



HANG FUNG GOLD TECHNOLOGY LIMITED
恒豐金業科技有限公司

[For immediate release]

Hang Fung Gold Reports Strong Christmas and New Year Sales

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Rides on Rising Gold Price Decreases Stake in Gold Consolidates Retail Business Focuses on Network and Brand Development

(Hong Kong, 3 January 2008) – Leading brand jewellery retailer and manufacturer **Hang Fung Gold Technology Limited** (“HFG” or the “Group”) (HKSE code: 870) reported strong sales during Christmas and the New Year Holidays, with sales in the PRC surging 100% to a record high and sales in Hong Kong also increasing by 30%.

In addition, in light of the climbing gold price, the Group will merge existing exhibition halls and is selling about a tonne of the total of six tonnes of gold exhibits it owns. The about HK\$200 million proceeds from the sale will be invested in developing the Group’s brand business in the thriving retail market in Mainland China.

Benefited by the strong mainland economy, the Group’s PRC operation reported sales increase in folds for the past six months. To seize the abundant opportunities bred by the impending Beijing Olympics and in the luxury goods market in the country, the Group will focus capital on growing its sales network targeting to have more than 300 points of sale by March 2009.

Ms. Kathy Ng, Chief Executive Officer of HFG said, “We have just announced the Group’s interim results with retail sales in Hong Kong and the PRC reporting very satisfactory performance. On the back of this encouraging achievement and with gold price climbing persistently, we decided to proceed with consolidating our business by turning our gold holding into capital to grow our brand business in Mainland China and boost profitability.”

For more information:

Hang Fung Gold Technology Limited

Ava Ho

Tel: (852) 2627 6306

Email: avaho@hangfung.com

Strategic Financial Relations Limited

Mandy Go / Doris Chan / Linda Pui

Tel: (852) 2864 4812 / (852) 2114 4950 / (852) 2864 4873

Email: mandy.go@sprg.com.hk / doris.chan@sprg.com.hk
/ linda.pui@sprg.com.hk