming all Qualifying Shareholders take up their respective entitlements under the Open Offer		The Underwriter takes up all the Offer Shares (excluding the Prestige Rich Undertaken Shares) in accordance with its underwriting commitment under the Underwriting Agreement (Note 3)	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Mr. Zhang Jinbing (Note 1)	2,245,407,727	27.47%	224,540,772	27.47%	673,622,316	27.47%	673,622,316	27.47%
Hengdeli Holdings Limited (Note 2)	1,000,000,000	12.24%	100,000,000	12.24%	300,000,000	12.24%	100,000,000	4.08%
Underwriter and sub-underwriters (Note 3)	—	0.00%	—	0.00%	—	0.00%	1,185,432,526	48.35%
Public Shareholders	<u>4,927,162,623</u>	<u>60.29%</u>	<u>492,716,263</u>	<u>60.29%</u>	<u>1,478,148,789</u>	<u>60.29%</u>	<u>492,716,263</u>	<u>20.10%</u>
TOTAL:	<u>8,172,570,350</u>	<u>100.00%</u>	<u>817,257,035</u>	<u>100.00%</u>	<u>2,451,771,105</u>	<u>100.00%</u>	<u>2,451,771,105</u>	<u>100.00%</u>

Notes:

- The interest disclosed represents the 2,245,407,727 Shares held by Prestige Rich. All the interests disclosed above represent long positions in the Shares.

2. The 1,000,000,000 Shares are held by Alpha Key Investments Limited, which is wholly-owned by Hengdeli Holdings Limited. Thus, Hengdeli Holdings Limited is deemed to be interested in the 1,000,000,000 Shares held by Alpha Key Investments Limited pursuant to the SFO.
3. This scenario is for illustration purpose only. The Underwriter shall not subscribe, for its own account, for such number of untaken Shares which will result in the shareholding of its and parties acting in concert with it (within the meaning of the Takeover Code) in the Company to own 30% or more of the voting rights of the Company upon completion of the Open Offer; and pursuant to the Underwriting Agreement, the Underwriter shall use its best endeavours to ensure that (i) each of the Sub-Underwriters and independent placees and/or subscribers procured by any of them shall be third party independent placees and/or subscribers procured by any of them shall be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with the Directors or Substantial Shareholders or their respective associates; and (ii) save for the Underwriter itself and its associates, each of the independent placees procured by the Sub-Underwriters shall not, together with any party acting in concert (within the meaning of the Takeovers Code) with them, hold 10% or more of the voting rights of the Company upon completion of the Open Offer.

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Group is principally engaged in (i) the export of manufactured jewellery products and writing instruments; (ii) trading of jewellery products and watches; and (iii) mining, exploration and sale of gold resources.

Based on the Subscription Price of HK\$0.3 and assuming no change in the shareholding structure of the Company from the date of this announcement to immediately after completion of the Open Offer, the gross proceeds to be raised by the Company from the Open Offer will amount to approximately HK\$490.4 million (before expenses). The net proceeds to be raised by the Company from the Open Offer will amount to approximately HK\$487.2 million (after expenses). The Group intends to apply the net proceeds from the Open Offer (i) as to approximately HK\$100 million for development of new jewellery products bearing the trademarks of Omas; (ii) as to approximately HK\$100 million for further expansion of existing distribution business; (iii) as to approximately HK\$200 million for purchase of inventories in existing and newly acquired brands; and (iv) any remaining net proceeds will be for the general working capital of the Group to enhance financial position and for future investments opportunities of the Group if suitable activities identify.

Having considered other fund raising alternatives for the Group (including but not limited to, bank borrowings and placing of new Shares or other convertible securities) and taking into account the benefits and cost of each of the alternatives, and the Directors are of the view that the Open Offer allows the Group to strengthen its balance sheet without facing the increasing interest rates and to enlarge the capital base of the Company, which may facilitate long-term development of the Group. In addition, given the fluctuating financial performance of the Group, the Directors are of the view that it may be difficult to obtain bank borrowings/debt financing with terms which the management of the Group consider acceptable to the Group, and incurring additional debts will increase the Group's liabilities burden. The Company is now moving ahead to restructure those existing business which are now operating at loss or at low profit margin, and at the same time seeking for investment opportunities.

The Company has also considered the possibility of rights issue instead of Open Offer which allows Shareholders to trade the nil-paid rights. However, given the additional administrative costs and expenses to be incurred by the Company in arranging trading arrangement of the nil-paid rights and additional time for trading of nil-paid rights shares, the Company considers that the Open Offer is more time saving and cost effective and a better option. If the Company is to carry out a rights issue instead of the Open Offer, it is estimated that additional time would be involved by the Company for arranging the nil-paid rights trading, reviewing relevant documents, liaison with the parties involved such as the Company's branch share registrar in Hong Kong, the Underwriter, financial printer and other professional advisers.

Regarding the current structure of the Open Offer, the management of the Group has taken into account that the liquidity in the trading of Shares was thin. The management of the Group is of the view that by increasing the Subscription Price and lowering the allotment ratio, the attractiveness of the Qualifying Shareholder to subscribe for the Offer Shares will decrease. Given that a deep discount of the Subscription Price (i) can provide an incentive for the Qualifying Shareholders to subscribe for the Offer Shares as the Company has funding needs to raise such amount of proceeds to finance the investments and (ii) are not uncommon in the market practice, the management of the Group are of the view that the current structure of the Open Offer is fair and reasonable. Potential dilution to the shareholding interests may only happen to Qualifying Shareholders if they still choose not to subscribe for their full allotment entitlement of the Offer Shares.

The Company is of the view that it is in the interest of the Company and the Shareholders as a whole to raise the capital through the Open Offer since it offers the Qualifying Shareholders the opportunity to maintain their pro rata shareholding interests in the Company as well as an opportunity to apply for additional Shares (if they so wish) by way of application for excess Offer Shares, and continue to participate in the future growth and development of the Group should they wish to do so.

To the extent that the net proceeds to be used for general working capital are not applied immediately to the above purposes, the Group will deposit the net proceeds into short-term deposits/investments. The Group will only select investment products based on minimum exposure of investment risk and flexibility. The Group may also subscribe for investment products, preferably of principal guaranteed, with expected interest returns higher than that of ordinary bank deposits in the future. The investment period is normally restricted to not more than one year in order to keep the Group with adequate cash flow for flexibility.

FUND RAISING ACTIVITIES INVOLVING ISSUE OF SECURITIES IN THE PAST 12 MONTHS

The Company's equity fund raising exercises over the past 12-month period immediately preceding the date of this announcement are set out below:

Date of Announcement	Fund raising activity	Net proceeds raised (approximately)	Proposed use of the net proceeds	Actual use of the net proceeds
26 February 2014 (completed on 9 April 2014)	Open offer of 2,183,013,646 Shares at the price of HK\$0.08 per Share	HK\$172.1 million	For general working capital of the Group	Approximately HK\$130 million was used for development of distribution business, and the remaining proceeds was used for general working capital of the Group

GENERAL

Pursuant to Rule 7.19(6) of the Listing Rules, any controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution relating to the Open Offer. As at the date of this announcement, the Company does not have any controlling Shareholders (as defined in the Listing Rules). Therefore, Mr. Wong Chi Ming, Jeffry (Chairman), Mr. Zhang Jinbing (Chief Executive Officer) and Mr. Yu Fei, Philip, being the executive Directors, and their respective associates, together holding approximately 27.47% of the issued share capital of the Company as at the date of this announcement, will abstain from voting in favour of the resolution(s) relating to the Open Offer at the EGM.

The Independent Board Committee will be established to make recommendations to the Independent Shareholders in relation to the Open Offer. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, further particulars of the Share Consolidation, the Increase in Authorised Share Capital, the Open Offer, a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Open Offer, a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Open Offer and the notice convening the EGM, will be despatched to the Shareholders on or before Friday, 27 February 2015. No Shareholder is required to abstain from voting on such resolutions in respect of the Share Consolidation and the Increase in Authorised Share Capital at the EGM.

Subject to the approval of the Open Offer by the Independent Shareholders, the Prospectus Documents setting out details of the Open Offer will be despatched to the Qualifying Shareholders on the Posting Date. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Prospectus will be despatched to the Non-Qualifying Shareholders for information only and no Application Form will be sent to them.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Application Form(s)”	the form(s) of application in respect of the Open Offer to be issued to the Qualifying Shareholder
“associate(s)”	the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday and Sunday) on which banks are generally open for business more than five hours in Hong Kong
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 30,000 Shares to 12,000 Shares as referred to in this announcement
“Companies (WUMP) Ordinance”	Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32) of the Laws of Hong Kong
“Company”	Ming Fung Jewellery Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares are listed on the main board of the Stock Exchange (stock code: 860)
“connected person(s)”	the meaning ascribed thereto under the Listing Rules
“Consolidated Shares”	ordinary share(s) of HK\$0.10 each in the share capital of the Company immediately following the Share Consolidation becoming effective
“Director(s)”	director(s) of the Company

“EGM”	the extraordinary general meeting to be convened and held to consider and, if thought fit, approve among other things, the Share Consolidation, the Increase in Authorised Share Capital and the Open Offer
“Existing Shares”	ordinary shares of HK\$0.01 each in the share capital of the Company as at the date of this announcement
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Increase in Authorised Share Capital”	the proposed increase in the authorised share capital of the Company from HK\$100,000,000 to HK\$1,000,000,000 divided into 10,000,000,000 Shares by the creation of an additional 9,000,000,000 unissued Shares
“Independent Board Committee”	comprising all independent non-executive Directors established to advise the Independent Shareholders in respect of the Open Offer
“Independent Shareholders”	any Shareholder other than controlling Shareholders (as defined in the Listing Rules) and their associates or, where there are no controlling Shareholders (as defined in the Listing Rules), any Shareholder other than the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates
“Last Trading Day”	4 February 2015, being the last trading day of the Shares on the Stock Exchange before the release of this announcement

“Latest Time for Acceptance”	4:00 p.m. on Tuesday, 21 April 2015 (or such other date as the Underwriter may agree with the Company as the latest date for acceptance of, and payment for, Offer Shares)
“Latest Time for Termination”	4:00 p.m. on the third Business Day after (but excluding) the Latest Time for Acceptance
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, based on legal advice provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Open Offer to such shareholders on account either of legal restrictions under the laws of the relevant place(s) or the requirements of the relevant regulatory body or stock exchange in that (those) place(s)
“Offer Share(s)”	1,634,514,070 Share(s) to be issued and allotted under the Open Offer
“Open Offer”	the proposed issue by way of an open offer, subject to the fulfillment of certain conditions precedent, of 1,634,514,070 Offer Shares for subscription by the Qualifying Shareholders on the basis of two (2) Offer Shares for every Consolidated Share held by a Qualifying Shareholder on the Record Date for the Offer Shares at the Subscription Price payable in full on application and otherwise on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close business on the Record Date and whose address(es) as shown on such register is (are) outside Hong Kong

“Posting Date”	2 April 2015 or such other date as the Underwriter may agree with the Company, as the date of despatch of the Prospectus Documents to the Qualifying Shareholders or the Prospectus for information only to the Non-Qualifying Shareholders (as the case may be)
“Prestige Rich”	Prestige Rich Holdings Limited, a company incorporated under the laws of the British Virgin Islands and wholly-owned by Mr. Zhang Jinbing, executive Director and chief executive officer of the Company, as at the date of this announcement
“Prestige Rich Undertaken Shares”	449,081,544 Offer Shares to be allotted and issued to Prestige Rich and/or its nominee(s) as the entitlement of Prestige Rich under the Open Offer and undertaken to be taken up by Prestige Rich
“Prospectus”	the prospectus to be despatched to Shareholders containing details of the Open Offer
“Prospectus Documents”	the Prospectus and the Application Form
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	Tuesday, 31 March 2015 (or such other date as the Underwriter may agree with the Company), as the date by reference to which entitlements to the Open Offer are expected to be determined
“Registrar”	Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Settlement Date”	Friday, 24 April 2015, being the third Business Day following (but excluded) the Latest Time for Acceptance (or such other time or date as the Underwriter and the Company may agree in writing) as the date for settlement of the Open Offer

“SFO”	The Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong
“Share(s)”	the Existing Shares or the Consolidated Shares, as the case may be
“Share Consolidation”	the proposed consolidation of every 10 issued and unissued Shares into the Consolidated Shares in the issued and unissued share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.3 per Offer Share
“Substantial Shareholder”	means a person (including a holder of depositary receipts) who is entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the Company
“Sub-Underwriter(s)”	the sub-underwriter(s) who has agreed to act as a sub-underwriter in relation to the Offer Shares pursuant to the sub-underwriting agreement with the Underwriter
“Underwriter”	Guotai Junan Securities (Hong Kong) Limited, a licensed corporation to carry out business in type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO
“Underwriting Agreement”	the underwriting agreement dated 4 February 2015 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Open Offer

“Underwritten Shares” 1,185,432,526 Offer Shares underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement

“%” or “per cent.” percentage or per centum

On behalf of the Board
Ming Fung Jewellery Group Limited
Wong Chi Ming, Jeffry
Chairman

Hong Kong, 4 February 2015

As at the date hereof, the Company’s executive directors are Mr. Wong Chi Ming, Jeffry, Mr. Zhang Jinbing and Mr. Yu Fei, Philip and independent non-executive directors are Ms. Chu Wai Fan, Mr. Tam Ping Kuen, Daniel, Mr. Jiang Chao and Dr. Willinge Garry Alides.

The Directors jointly and severally accept full responsibility for accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.