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FAVA INTERNATIONAL HOLDINGS LIMITED

名家國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 08108)

ANNOUNCEMENT

AMENDMENTS OF TERMS OF DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF TRADEMARKS

Reference is made to the announcement (“**Announcement**”) of FAVA International Holdings Limited (the “**Company**”) dated 26 June 2008 and the circular (the “**Circular**”) of the Company dated 16 July 2008 relating to the Trademarks Transfer Agreement regarding the acquisition of (i) the Trademark Pending Registration and (ii) the Target Registered Trademarks (the “**Acquisitions**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Board announces that on 23 December 2009, Langfang Hengyu and Huari Furniture entered in a second supplemental agreement to the Trademarks Transfer Agreement (the “**Second Supplemental Agreement**”), to amend the Trademarks Transfer Agreement to the effect that (among other things) the Consideration (as set out in the Trademarks Transfer Agreement) for the Acquisitions shall be fully paid by Langfang Hengyu in RMB cash within 18 months from the date on which the audit report of Langfang Hengyu for the financial year ending 31 December 2013 is issued.

It was further agreed between the parties in the Second Supplemental Agreement that the Company shall not guarantee the payment obligation (if any) of Langfang Hengyu under the Trademarks Transfer Agreement and shall not warrant the reasonable use of the Target Trademarks by Langfang Hengyu.

The Second Supplemental Agreement shall become effective and binding on the parties on the date of the Second Supplemental Agreement and save as expressly amended, the Trademarks Transfer Agreement shall remain in full force and effect.

The Board also considers that the terms of the Second Supplement Agreement are normal commercial terms, fair and reasonable and in the best interest of the Shareholders as a whole.

By Order of the Board
FAVA International Holdings Limited
ZHAO Guo Wei
Executive Director

Hong Kong, 23 December 2009

As at the date of this announcement, the Board comprises of Mr. LI Ge and Mr. ZHAO Guo Wei as executive Directors and Mr. LEE Yuen Kwong, Mr. YANG Dongli and Mr. YANG Jie as independent non-executive Directors.

This announcement, for which the directors (the “Director(s)”) of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:– 1. the information contained in this announcement is accurate and complete in all material respects and not misleading; 2. there are no other matters the omission of which would make any statement in this announcement misleading; and 3. all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least seven days from the day of its posting and on the website of the Company at www.fava.com.hk.

** for identification purpose only*