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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)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that all conditions of the Placing have been fulfilled and the Placing, in which 276,956,000 Placing Shares were placed to not less than six Placees at HK\$0.116 per Placing Share, was completed on 8 October 2010 in accordance with the terms of the Placing Agreement.

Reference is made to the announcement of the Company dated 21 September 2010 (the “Announcement”) in relation to, among other things, the Placing. Capitalised terms used in this announcement shall have the same meanings as defined in the Announcement unless otherwise stated.

COMPLETION OF THE PLACING

The Board is pleased to announce that the Placing was completed on 8 October 2010 in accordance with the terms and conditions of the Placing Agreement in which 276,956,000 Placing Shares, representing approximately 16.13% of the issued share capital of the Company as enlarged by the Placing as at the date of this announcement, have been successfully placed to not less than six Placees at the Placing Price of HK\$0.116 per Placing Share. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Placees are independent investors not connected with the directors, chief executive or substantial shareholders (each term has the meaning ascribed to it in the GEM Listing Rules) of the Company and its subsidiaries or any of their respective associates (as defined in the GEM Listing Rules). None of the Placees and their respective associates becomes a substantial Shareholder upon completion of the Placing. The net proceeds from the Placing amount to approximately HK\$31.80 million which has been applied in full for the settlement of the Earnest Money. As at the date of this announcement, the Earnest Money has been fully settled.

The shareholding structure of the Company immediately before and after the completion of the Placing is set out as below:

	Immediately before completion of the Placing		Immediately after completion of the Placing	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
True Allied Assets Limited (<i>Note</i>)	351,518,000	24.41	351,518,000	20.47
Mr. Li Ge (<i>Note</i>)	37,012,000	2.57	37,012,000	2.16
<i>Public Shareholders:</i>				
Placees	—	—	276,956,000	16.13
Other public Shareholders	<u>1,051,469,970</u>	<u>73.02</u>	<u>1,051,469,970</u>	<u>61.24</u>
Total	<u>1,439,999,970</u>	<u>100.00</u>	<u>1,716,955,970</u>	<u>100.00</u>

Note: True Allied Assets Limited is beneficially wholly-owned by Mr. Li Ge.

By the order of the Board
FAVA International Holdings Limited
Li Ge
Chairman

Hong Kong, 8 October 2010

As at the date of this announcement, the Board comprises Mr. Li Ge, Mr. Zhao Guo Wei and Mr. Ma Chun Fung, Horace as executive Directors, Mr. Ng Kwai Wah, Sunny as non-executive Director, and Mr. Lee Yuen Kwong, Mr. Yang Dongli and Mr. Yang Jie as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

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 <http://www.fava.com.hk>.

* For identification purpose only