

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.



**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)



**HENGDELI HOLDINGS
LIMITED**

亨得利控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3389)

JOINT ANNOUNCEMENT

MEMORANDUM OF UNDERSTANDING ON PROPOSED COOPERATION

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

The Hengdeli Board and the Ming Fung Board are pleased to announce that on 16 August 2010, Hengdeli and Ming Fung entered into the Memorandum of Understanding in relation to a proposed cooperation between the two parties for a joint development of luxury jewellery retail business in the Greater China Region.

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

MEMORANDUM OF UNDERSTANDING

The Hengdeli Board and the Ming Fung Board are pleased to announce that on 16 August 2010, Hengdeli and Ming Fung entered into the Memorandum of Understanding in relation to a proposed cooperation between the two parties for a joint development of luxury jewellery retail business in the Greater China Region. The Memorandum of Understanding included the following major terms and conditions:

1. Ming Fung will provide the luxury jewellery products, which including Ming Fung's own brand name and other international brand products, which will be sold in Hengdeli retailing outlets. Hengdeli will be responsible for the daily operation and other management matters. In addition, Ming Fung will also be responsible for the working capital, marketing, promotion and product development matters. The detail future development plan and schedule will be further negotiated and agreed between the parties.
2. It is expected that a definitive and binding agreement in relation to the proposed cooperation will be entered into on or before 31 December 2010.

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

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

DEFINITIONS

“Hengdeli”	Hengdeli Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Hengdeli Board”	the board of directors of Hengdeli
“Ming Fung”	Ming Fung Jewellery Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Ming Fung Board”	the board of directors of Ming Fung
“Memorandum of Understanding”	a non-legally binding memorandum of understanding dated 16 August 2010 entered into between Ming Fung and Hengdeli in relation to a proposed cooperation between the two parties
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

By order of the Board
Hengdeli Holdings Limited
Zhang Yuping
Chairman

Hong Kong, 16 August 2010

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.

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