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**HENGDELI HOLDINGS
LIMITED**

亨得利控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 3389)



**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)

JOINT VOLUNTARY ANNOUNCEMENT

SALE AND PURCHASE OF THE TARGET COMPANY AND FUTURE COOPERATION

THE LETTER OF INTENT

The Ming Fung Board and the Hengdeli Board are pleased to announce that on 30 May 2011, Ming Fung and Hengdeli entered into the Letter of Intent in relation to the Share Purchase Transaction of the Target Company. Ming Fung and Hengdeli are independent third party of each other.

The Letter of Intent included the following major terms and conditions:

1. Subject to the entering into of a binding Share Purchase Agreement, Ming Fung will acquire, and Hengdeli will sell, the entire equity interests in the Target Company.
2. The final consideration for the Share Purchase Transaction, which will not be more than HK\$600,000,000, will be determined with reference to the results of the Due Diligence Investigations and valuation of the Target Company prior to the entering into of the Share Purchase Agreement.
3. The consideration will be satisfied by Ming Fung issuing and allotting its new shares to Hengdeli or its nominee(s) at a preliminary agreed issue price of HK\$0.90 per share.
4. Hengdeli has granted an exclusive right of negotiation to Ming Fung up to 31 August 2011 or such later date as the parties may agree, during which Hengdeli will not conduct any negotiation in any form or enter into any binding or non-binding agreement of any kind with any third parties in relation to the acquisition of any of the equity interests of the Target Company. The parties intend to enter into a binding Share Purchase Agreement on or before 31 August 2011.

The Letter of Intent, which is non-legally binding, may or may not lead to the entering into of the Share Purchase Agreement and the transactions contemplated under the Letter of Intent may or may not proceed. In the event that the Share Purchase Agreement materializes, the Share Purchase Agreement and transaction(s) contemplated thereunder may constitute a notifiable transaction for Ming Fung and/or Hengdeli under the Listing Rules. Further announcement(s) will be made in this respect as and when required by the Listing Rules.

As the proposed Share Purchase Transaction may or may not proceed, the respective shareholders of Ming Fung and Hengdeli and potential investors are advised to exercise caution when dealing in the shares of Hengdeli or Ming Fung.

INFORMATION OF THE TARGET COMPANY

The Target Company is the owner of 90.1% of the equity interests of Omas, while LVMH Italia S.P.A., the Watches & Jewelry Division of LVMH, world famous luxury goods conglomerate, owns the remaining 9.9% of the equity interests of Omas. Omas is an internationally renowned manufacturer of fine writing instruments and accessories and the sole owner of the brand “OMAS”.

It is the intention of Hengdeli and Omas that they will jointly develop the luxury jewellery retail business under the brand name of “OMAS” in the People’s Republic of China.

DEFINITIONS

“Due Diligence Investigations”	the legal, financial, business and other due diligence investigations to be conducted by Ming Fung in respect of the assets, liabilities, businesses, prospects and other affairs of the Target Company
“Hengdeli”	Hengdeli Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 3389)
“Hengdeli Board”	the board of directors of Hengdeli
“Letter of Intent”	a non-legally binding letter of intent entered into on 30 May 2011 between Ming Fung and Hengdeli in relation to the Share Purchase Transaction
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ming Fung”	Ming Fung Jewellery Group Limited, a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 860)
“Ming Fung Board”	the board of directors of Ming Fung
“Omas”	Omas SRL, a company incorporated under the laws of Italy, being an internationally renowned manufacturer of fine writing instruments and accessories and the sole owner of the brand “OMAS”

“Share Purchase Agreement”	a binding share purchase agreement to be negotiated and entered into between Ming Fung as purchaser and Hengdeli as vendor in relation to the Share Purchase Transaction
“Share Purchase Transaction”	the sale and purchase of the entire equity interests of the Target Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Omas International S.A., a company incorporated under the laws of Luxembourg and the entire equity interests of which is held by Hengdeli as at the date of this announcement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board
Hengdeli Holdings Limited
Zhang Yuping
Chairman

By order of the Board
Ming Fung Jewellery Group Limited
Wong Chi Ming, Jeffry
Chairman

Hong Kong, 30 May 2011

As at the date of this announcement, the Hengdeli Board comprises three executive directors, namely, Mr. Zhang Yuping (Chairman), Mr. Song Jianwen and Mr. Huang Yonghua; three non-executive Directors, namely, Mr. Chen Sheng, Mr. Shi Zhongyang and Ms. Zheng Yu and three independent non-executive directors, namely, Mr. Cai Jianmin, Mr. Wong Kam Fai William and Mr. Liu Xueling.

As at the date of this announcement, the Ming Fung Board comprises three executive directors, namely, Mr. Wong Chi Ming, Jeffry, Mr. Chung Yuk Lun and Mr. Yu Fei, Philip and three independent non-executive directors, namely Mr. Chan Man Kiu, Mr. Tam Ping Kuen, Daniel and Mr. Jiang Chao.

** for identification purpose only*