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WINFULL GROUP HOLDINGS LIMITED

宏輝集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 183)

DISCLOSEABLE TRANSACTION – ACQUISITION OF PROPERTY

The Board wishes to announce that on 15 September 2015 (after trading hours), FFL, a wholly-owned subsidiary of the Company, entered into the Provisional Agreement with the Vendor, pursuant to which FFL had agreed to purchase, and the Vendor had agreed to sell, the Property for a cash consideration of HK\$76,000,000.

As some of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition exceed 5%, the Acquisition constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules and is subject to the notification and announcement requirements, but exempt from the shareholders' approval requirement, under the Listing Rules.

1. THE PROVISIONAL AGREEMENT

Date:

15 September 2015

Parties:

Vendor: Waylon Limited, a property holding company incorporated in Hong Kong with limited liability. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Purchaser: FFL, a wholly-owned subsidiary of the Company.

Property to be acquired:

The whole of 4th Floor of Kenning Industrial Building, No. 19 Wang Hoi Road, Kowloon Bay, Hong Kong. The Property is an industrial property, with a total gross floor area of approximately 16,522 square feet. Approximately 1/4 of the Property is currently leased out with rental agreed at HK\$66,500 per month (exclusive of government rent and rates but inclusive of management fees) which tenancy is due to expire in December 2017. The rest of the Property is occupied by the Vendor for its own use.

Based on the information provided by the Vendor, the rental income attributable to the Property (excluding those parts which were occupied for own use/remained vacant) for the two financial years ended 30 June 2014 and 30 June 2015 amounted to approximately HK\$1,980,000 and HK\$1,360,000 respectively.

Consideration:

The consideration payable by FFL to the Vendor for the acquisition of the Property is HK\$76,000,000. An initial deposit of HK\$3,800,000 was paid by FFL to the Vendor upon signing of the Provisional Agreement. A further deposit of HK\$3,800,000 is payable by FFL to the Vendor on or before 29 September 2015 and the remaining balance of HK\$68,400,000 will be paid by FFL to the Vendor on Completion. The formal agreement for sale and purchase will be signed on or before 29 September 2015. The Directors intend to fund the consideration by internal resources of the Group.

The consideration has been arrived at after arm's length negotiations between the parties with reference to the prevailing market value of industrial properties of similar size and age as the Property in the same vicinity.

Completion:

Completion shall take place on or before 16 November 2015.

2. REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company is an investment holding company and its subsidiaries are principally engaged in property investment and trading and property development.

As disclosed in the announcement of the Company dated 11 December 2014, revenue from the Group's property assembly and brokerage business dropped significantly as a result of the Government's effort to curb property prices for both residential and non-residential properties. With a view to offering better returns to the Shareholders, the Group decided to dispose of its property assembly and brokerage business and focus on property investment and trading, and development businesses and the Acquisition is in line with the Group's new business strategy.

Following relocation of the Hong Kong International Airport to Chek Lap Kok and Hong Kong's manufacturing base to Mainland China, many industrial buildings in Kowloon East have become vacant. On the other hand, with the booming in Hong Kong's financial and service sectors, the demand for quality office space can no longer be met by Hong Kong's traditional CBD. The Chief Executive therefore announced in his 2011-12 Policy Address the adoption of a visionary, coordinated and integrated approach to transform Kowloon East into an attractive CBD to sustain Hong Kong's economic development. Specifically, this involves land use review, enhanced urban design, and improvement to connectivity and the associated infrastructure. The Property is located in Kowloon Bay. It is expected that property prices in this area will continue to boost as a result of the government's initiative. The management of the Group considers that the Acquisition is a good investment opportunity and believes that the Group will benefit from the anticipated growth in value of the Property.

The Property will continue to be leased out after Completion for rental income and depending on the market conditions, may be sold for gain. Given that the consideration reflects the fair market value of the Property, the Directors consider the terms of the Acquisition to be fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

3. IMPLICATIONS OF THE LISTING RULES

As some of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition exceed 5%, the Acquisition constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules and is subject to the notification and announcement requirements, but exempt from the shareholders' approval requirement, under the Listing Rules.

4. DEFINITIONS

In this announcement, the following terms shall have the meanings set opposite them unless the context otherwise requires:

“Acquisition”	the proposed acquisition of the Property by FFL pursuant to the terms of the Provisional Agreement
“Board”	the board of Directors
“CBD”	central business district
“Company”	Winfull Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Completion”	completion of the sale and purchase of the Property
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules

“Director(s)”	the director(s) of the Company
“FFL”	Formal Focus Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	the whole of 4th Floor of Kenning Industrial Building, No. 19 Wan Hoi Road, Kowloon Bay, Hong Kong
“Provisional Agreement”	the provisional agreement for sale and purchase dated 15 September 2015 entered into between FFL as the purchaser and the Vendor as the vendor in relation to the sale and purchase of the Property
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Waylon Limited, a company incorporated in Hong Kong with limited liability

By order of the Board
Winfull Group Holdings Limited
Lee Wing Yin
Executive Director

Hong Kong, 17 September 2015

As at the date of this announcement, the executive Directors are Mr. Lee Wing Yin and Mr. Ngan Man Ho, the non-executive Director is Mr. Lai Hin Wing, Henry and the independent non-executive Directors are Mr. Koo Fook Sun, Louis, Ms. Yeung Wing Yan, Wendy and Mr. Lung Hung Cheuk respectively.