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CONTINENTAL
HOLDINGS LIMITED
恒和珠寶集團有限公司

(Incorporated in Hong Kong with limited liability)
(stock code: 513)

Rule 13.09 Announcement
Shareholders Agreement for formation of the joint venture company
with Minmetals Mining Corporation Limited
for trading in mineral ores

The Board is pleased to announce that on 25 February 2010, the Shareholders Agreement was entered into between Honour Rainbow Limited, a wholly-owned subsidiary of the Company, the JV Partner and the JV Company, pursuant to which the parties have agreed to the formation of the JV Company and the principal terms governing the JV Company.

The principal business of the JV Company is trading in mineral ores. Each of Honour Rainbow Limited and the JV Partner is beneficially interested in 50% of the issued share capital of the JV Company.

The Board wishes to emphasise that the JV Company has yet to commence business. Shareholders and investors are urged to exercise caution when dealing in the Shares. Further announcement in respect of the mineral ores trading business of the JV Company will be made by the Company as and when appropriate and/or required by the Listing Rules.

INTRODUCTION

Reference is made to announcement (the “Announcement”) dated 18 January 2010 made by the Company in respect of the non-legally binding Memorandum dated 15 January 2010 entered into between Honour Rainbow Limited (“Honour Rainbow”), a wholly-owned subsidiary of the Company, and Minmetals Mining Corporation Limited. Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcement.

The Board is pleased to announce that on 25 February 2010, a shareholders agreement (the “Shareholders Agreement”) was entered into among Honour Rainbow, the JV Partner and Multi-Minerals Limited (the “JV Company”), pursuant to which the parties have agreed to the formation of the JV Company and the principal terms governing the JV Company.

THE SHAREHOLDERS AGREEMENT

Date: 25 February 2010

Parties: (a) Honour Rainbow, a wholly owned subsidiary of the Company;
(b) the JV Partner; and
(c) the JV Company

The JV Partner is an indirect wholly-owned subsidiary of China National Metal Products Co. Ltd., a Company incorporated in the PRC. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the JV Partner and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules) and are not connected persons (as defined under the Listing Rules) of the Company.

The principal business of the JV Company is trading in mineral ores. Each of Honour Rainbow and the JV Partner is beneficially interested in 50% of the issued share capital of the JV Company.

The composition of the board of directors of the JV Company is the same as set out in the Memorandum. Pursuant to the terms of the Shareholders Agreement, Honour Rainbow and the JV Partner will each procure the JV Company to grant and provide first right of refusal at the relevant prevailing “PRC benchmark prices” to the JV Partner or its associates in relation to any business or transaction of the JV Company involving the supply, sale or procurement of minerals or mineral ores. The reasons for entering into this transaction have been set out in the Announcement. As there was no capital commitment required of or made by the parties under the Shareholders Agreement save and except for the initial subscription amount of share capital of HK\$5,000 each, the formation of the JV Company did not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

GENERAL

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to emphasise that the JV Company has yet to commence business. Shareholders and investors are urged to exercise caution when dealing in the Shares. Further announcement in

respect of the mineral ores trading business of the JV Company will be made by the Company as and when appropriate and/or required by the Listing Rules.

By Order of the Board
Continental Holdings Limited
Chan Sing Chuk Charles
Chairman

Hong Kong, 25 February 2010

As at the date of this announcement, Dr. Chan Sing Chuk, Charles BBS, JP, Ms. Cheng Siu Yin, Shirley, Ms. Chan Wai Kei, Vicki and Mr. Chan Wai Lap, Victor are executive Directors, Mr. Chu Wai Kok is a non-executive Director, Mr. Wong Kai Cheong, Mr. Yu Shiu Tin, Paul BBS, MBE, JP, Mr. Chan Ping Kuen, Derek and Mr. Sze, Irons are independent non-executive Directors.