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king fook holdings limited 景福集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 280)

(the “Company”)

ANNOUNCEMENT RESUMPTION OF TRADING

The Company has discovered that a director of King Fook Securities Company Limited (“KF Securities”), a wholly owned subsidiary of the Company, may have misappropriated securities belonging to clients of KF Securities. Investigations to date indicate such securities have a total current market value of about HK\$25 million and that only a small number of clients are affected. KF Securities reported the matter to the police and the Securities and Futures Commission on 3rd March, 2006, and the matter is now under police investigation. The director of KF Securities involved in the suspected misappropriation is co-operating with KF Securities’ investigation (which includes verification procedures to confirm the accounts of all clients of KF Securities) and that of the police.

KF Securities has taken out an insurance policy with a cover of HK\$15 million (subject to an excess of HK\$3 million).

The Company considers that this matter will not have any material impact on the operation or financial situation of the Company and its subsidiaries (the “Group”) including KF Securities in view of the Group’s unaudited consolidated net asset value of about HK\$533,817,000 as at 30th September, 2005.

Shareholders and investors should exercise caution in dealing with the shares of the Company.

Further announcement(s) concerning this matter will be made by the Company as appropriate.

Suspension and resumption of trading

At the request of the Company, trading in the shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) has been suspended with effect from 9:30 a.m. on 6th March, 2006 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading of the shares of the Company with effect from 9:30 a.m. on 8th March, 2006.

By Order of the Board
Yeung Ping Leung, Howard
Chairman

Hong Kong, 7th March, 2006

As at the date of this announcement, the executive directors of the Company are Mr. Yeung Ping Leung, Howard, Mr. Tang Yat Sun, Richard, Mr. Cheng Ka On, Dominic, Mr. Yeung Bing Kwong, Kenneth and Ms. Fung Chung Yee, Caroline, the non-executive directors are Dr. Sin Wai Kin, Mr. Wong Wei Ping, Martin and Mr. Ho Hau Hay, Hamilton and the independent non-executive directors are Mr. Cheng Kwai Yin, Mr. Lau To Yee, Mr. Cheng Kar Shing, Peter and Mr. Chan Chak Cheung, William.

Please also refer to the published version of this announcement in The Standard.