

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3828)

CLARIFICATION ANNOUNCEMENT

Reference is made to the annual report (the “**Annual Report**”) of Ming Fai International Holdings Limited (the “**Company**”) for the year ended 31 December 2011 dated 29 March 2012. This announcement is supplemental to, and should be read in conjunction with, the Annual Report. The board of directors (the “**Board**”) of the Company wishes to provide the following additional information to the Directors’ Report of the Annual Report:

“CONNECTED TRANSACTIONS

On 15 August 2011, Ming Fai Holdings Limited (“**Ming Fai Holdings**”), a wholly-owned subsidiary of the Company, and All Team Group Limited (“**All Team**”), then a wholly-owned subsidiary of the Company, entered into the sale and purchase agreements (the “**SP Agreements**”) with Mr. Leung Ping Shing (“**Mr. Leung**”), Ms. Guo Hui Min (“**Ms. Guo**”) and Ms. Wu Jie (“**Ms. Wu**”) respectively, pursuant to which Ming Fai Holdings agreed to sell a total of 12% (4% to each of them) of the issued share capital of All Team for a total consideration of RMB30,000,000.

It is a term of each of the SP Agreements that the relevant purchasers shall on completion execute: (i) the shareholders’ agreement (the “**Shareholders’ Agreement**”) in relation to the financing, operations and management of All Team and the group of All Team; and (ii) a share charge (collectively, the “**Share Charges**”) in favour of Ming Fai Holdings in respect of the issued share capital of All Team to be purchased by such relevant purchaser to secure his payment obligation.

Mr. Leung was then an executive director of the Company while Ms. Guo was a director of certain subsidiaries of the Company and Ms. Wu was an associate of Ms. Guo, so each of them was a connected person of the Group under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

* *For identification only*

As the relevant percentage ratios in respect of the disposal of an aggregate 12% of the issued share capital of All Team exceeded 0.1% but less than 5%, the entering into the SP Agreements, the Shareholders' Agreement and the Share Charges by the Group is subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

The disposal of the shares of All Team will provide the Company and its subsidiaries (the "Group") with a positive cashflow and serves as an incentive to the directors and employees of the Group to contribute to the growth and development of the Group as a whole. The directors of the Company (including the independent non-executive directors) are of the view that the terms of each of the SP Agreements were concluded after arm's length negotiations on normal commercial terms and are fair and reasonable and in the interest of the Company and its shareholders as a whole."

Details of the abovementioned connected transactions were set out in the announcement issued by the Company on 15 August 2011 and note 27 to the Consolidated Financial Statements of the Annual Report.

By order of the Board
Ming Fai International Holdings Limited
CHING Chi Fai
Chairman

Hong Kong, 5 June 2012

As at the date of this announcement, the executive Directors are Mr. CHING Chi Fai, Mr. CHING Chi Keung, Mr. LIU Zigang, Mr. LEE King Hay and Ms. CHAN Yim Ching; the non-executive Director is Mr. NG Bo Kwong; and the independent non-executive Directors are Mr. SUN Kai Lit Cliff, Mr. HUNG Kam Hung Allan and Mr. MA Chun Fung Horace.