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PAK FAH YEOW INTERNATIONAL LIMITED

白花油國際有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code : 239)

RULE 13.09(1) ANNOUNCEMENT

On 21st July, 2008, PFY Investment entered into a non-legally binding letter of intent with the Owners Incorporation in relation to the proposed sale of the Property. As at the date hereof, no legally binding agreement has been entered into in connection with the proposed sale of the Property or the Building.

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company has been informed by the Owners Incorporation that there are developers interested in acquiring the entire Building for redevelopment purposes and the Owners Incorporation has been liaising with a real estate agent to arrive at a reasonable sale price and thereafter, to obtain the agreement of all owners of units in the Building for the entire Building to be sold by way of tender. PFY Investment, a wholly-owned subsidiary of the Company, is the owner of the Property which is the roof of the Building.

On 21st July, 2008, PFY Investment and the Owners Incorporation entered into a non-legally binding letter of intent in relation to the proposed sale of the Property. According to the letter of intent, the intended consideration for Property shall be (1) a cash amount and (2) the developer (being the successful tenderer of the Building) shall ensure that the roof of the New Building can be used to erect and display advertisement boards and shall provide the relevant plans of the New Building to a surveyor appointed by PFY Investment for review prior to submission of the same with the relevant government authorities and upon completion of the redevelopment, the developer shall immediately transfer all ownership right of the roof of the New Building to PFY Investment at a cash consideration and be responsible for all other expenses (including legal costs, registration fees and tax) in relation to the transfer.

As at the date hereof, no legally binding agreement has been entered into in connection with the proposed sale of the Property or the Building and there is no assurance that the sale of the Building or the Property will materialise. **Shareholders of the Company and other investors are advised to exercise caution when dealing in the shares of the Company.**

GENERAL

The principal activities of the Company and its subsidiaries are manufacturing and sale of Hoe Hin brand of products as well as property and treasury investments.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meaning:

“Company”	Pak Fah Yeow International Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited
“Building”	the building known as Gordon House situated at 84 Hing Fat Street, Causeway Bay, Hong Kong
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“New Building”	the new building which is to be erected on the site of the Building
“Owners Incorporation”	The Incorporated Owners of Gordon House
“PFY Investment”	Pak Fah Yeow Investment (Hong Kong) Company Limited, a wholly-owned subsidiary of the Company
“Property”	the property known as the Roof of Gordon House, 84 Hing Fat Street, Causeway Bay, Hong Kong, which is owned by PFY Investment

By Order of the Board
PAK FAH YEOW INTERNATIONAL LIMITED
Gan Wee Sean
Chairman

Hong Kong, 21st July, 2008

As at the date of this announcement, the board of directors of the Company comprises:(i) two executive directors namely Mr Gan Wee Sean and Mr Gan Fock Wai, Stephen; and (ii) three independent non-executive directors namely Ms Ada Wong Ying Kay, Mr Arnold Ip Tin Chee and Mr Lawrence Leung Man Chiu.

** For identification purpose only*