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TERMINATION OF STRATEGIC COOPERATION

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

The Board announces that the Company and American Hotel have, by mutual consent, agreed to terminate the Strategic Cooperation Agreement with effect from 27 December 2013. The Board considers that the termination of the Strategic Cooperation Agreement has no material adverse impact on the financial and operational position of the Group.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

Reference is made to the announcement of Ming Fai International Holdings Limited (the “Company”) dated 4 December 2012 (the “Announcement”) in relation to, amongst others, the entering into of a strategic cooperation agreement (the “Strategic Cooperation Agreement”) between the Company and American Hotel Register Company (“American Hotel”).

Pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “SFO”), the board of directors of the Company (the “Board”) announces that the Company and American Hotel have, by mutual consent, agreed to terminate the Strategic Cooperation Agreement with effect from 27 December 2013.

As disclosed in the Announcement, pursuant to the terms of the Strategic Cooperation Agreement, the Company and American Hotel would cooperate strategically to develop new relations and new business opportunities in relation to the Company’s hotel supplies distribution business in certain specified countries and territories in Asia Pacific.

* For identification purpose only

Due to changes in the macro and market conditions, in particular the improvement in the economy of the United States of America and the apparent stabilization of the European countries' economies, the Company and American Hotel have mutually agreed to terminate the strategic cooperation contemplated under the Strategic Cooperation Agreement. Both the Company and American Hotel consider that it is in their interest to exit the more restrictive mode of cooperation under the Strategic Cooperation Agreement so that both parties would have the added business flexibility and discretion to pursue such business strategies as they consider appropriate to grow their business and to capture potential business opportunities that may arise from changes in the macro and market conditions. Accordingly, the Company and American Hotel have entered into a termination agreement (the "Termination Agreement") on 27 December 2013 to terminate the Strategic Cooperation Agreement.

Pursuant to the Termination Agreement, all rights and obligations of the Company and American Hotel under the Strategic Cooperation Agreement have ceased save and except for (i) the non-compete obligations that were stipulated to continue for a period of 12 months following the termination of the Strategic Cooperation Agreement as disclosed in Announcement; and (ii) the payment obligation of the Company under the Strategic Cooperation Agreement which has accrued prior to the date of the Termination Agreement. Save for any claims or actions which may arise from the above, no party shall have any claim against the other in respect of any matter or thing arising out of or in connection with the Strategic Cooperation Agreement.

The Board further emphasizes that the Termination Agreement was entered into by mutual consent and the termination of the Strategic Cooperation Agreement was effected under an amicable circumstance. The Board considers that the termination of the Strategic Cooperation Agreement has no material adverse impact on the financial and operational position of the Group.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 27 December 2013

As at the date of this announcement, the executive Directors are Mr. CHING Chi Fai, Mr. CHING Chi Keung, Mr. LIU Zigang, Mr. LEE King Hay and Ms. CHAN Yim Ching; the non-executive Director is Mr. Lawrence Joseph MORSE; and the independent non-executive Directors are Mr. SUN Kai Lit Cliff, Mr. HUNG Kam Hung Allan, Mr. MA Chun Fung Horace and Mr. NG Bo Kwong.