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## **FX CREATIONS INTERNATIONAL HOLDINGS LIMITED**

**豐盛創意國際控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8136)**

### **HIGH CONCENTRATION OF SHAREHOLDINGS AND SHARE PRICE MOVEMENT**

The Board announces that it was informed by the Stock Exchange that on the basis of the information provided by the SFC, as at the close of business on 15 December 2005, 14 Shareholders held an aggregate of 234,768,000 Shares, representing approximately 50.98% of the then issued share capital of the Company. Their shareholdings, together with the 204,000,000 Shares held by Wise New Management Limited (being the controlling Shareholder which is in turn controlled by Mr. Ng Pak To, Petto, the chairman of the Company), accounted for approximately 95.28% of the issued share capital of the Company, leaving only approximately 4.72% of the issued share capital of the Company in the hands of other investors as at 15 December 2005.

The Board also noted that the Company's share price has risen from HK\$0.024 on 8 November 2005 to HK\$0.188 on 7 December 2005, representing an increase of about 683% in a month. It should be noted that on 11 November 2005, the Company announced an interim net loss of approximately HK\$57,000 for the six months ended 30 September 2005 while the net tangible asset value as at 31 March 2005 was approximately HK\$0.0295 per Share. On 21 November 2005, the Company also announced a placing of 60,504,000 new Shares to not fewer than six placees at the placing price of HK\$0.033 per placing Share. The placing Shares represented approximately 13.14% of the enlarged issued share capital of the Company.

**In view of the high concentration of shareholdings of the Company in the hands of a small number of Shareholders, the price of the Shares could be easily pushed up or down substantially even with a small number of Shares traded. The Company makes this announcement of the aforesaid matter to keep the market informed thereof. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

\* For identification purpose only

## HIGH CONCENTRATION OF SHAREHOLDINGS

The Board was informed by the Stock Exchange that on the basis of the information provided by the SFC, as at the close of business on 15 December 2005, 14 Shareholders held an aggregate of 234,768,000 Shares, representing approximately 50.98% of the then issued share capital of the Company. Their shareholdings together with that of 204,000,000 Shares held by Wise New Management Limited (being the controlling Shareholder which is in turn controlled by Mr. Ng Pak To, Petto, the chairman of the Company) represents approximately 95.28% of the issued share capital of the Company as at 15 December 2005. Accordingly, Shares held by other small investors in the public were estimated to be approximately 4.72% of the issued share capital of the Company as at 15 December 2005.

According to the list of Shareholders provided by the branch registrar of the Company in Hong Kong as at 15 December 2005, the CCASS Participant Shareholding Report generated by HKSCC as at 15 December 2005, the registers kept by the Company pursuant to the SFO and the information provided by the SFC, the following table shows the shareholding structure of the Company as at 15 December 2005:

	Number of Shares	Approximate percentage of the issued share capital of the Company
Wise New Management Limited ( <i>Note 1</i> )	204,000,000	44.30%
Top Accurate Limited ( <i>Note 2</i> )	76,000,000	16.50%
HKSCC Nominees Limited ( <i>Note 3</i> )		
(i) 6 Shareholders each holding 5 million or more Shares	59,768,000	12.98%
(ii) other Shareholders each holding less than 5 million Shares	19,376,000	4.21%
Other public Shareholders		
(i) 7 Shareholders each holding 5 million or more Shares ( <i>Note 4</i> )	99,000,000	21.50%
(ii) other Shareholders each holding less than 5 million Shares ( <i>Note 5</i> )	2,360,000	0.51%
Total	<u>460,504,000</u>	<u>100%</u>

### Notes:

1. The issued share capital of Wise New Management Limited is beneficially owned as to 45% by Cashtram, as to 30% by FXHI and as to 25% by Forge Smart. Mr. Ng Pak To, Petto, an executive Director and the chairman of the Company, holds 40% and 100% equity interests in Cashtram and Forge Smart respectively. Mr. Ho Kai Chung, David holds 30% equity interests in Cashtram. Madam Ho Pui Lai and Mr. Tan Yu, Wally holds 20% and 10% equity interests in Cashtram respectively. Madam Ho Pui Lai is the wife of Mr. Ng Pak To, Petto. Mr. Wong Wai Shan holds 100% equity interests in FXHI.

On 20 June 2005, the 204,000,000 Shares held by Wise New Management Limited were pledged in favour of Corkwood Enterprises Limited, a company incorporated in the British Virgin Islands and wholly and beneficially owned by Mr. Lau Kim Hung, Jack, who accordingly, had a long position in these 204,000,000 Shares under the SFO.

2. The ultimate beneficial owner of Top Accurate Limited is Mr. Ma She Shing, Albert.
3. According to the CCASS Participant Shareholding Report generated by HKSCC dated 24 January 2006, 79,144,000 Shares were held by 52 CCASS participants as at 15 December 2005.
4. According to the list of Shareholders provided by the branch registrar of the Company in Hong Kong, excluding Wise New Management Limited, Top Accurate Limited and the HKSCC Nominees Limited, there were 7 Shareholders holding 5 million or more Shares as at 15 December 2005.
5. According to the list of Shareholders provided by the branch registrar of the Company in Hong Kong, excluding Wise New Management Limited, Top Accurate Limited and the HKSCC Nominees Limited, there were 32 Shareholders holding less than 5 million Shares as at 15 December 2005.

Save as disclosed above, the Company does not recognise or aware of any other persons / individuals who are interested in 5% or more of the issued share capital of the Company as at 15 December 2005 and save as disclosed above, the Company, having made all reasonable enquiries, is not aware of its connected persons having any interests in the Shares as at 15 December 2005.

## **SHARE PRICE MOVEMENT**

The Board also noted that the Company's share price has risen from HK\$0.024 on 8 November 2005 to HK\$0.188 on 7 December 2005, representing an increase of about 683% in a month. The Company wishes to state that, save for the information disclosed below, it is not aware of any reasons for such increase.

In the Interim Results Announcement dated 10 November 2005, the Company announced an interim net loss of approximately HK\$57,000 for the six months ended 30 September 2005, compared with a net loss of approximately HK\$1.2 million for the same period last year. The Shareholders' fund as at 31 March 2005 was approximately HK\$11.8 million, with a total of 400 million issued Shares. The net tangible asset value as at 31 March 2005 was approximately HK\$0.0295 per Share.

In the Placing Announcement dated 21 November 2005, the Company announced a placing of 60,504,000 new Shares to not fewer than six placees at the placing price of HK\$0.033 per placing Share. The placing price represented a discount of approximately 17.5% to the closing price of HK\$0.04 on 18 November 2005. The placing Shares represented approximately 13.14% of the enlarged issued share capital of the Company.

Save as disclosed in the Interim Results Announcement and the Placing Announcement, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapters 19 to 20 of the GEM Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

**In view of the high concentration of shareholdings of the Company in the hands of a small number of Shareholders, the price of the Shares could be easily pushed up or down substantially even with a small number of Shares traded. The Company makes this announcement of the aforesaid matter to keep the market informed thereof. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

## DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise.

“associates”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Cashtram”	Cashtram Associates Limited
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	FX Creations International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“Director(s)”	director(s) of the Company
“Forge Smart”	Forge Smart Investments Limited
“FXHI”	FX Creations (Holdings) Inc.
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Interim Results Announcement”	the interim results of the Company for the six months ended 30 September 2005 as announced by an announcement of the Company dated 10 November 2005
“Placing Announcement”	the announcement of the Company dated 21 November 2005 in relation to its entering into a placing agreement with a placing agent dated 21 November 2005 for the placing of 60,504,000 new Shares to not less than six places of individuals, corporate, institutional investors who are independent third parties independent of and not connected with the Company or any of its connected persons (as defined in the GEM Listing Rules)
“SFC”	Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Share(s)” ordinary share(s) of HK\$0.01 each in the share capital of the Company  
“Shareholder(s)” holder(s) of the Shares

By order of the Board  
**FX Creations International Holdings Limited**  
**Ng Pak To, Petto**  
*Chairman*

Hong Kong, 26 January 2006

*As at the date of this announcement, the executive Directors are Ng Pak To, Petto, Ong Chor Wei and Chan Man Yin. The independent non-executive Directors are Lee Kun Hung, Wong Hou Yan, Norman and Cheung Chi Hwa, Justin.*

*This announcement, for which the Directors of the Company 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 enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

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