明輝國際控股有限公司*
Ming Fai International Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3828)

FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2008

The board of directors (the "Board") of Ming Fai International Holdings Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2008 as follows:

CONSOLIDATED INCOME STATEMENT

	Note	For the year ended 31 December 2008 HK$'000	2007 HK$'000
Revenue	2	**876,044**	846,017
Cost of sales	3	**(643,528)**	(587,589)
Gross profit		**232,516**	258,428
Distribution costs	3	**(67,855)**	(58,965)
Administrative expenses	3	**(51,447)**	(47,827)
Other income	4	**13,130**	6,092
Operating profit		**126,344**	157,728
Finance costs		**(4,950)**	(1,721)
Share of profit of an associated company		**123**	35
Profit before income tax		**121,517**	156,042
Income tax expenses	5	**(20,673)**	(30,110)
Profit for the year		**100,844**	125,932
Attributable to:			
Equity holders of the Company		**100,870**	125,932
Minority interest		**(26)**	–
		100,844	125,932
Earnings per share attributable to equity holders of the Company (Weighted average number of 600,000,000 (2007: 474,658,000) ordinary shares in issue) (Expressed in HK$)			
– Basic	11	**0.17**	0.27
– Diluted	11	**0.17**	0.27
Dividends	12	**50,400**	50,400

* *For identification only*

CONSOLIDATED BALANCE SHEET

	Note	As at 31 December **2008** *HK$'000*	2007 *HK$'000*
ASSETS			
Non-current assets			
Leasehold land and land use rights		**15,245**	13,568
Property, plant and equipment		**134,850**	126,798
Intangible assets		**523**	627
Investment in an associated company		**278**	155
Deferred income tax assets		**6,214**	5,276
Total non-current assets		**157,110**	146,424
Current assets			
Inventories		**84,795**	54,379
Trade and bills receivables	*6*	**181,602**	162,059
Amount due from an associated company		**1,037**	346
Prepaid tax		**6,666**	–
Deposits, prepayments and other receivables		**31,360**	18,553
Restricted cash	*7*	**65,888**	32,526
Cash and cash equivalents	*8*	**482,704**	535,024
Total current assets		**854,052**	802,887
Total assets		**1,011,162**	949,311
EQUITY			
Capital and reserve attributable to the equity holders of the Company			
Share capital		**6,000**	6,000
Share premium		**408,242**	408,242
Reserves		**296,292**	241,524
Proposed final dividend	*12*	**50,400**	50,400
		760,934	706,166
Minority interest in equity		**–**	–
Total equity		**760,934**	706,166
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		**343**	322
Total non-current liabilities		**343**	322
Current liabilities			
Trade payables	*9*	**82,968**	93,772
Loan from a minority shareholder		**495**	–
Accruals and other payables		**95,667**	74,802
Current income tax liabilities		**7,022**	22,057
Borrowings	*10*	**63,460**	52,192
Derivative financial instruments		**273**	–
Total current liabilities		**249,885**	242,823
Total liabilities		**250,228**	243,145
Total equity and liabilities		**1,011,162**	949,311
Net current assets		**604,167**	560,064
Total assets less current liabilities		**761,277**	706,488

NOTES:

1 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). The consolidated financial statements have been prepared under the historical cost convention as modification before evaluation of certain financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The HKICPA has issued certain new and revised HKFRS that are first effective or available for early adoption for the current accounting period of the Group.

Standards, amendments and interpretations effective from 1 January 2008 adopted by the Group but have no significant impact on the Group's financial statements

HKFRS 7 and HKAS 1 Amendment	Financial Instruments: Disclosures and Presentation of Financial Statements – Capital Disclosures
HK(IFRIC)-Int 11	HKFRS 2 – Group and Treasury Share Transactions
HK(IFRIC)-Int 12	Service Concession Arrangements
HK(IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
Amendment to HKAS 39	Financial Instruments: Recognition and Measurement

The following new standards, amendments and interpretations have been issued but are not yet effective for the year ended 31 December 2008 and which the Group has not early adopted:

Effective for the Group's financial statements for the year ending 31 December 2009

HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 (Amendment)	Financial instruments: Presentation and HKAS1 (Amendment) Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation
Amendments to HKFRS 1	First-time adoption of HKFRS and HKAS 27 – Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity and Associate
HKFRS 2 (Amendment)	Share-based Payment
HKFRS 8	Operating Segments
HK(IFRIC)-Int 13	Customer Loyalty Programmes
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation

Effective for the Group's financial statements for the year ending 31 December 2010

HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKFRS 3 (Revised)	Business Combination
HK(IFRIC)-Int 17	Distribution of Non-cash Assets to Owners

Improvements to HKFRS – Amendments to:

Effective for the Group's financial statement for the year ending 31 December 2009

HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 16	Property, Plant and Equipment
HKAS 19	Employee Benefits
HKAS 20	Accounting for Government Grants and Disclosure of Government Assistance
HKAS 23 (Revised)	Borrowing Costs
HKAS 27	Consolidated and Separate Financial Statements
HKAS 28	Investments in Associates
HKAS 29	Financial Reporting in Hyperinflationary Economies
HKAS 31	Interests in Joint Ventures
HKAS 36	Impairment of Assets
HKAS 38	Intangible Assets
HKAS 39	Financial Instruments: Recognition and Measurement
HKAS 40	Investment Property
HKAS 41	Agriculture

Effective for the Group's financial statement for the year ending 31 December 2010

HKFRS 5	Non-current Assets Held for Sale and Discontinued Operations

Other minor amendments to

Effective for the Group's financial statements for the year ending 31 December 2009

HKFRS 7	Financial Instruments: Disclosures
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events After the Balance Sheet Date
HKAS 18	Revenue
HKAS 34	Interim Financial Reporting

The Group has already commenced an assessment of the impact of these new HKFRS but is not yet in a position to state whether these new HKFRS would have a significant impact on its results of operations and financial position.

2 SEGMENT INFORMATION

(a) Primary reporting format – business segments

No business segment information of the Group is presented as the Group's revenue, expenses, assets and liabilities and capital expenditures are primarily attributable to the manufacture and sales of amenity products.

(b) Secondary reporting format – geographical segments

The Group primarily operates in Hong Kong and the People's Republic of China ("PRC"). The Group's revenue by geographical location is determined by the place in which the customer is located.

	For the year ended 31 December	
	2008	2007
	HK$'000	*HK$'000*
Revenue:		
North America	**342,964**	347,231
Europe	**159,360**	189,005
PRC	**151,584**	113,714
Hong Kong	**87,142**	98,172
Australia	**45,266**	18,640
Other Asia Pacific countries[1] (exclude Australia)	**81,671**	77,325
Others[2]	**8,057**	1,930
	876,044	846,017

Notes:

1. Other Asia Pacific countries (exclude Australia) mainly include Japan, United Arab Emirates, Thailand, Philippines, Malaysia, Singapore, Fiji and New Zealand.

2. Others mainly include South Africa, Egypt, Morocco and Nigeria.

Total assets are allocated based on where the assets are located.

Segment assets consist primarily of property, plant and equipment, leasehold land and land use rights, intangible assets, inventories, receivables, operating cash and restricted cash.

	As at 31 December	
	2008	2007
	HK$'000	*HK$'000*
Total assets:		
Hong Kong	**565,758**	587,255
PRC	**426,024**	347,802
Australia	**1,677**	–
Other Asia Pacific countries	**11,489**	8,978
	1,004,948	944,035
Unallocated assets	**6,214**	5,276
	1,011,162	949,311

Unallocated assets mainly comprise of deferred income tax assets.

Capital expenditure is allocated based on where the assets are located.

Capital expenditure comprises mainly additions to property, plant and equipment, leasehold land and land use rights and intangible assets.

	For the year ended 31 December	
	2008	2007
	HK$'000	*HK$'000*
Capital expenditure:		
Hong Kong	**2,684**	9,355
PRC	**21,219**	24,516
Australia	**376**	–
Other Asia Pacific countries	**619**	11
	24,898	33,882

3 EXPENSES BY NATURE

Expenses included in cost of sales, distribution costs and administrative expenses are presented as follows:

	2008	2007
	HK$'000	*HK$'000*
Changes in inventories	**487,187**	434,041
Auditors' remuneration	**2,060**	1,483
Amortisation of leasehold land and land use rights	**340**	267
Depreciation of property, plant and equipment	**21,504**	17,739
Amortisation of intangible assets	**104**	104
Operating lease rental in respect of buildings	**2,139**	2,137
Provision for/(write-back of) obsolete inventories	**1,350**	(1,169)
Provision for impairment of trade and bills receivables	**2,009**	1,186
Employee benefit expenses	**127,380**	119,860
Transportation expenses	**31,243**	27,677
Exchange (gains)/losses	**(1,042)**	5,664
Advertising costs	**3,100**	1,746
Loss on disposal of property, plant and equipment	**–**	59
Utilities	**14,619**	13,189

4 OTHER INCOME

	2008	2007
	HK$'000	*HK$'000*
Interest income	**12,062**	4,985
Gain on disposal of property, plant and equipment	**472**	–
Income from sales of scrap materials	**869**	1,107
Changes in fair value of financial instruments	**(273)**	–
	13,130	6,092

5 INCOME TAX EXPENSES

The amount of income tax expenses charged to the consolidated income statement represents:

	2008	2007
	HK$'000	*HK$'000*
Current income tax:		
– Hong Kong profits tax	**12,986**	31,407
– PRC enterprise income tax	**8,293**	91
– Singapore income tax	**–**	810
	21,279	32,308
Deferred income tax	**(606)**	(2,198)
	20,673	30,110

Taxation has been provided at the appropriate rates prevailing in the countries in which the Group operates. Hong Kong profits tax is calculated at 16.5% (2007: 17.5%) on the estimated assessable profits for the year ended 31 December 2008. In June 2008, the Hong Kong government enacted a change in the profits tax rate from 17.5% to 16.5% commencing from the fiscal year 2008/2009.

The new Corporate Income Tax Law in the PRC became effective since 1 January 2008 with standard income tax rate of 25%. The tax rate applicable to a subsidiary in Shenzhen, established prior to 16 March 2007, is 18% for the year ended 31 December 2008. This will be gradually increased to 25% in 2012 over a 5-year transition period.

The applicable corporate income tax rate of Luoding Quality Amenities Supply Limited is 25%. Luoding Quality Amenities Supply Limited is eligible for corporate tax exemption for two years in 2008 and 2009, followed by a 50% reduction in corporate income tax rate in the next three years from 2010 to 2012. Luoding Quality Amenities Supply Limited was in a net loss position for the years ended 31 December 2008 and 2007.

Corporate tax in Singapore has been provided at the rate of 18% (2007: 18%) on the estimated assessable profit for the year ended 31 December 2008. The Group does not have any assessable profit in Singapore during the year ended 31 December 2008.

6 TRADE AND BILLS RECEIVABLES

	2008	2007
	HK$'000	*HK$'000*
Trade receivables	**180,778**	154,275
Bills receivables	**6,508**	11,808
Receivable from a minority shareholder	**521**	172
	187,807	166,255
Less: provision for impairment of receivables	**(6,205)**	(4,196)
Trade and bills receivables, net	**181,602**	162,059

Ageing analysis of trade and bills receivables as at 31 December 2008 is as follows:

	2008	2007
	HK$'000	*HK$'000*
Current	**99,379**	93,296
1 – 30 days	**43,570**	40,681
31 – 60 days	**18,745**	17,927
61 – 90 days	**9,305**	6,538
91 – 180 days	**9,699**	3,983
Over 180 days	**7,109**	3,830
	187,807	166,255

The credit period granted by the Group ranges from 15 to 120 days.

7 RESTRICTED CASH

	2008	2007
	HK$'000	*HK$'000*
Restricted cash	**65,888**	32,526

The Renminbi ("RMB") denominated balances as at 31 December 2008 represent fixed terms deposits placed in a commercial bank in the PRC by one of the subsidiaries of the Group, as pledged against the US Dollar ("US$") denominated loans drawn from the bank. Please refer to Note 10 "Borrowings" for further details of the arrangement. The weighted average effective interest rate per annum on restricted cash was 4.14% (2007: 3.04%) as at 31 December 2008.

8 CASH AND CASH EQUIVALENTS

	2008	2007
	HK$'000	*HK$'000*
Cash at banks and on hand	**99,361**	122,888
Bank deposit	**383,343**	412,136
	482,704	535,024

The Group's cash and bank balances denominated in RMB are deposited with banks in the PRC. The conversion of these RMB denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

9 TRADE PAYABLES

The ageing analysis of trade payables is as follows:

	2008	2007
	HK$'000	*HK$'000*
Current	**51,372**	69,644
1 – 30 days	**25,035**	20,568
31 – 60 days	**2,828**	579
61 – 90 days	**379**	464
Over 90 days	**3,354**	2,517
	82,968	93,772

10 BORROWINGS

	2008	2007
	HK$'000	*HK$'000*
Short-term bank loans	**63,460**	52,192
Representing:		
Secured	**63,460**	52,192

The Group's borrowings are all denominated in RMB and US$ and repayable as follows:

	2008	2007
	HK$'000	*HK$'000*
Within one year		
– RMB *(nota a)*	**–**	20,373
– US$ *(note b)*	**63,460**	31,819
	63,460	52,192

Note a

As at 31 December 2007, borrowings drawn in the PRC were secured by the Group's leasehold land and land use rights with net carrying value of approximately HK$2,126,000 and property, plant and equipment with net carrying value of approximately HK$28,463,000. The related borrowings were settled during the year ended 31 December 2008 and no leasehold land and land use rights and property, plant and equipment was pledged as at 31 December 2008.

Note b

A subsidiary of the Group has entered into arrangements with a bank in the PRC. Under these arrangements, borrowings denominated in US$ with maturities of 12 months were drawn. Simultaneously, RMB equivalent amounts in the forms of fixed term deposits and having same maturities with the US$ loans, were placed with that bank. These RMB deposits were used to pledge against the loans. The RMB deposits would be converted to US$ at forward exchange rates specified in the arrangements upon maturities for repayment of the US$ loans. Forward contracts of approximately HK$273,000 are recognised as derivative financial instruments, which are initially recognised and subsequently remeasured at their fair values. Changes in fair values of the forward contracts are recognised in the consolidated income statement.

11 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2008	2007
Profit attributable to equity holders of the Company (HK$'000)	**100,870**	125,932
Weighted average number of ordinary shares in issue (thousands)	**600,000**	474,658
Basic earnings per share (HK$ per share)	**0.17**	0.27

In determining the weighted average number of ordinary shares in issue, a total of 450,000,000 ordinary shares were deemed to be in issue since 1 January 2007.

(b) Diluted

Diluted earnings per share is the same as basic earnings per share as there were no potential dilutive ordinary shares outstanding during the years ended 31 December 2008 and 31 December 2007.

12 DIVIDENDS

A dividend in respect of the year ended 31 December 2008 of HK$0.084 (2007: HK$0.084 per share) per share, amounting to a total dividend of HK$50,400,000 (2007: HK$50,400,000), is proposed on 12 March 2009, which is subject to approval at the Annual General Meeting ("AGM") to be held on 5 May 2009. This proposed dividend is not reflected as a dividend payable in those financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2009.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the year ended 31 December 2008, the Group recorded a consolidated revenue of HK$876.0 million (2007: HK$846.0 million), representing an increase of approximately 3.5% over the last year. Profit attributable to equity holders of the Company was HK$100.9 million for the year ended 31 December 2008, a decrease of 19.9%, compared with HK$125.9 million for the year ended 31 December 2007.

Basic earnings per share was HK17 cents (2007: HK27 cents).

The consolidated net asset value increased to HK$760.9 million as at 31 December 2008 from HK$706.2 million as at 31 December 2007.

The Board has resolved to propose a final dividend of HK$0.084 per share for the year ended 31 December 2008 (2007: HK$0.084 per share).

Set out below are the consolidated financial highlights of the Group for the year ended 31 December 2008:

	2008	2007
	HK$ million	*HK$ million*
Revenue	**876.0**	846.0
Gross profit	**232.5**	258.4
Profit attributable to equity holders of the Company	**100.9**	125.9
Net asset value	**760.9**	706.2
Basic earnings per share (weighted average number of 600 million (2007: 475 million) ordinary shares in issue) (HK$)	**0.17**	0.27

BUSINESS REVIEW

At the time of announcement of results for year 2007, the Chairman mentioned that 2008 would be a year of challenges. The unprecedented turbulence in the global financial market continues to present enormous challenges to the Group, as the weak economic environment hampers various business activities throughout the world.

In the context of this extremely difficult external environment, the Group sustained its core business growth during 2008. The Group posted a 3.5% growth in revenue as compared with 2007. Strong revenue growth in Asia, particularly China and Asia Pacific region, was partly offset by reduced sales in Europe.

Profit attributable to equity holders of the Company fell to HK$100.9 million from HK$125.9 million in 2007. Certainly cost pressures increased during the first nine months of 2008 due to rising raw material prices coupled with moderate increase in labor and other administrative costs, had eroded the profit margin. To mitigate some of the pressure on the profit margin, the Group has taken measures to tighten cost control, focusing on stock management with an aim to maintain an inventory level in line with the latest market conditions, and carefully review every aspect of its operation to further enhance efficiency.

On a reported basis, earnings per share for 2008 was HK$0.17. A final dividend of HK$0.084 per share is proposed. The payout ratio is 50.0%, represents an increase of 10% compared with 2007. The proposed dividend reflects the Group's long-term confidence in its business.

In view of the dramatic change in the business environment, the Group is responding to the increasing economic uncertainty by considering carefully how it deploys its balance sheet and capital strength. The Group's financial position is strong and well capitalised, which is supported by cash balances and total equity of HK$482.7 million and HK$760.9 million, respectively as at 31 December 2008.

Under this challenging time, the Group believes it is opportune time for it to implement improvements to equip and optimise its operations for future development. During the reporting period, the Group adopted prudent and pragmatic strategies to reinforce development of its core businesses while consistently expanded its product range and upgrade product quality. The Group rearranged and appropriated production capacities flexibly in accordance with changes in the market in order to continue benefits of economy of scale. At the same time, the Group signed an agreement with a consultant aiming to upgrade its management information system through the application of the SAP All-in-One Software.

In 2008, the Group has continued to focus its attention on expanding the customer bases both in China and oversea markets that are fundamental to its long-term growth. Various clients and hotel groups including but not limited to Super 8 Hotels (China) Company Limited, Ascott International Management, Millennium Hotels and Copthorne Hotels as well as other two reputable international hotel groups are added to the Group's customer list. These new clients have stronger presence in China, Europe, North and Central America, Africa, Middle East and Asia Pacific. In addition to extend the current contracts with a couple of major airline customers, the Group also secured new airline contracts through its distributor customers in United States, Europe and Asia Pacific region. With these clients, the Group has strengthened further its leading market position and expanded its coverage.

The Group continues to make progress in develop its core business. A new marketing department has been established to develop the Group's own brands, new product formulations and designs, as well as diversify its customer base. To increase its sales network in China, the Group acquired various properties in Chongqing, Wuhan and Dalian at an aggregate consideration of RMB5.4 million (approximately HK$6.1 million). In addition, the Group also makes a progress to develop its business in Australia through the establishment of a new subsidiary in Sydney.

While the growth picture remains uncertain and dismal, opportunities still exist. The Group sees the current market condition as an opportunity to seek higher market share and diversify its business as weaker competitors exit the market and those potential competitors are constrained by lack of capital and funding. In February 2009, the Group entered into a joint venture agreement with two independent third parties under which a joint venture will be formed to supply towels and other linens to the Group's customers. In this context, the Group's primary focus will be on strengthening and expanding its core businesses through deepening relationships with existing clients and taking market share from competitors.

PROSPECTS

The unprecedented global financial turmoil, coupled with sharp downturns of major economies, the current recession is arguably one of the biggest crises since the 1930's Great Depression. The market consensus is that the current recession may last towards the end of 2009, or 2010. Despite a drastic weakness in global economic activities, certain stimulus plans that have been taken by the governments of the world's major economies may help to bring about a market rally. The Group believes this crisis, together with its adversely effects, will eventually subside.

Going forward, the Group's priorities are to align its strategic drivers with its core values, leveraging its synergies and competitive advantages, and creating a growth platform that will enhance its leading market position. The Group's on-going agenda is to achieve sustainable growth and deliver solid long-term returns. With superior financial positions, the Group will capture the opportunities to grow through targeted acquisitions by taking advantage of attractive valuations.

The Group remains confident that it is well-placed in the hotel and travel amenity segment and that its financial strength leads to opportunity. With demonstrable balance sheet and capital strength, the Group has the ability to deal with the impact of an uncertain economic environment and weather the current crisis, as well as well-positioned to benefit when economic conditions improve.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2008, the Group's cash and cash equivalents totalled HK$482.7 million (2007: HK$535.0 million). As at 31 December 2007, the Group had outstanding borrowings drawn in RMB with carrying amount of HK$20.4 million, which were fully repaid by the Group during the year ended 31 December 2008. Net US$ denominated loans increased by approximately HK$31.6 million over the year to HK$63.5 million. These loans carry fixed interest rates which are secured by restricted cash and repayable within one year. Details of the borrowings are set out in note 10 to this Announcement.

The gearing ratio at 31 December 2008, calculated on the basis of borrowings over total equity, is 8.3% as compared to 7.4% at 31 December 2007.

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to RMB. The Group currently does not have a foreign currency hedging policy.

With the current level of cash and cash equivalents on hand, the Group's liquidity position remains strong and it has sufficient financial resources to meet its current working capital requirement and future expansion.

CHARGES ON GROUP ASSETS

As at 31 December 2008, restricted cash held by the Group was pledged as security for US$ denominated loans drawn from a commercial bank in the PRC.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2008, the capital commitment of the Group was HK$4.1 million (2007: HK$1.8 million). As at 31 December 2008, the Group had no material contingent liabilities.

EMPLOYEES

As at 31 December 2008, the total number of employees of the Group was approximately 4,100. The Group offers a comprehensive remuneration package which is reviewed by management on a regular basis. The Group also invests in continuing education and training programs for its management staff and other employees with a view to constantly upgrading their skills and knowledge.

The Group values employees as its most valuable asset and believes effective employee engagement is an integral part of business success. In this context, effective communication with staff at all levels is highly valued with the ultimate goal to enhance the efficiency in providing quality service to the customers. The Group also has Commendation Annual Award Scheme to motivate its employees and recognize their outstanding performance. In 2008, 10 employees who had provided outstanding service were awarded the Chairman's Commendation Letter in recognition of their exemplary performance. The presentation ceremony was held in January 2009.

CORPORATE SOCIAL RESPONSIBILITIES

The Group is committed to the principle of sustainable development. The Group sets environmental policies and implement internationally certified environmental management systems such as ISO 14001:2004. Shortly after the Sichuan quake, the Group and its employees raised HK$800,000 for the Hong Kong Red Cross. Corporate Social Responsibilities ("CSR") is not just about philanthropy. It is about the Group's responsibility towards the community and being able to provide a platform for it to give back in a way that is meaningful, fulfilling and sustainable. CSR will remain a prominent feature in the Group's agenda, and environmental management has become an integral part of the Group's business planning and daily operations.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31 December 2008, neither the Company nor any of its subsidiaries purchased, sold or redeemed any shares of the Company.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the code provisions of the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 to the Listing Rules for year ended 31 December 2008, except for the following deviation:

- code provision A.2.1. of the CG Code provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Up to the date of this Announcement, the Board has not appointed an individual to the post of chief executive officer. The roles of the chief executive officer have been performed collectively by all the executive directors, including the chairman of the Company. The Board considers that this arrangement allows contributions from all executive directors with different expertise and is beneficial to the continuity of the Company's policies and strategies.

AUDIT COMMITTEE

The Group's final results for the year ended 31 December 2008 have been reviewed by the members of the Audit Committee before submission to the Board for approval.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries to all Directors, all Directors confirmed that they have complied with the requirements set out under the Model Code for the year ended 31 December 2008.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 28 April 2009 to Monday, 4 May 2009 (both dates inclusive), during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend and to attend and vote at the AGM to be held on Tuesday, 5 May 2009, all transfers of shares accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 27 April 2009.

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

Hong Kong, 12 March 2009

As at the date of this announcement, the executive Directors are Mr. CHING Chi Fai, Mr. CHING Chau Chung, 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 BBS, JP, Mr. HUNG Kam Hung Allan and Mr. MA Chun Fung Horace.