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## **WING TAI PROPERTIES LIMITED**

**永泰地產有限公司**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 369)

### **DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY IN LONDON**

The Board is pleased to announce that on 11 April 2013, the Buyer, an indirect wholly-owned subsidiary of the Company, entered into the Agreement with the Seller for the acquisition of the Property at a consideration of £36.27 million.

As the applicable percentage ratio exceeds 5% but less than 25%, the acquisition of the Property contemplated under the Agreement constitutes a discloseable transaction for the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

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#### **THE AGREEMENT**

The principal terms of the Agreement are as follows:

##### **Date**

11 April 2013

##### **Parties**

- (1) Lancashire County Council, as seller
- (2) Topworth Enterprises Limited, an indirect wholly-owned subsidiary of the Company, as buyer

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Seller is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

##### **The Property**

The Property is a commercial building located at 8-12 (even), Brook Street, London, United Kingdom with approximately 19,123 square feet net internal area.

According to the information available to the Company, the Property is currently generating rentals and service fees of approximately £0.1 million per month. The existing tenancies are due to expire either in 2017 or 2022.

### **Consideration**

The consideration for the acquisition of the Property is £36.27 million in cash.

A deposit, being 10% of the consideration, has been made to the Seller at the time of signing of the Agreement and the balance will be payable on completion.

The consideration for the acquisition of the Property was determined after arm's length negotiations between the Buyer and the Seller with reference to the prevailing market value of comparable properties nearby the Property. The acquisition of the Property will be funded by the Group's internal resources and/or banking facilities.

### **Completion**

Completion of the acquisition is conditional on the consent of the Landlord required under the Lease to the transfer to the Buyer of the residue of the term granted by the Lease being obtained. The Seller has applied for such consent. If such consent has not been obtained on reasonable terms within 3 months from the date of the Agreement, the Agreement may be rescinded by notice by either the Buyer or the Seller.

Completion is scheduled to take place on or before 2 May 2013. The Buyer will use the Property after completion for rental purposes.

### **REASONS FOR AND BENEFITS OF THE ACQUISITION OF THE PROPERTY**

One of the principal activities of the Group is property investment. The Directors believe that the acquisition of the Property pursuant to the Agreement provides an opportunity for the Group to expand and diversify its property investment portfolio and generate a steady flow of rental income to the Group. The Directors consider that the acquisition of the Property is in line with the investment strategies of the Group.

The Directors are of the view that the terms of the Agreement are fair and reasonable and the acquisition of the Property pursuant to the Agreement is in the interests of the Company and its shareholders as a whole.

### **LISTING RULES IMPLICATIONS**

As the applicable percentage ratio exceeds 5% but less than 25%, the acquisition of the Property contemplated under the Agreement constitutes a discloseable transaction for the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

### **GENERAL**

The Company is an investment holding company. Its principal subsidiaries are engaged in property development, property investment and management, hospitality investment and management, garment manufacturing and investing activities.

Lancashire County Council is the upper-tier local authority for the non-metropolitan county of Lancashire, England.

## DEFINITIONS

In this announcement, the following expressions have the following meanings unless the context otherwise requires:

<b>“Agreement”</b>	the contract for the sale of leasehold land subject to leases relating to 8-12 (even), Brook Street, London dated 11 April 2013 entered into between the Seller and the Buyer;
<b>“Board”</b>	the board of directors of the Company;
<b>“Buyer”</b>	Topworth Enterprises Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company;
<b>“Company”</b>	Wing Tai Properties Limited, a company incorporated in Bermuda with limited liability the issued shares of which are listed on the Stock Exchange;
<b>“Group”</b>	the Company and its subsidiaries;
<b>“Landlord”</b>	the person entitled to the immediate reversion to the Lease on determination of the term created by the Lease;
<b>“Lease”</b>	the lease of the Property dated 23 June 1922 expiring in year 3922;
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange;
<b>“Property”</b>	the legal estate of a commercial building located at 8-12 (even) Brook Street, London, United Kingdom;
<b>“Seller”</b>	Lancashire County Council;
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited;
<b>“£”</b>	British pound sterling, the lawful currency of the United Kingdom.

By Order of the Board  
**Wing Tai Properties Limited**  
**Fung Ching Man, Janet**  
*Company Secretary and Chief Financial Officer*

Hong Kong, 12 April 2013

As at the date of this announcement, the directors of the Company are:

*Executive Directors:*

Cheng Wai Chee, Christopher, Cheng Wai Sun, Edward, Cheng Man Piu, Francis, Chow Wai Wai, John and Au Hing Lun, Dennis

*Non-Executive Directors:*

Kwok Ping Luen, Raymond, Yung Wing Chung (also an alternate to Kwok Ping Luen, Raymond), Hong Pak Cheung, William, Ng Tak Wai, Frederick and Chen Chou Mei Mei, Vivien

*Independent Non-Executive Directors:*

Simon Murray, Fang Hung, Kenneth, Yeung Kit Shing, Jackson, Haider Hatam Tyebjee Barma and Cheng Hoi Chuen, Vincent