

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



HKR INTERNATIONAL LIMITED
香港興業國際集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00480)

**COMPLETION OF CONNECTED TRANSACTION
FOR THE DISPOSAL OF REMAINING INTERESTS IN
BC INVESTMENT LLC**

The Board is pleased to announce that Broad Base, the Company's wholly-owned subsidiary, completed the disposal of the Broad Base Interest on 9 June 2010, receiving aggregate cash proceeds of approximately US\$18.7 million (approximately HK\$145.8 million).

Reference is made to (i) the announcement of the Company dated 25 January 2010 (the "**Announcement**"); and (ii) the circular of the Company dated 9 February 2010 (the "**Circular**"), in relation to, amongst others, the connected transaction for the disposal by the Company's wholly-owned subsidiary, Broad Base, of its remaining interests in BC Investment, the Broad Base Interest, to Cagen, a connected person of the Company and the manager of BC Investment, pursuant to the Sale and Purchase Agreement. Terms used in the Circular shall have the same meanings when used herein unless the context requires otherwise.

COMPLETION OF CONNECTED TRANSACTION

The Board is pleased to announce that the Company completed the disposal of the Broad Base Interest on 9 June 2010 in accordance with the terms of the Sale and Purchase Agreement.

As disclosed in the Announcement and the Circular, the value of the Broad Base Interest, based on the unaudited net asset values of the interests in the underlying funds attributable to Broad Base, as at 30 November 2009, was approximately US\$18.5 million (approximately HK\$144.3 million).

The transaction was structured to constitute a sale of the Broad Base Interest as at 31 December 2009, determined by reference to audited net asset value figures for the underlying funds having calendar year ends (and otherwise by reference to unaudited capital statements for the underlying funds with different year ends). Inclusive of the partial redemption

proceeds effected by certain of those funds during the month of December 2009, the value of the Broad Base Interest, based on audited accounts received in respect of all but one of the eight underlying funds having a calendar year end and unaudited capital statements for the two underlying funds with different year ends, was, as at 31 December 2009, approximately US\$18.7 million (approximately HK\$145.8 million).

As was their right under the Sale and Purchase Agreement, the parties have agreed in writing to waive the requirement to receive the audited accounts as at 31 December 2009 in respect of the final underlying fund having a calendar year end, on the basis that the parties were satisfied with the unaudited capital statement in respect of that fund as at 31 December 2009 and, in any event, the interest in that fund, as attributable to Broad Base, comprised less than 5% of the overall value of the Broad Base Interest.

The amount of approximately US\$18.7 million (approximately HK\$145.8 million) which falls within the range set out in the Sale and Purchase Agreement has been paid by Cagen to Broad Base in cash on completion.

The Company proposes to apply the consideration proceeds towards the working capital requirements of its core business projects.

This announcement contains conversion of certain US\$ amounts into HK\$ amounts at the rate of US\$1 = HK\$7.799.

By order of the Board
HKR International Limited
CHUNG Sam Tin Abraham
Executive Director

Hong Kong, 9 June 2010

As at the date of this announcement, the Board comprises:

Chairman

Mr CHA Mou Sing Payson

Deputy Chairman & Managing Director

Mr CHA Mou Zing Victor

Executive Directors

Mr CHEUNG Tseung Ming

Mr CHUNG Sam Tin Abraham

Mr TANG Moon Wah

Non-executive Directors

The Honourable Ronald Joseph ARCULLI

Mr CHA Mou Daid Johnson

Mr CHEUNG Wing Lam Linus

Ms WONG CHA May Lung Madeline

Independent Non-executive Directors

Dr CHENG Kar Shun Henry

Dr The Honourable CHEUNG Kin Tung Marvin

Ms HO Pak Ching Loretta

Dr QIN Xiao

**Registered under Part XI of the Companies Ordinance, Chapter 32 of the laws of Hong Kong*