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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

Reference is made to the announcement of the Company dated 21 September 2010 and 18 November 2010 (the “Announcements”) regarding the Memorandum of Understanding and the Proposed Acquisition. Unless otherwise specified, terms used herein shall have the same meaning as defined in the Announcements.

The Board announces that no Formal Agreement and other legal documentation relating to the subject matter of the Memorandum of Understanding has been entered into on or before the ending of the exclusivity period of the Memorandum of Understanding (i.e. on or before 19 March 2011), thus the Memorandum of Understanding shall lapse accordingly. The Earnest Money paid by the Purchaser to the Vendor will be refunded to the Purchaser in full.

The Company is of the view that there is no material adverse impact on the Group arising from the lapse of the Memorandum of Understanding.

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

Hong Kong, 19 March 2011

* *For identification purpose only*

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 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.